

Category 3	15	15%
Category 4	5	5%
Category 5	2	2%
TOTAL	100	100%

Table 1i reveals that majority 58 or 58% of the respondents were holding a position in category 1 comprising teacher 1 or the level of their position, some 20 or 20% fall on the category 2 which is equivalent to teacher 2, Instructor 1 or its equivalent position in government offices. Few, 15 or 15% of the respondents were holding the category 3 positions equivalent to asst. Prof 1 and its equivalent position. Five or 5% were holding higher positions and only 2 or 2% of the respondents were holding higher positions belongs to category 5. It implies that 78 or 78% of the respondents were holding lower positions labeled as category 1 and category 2 respectively.

Ethnicity

Table 1j below shows the data gathered on the ethnicity of the respondents.

Table 1j

Frequency Distribution of the Respondents I Terms of their Ethnicity

Position	Frequency	Percentage
1. Maguindanaon	57	57%
2. Maranao	17	17%
3. Iranun	26	26%
TOTAL	100	100%

Table 1j reveals that majority 57 or (57%) of the respondents are Maguindanaon, some 26 or 26% are Iranun and few 17 or (17%) are Maranao. It implies that all the respondents belong to the three major ethnicity who live in Maguindanao and Lanao.

Appointment Status

The data on the appointment status of the respondent was reflected in table 1k below.

Table 1k

Frequency Distribution of the Respondents in Terms of their Appointment Status

Appointment Status	Frequency	Percentage
Contractual	20	20%
Probationary	8	8%
Permanent	72	72%
TOTAL	100	100%

Based on table 1k, majority 72 or (72%) of the respondents have nothing to worry about the status of their appointment because they are permanent. Some 20 Or (20%) of them are contractual and few 8 or (8%) are in probationary status. It implies that these some, 2 or (2%) are

the ones who did not avail any of the loans granted by the government particularly the GSIS and the PAG-IBIG respectively.

Monthly Salary

The data on the monthly salary of the respondents is shown in table 11.

Table 11

Frequency Distribution of the Respondents in Terms of their Monthly Salary

Monthly Salary	Frequency	Percentage
P 20,000 and above	31	31%
P 21,000-P 30,000	49	49%
P 31,000-P 40, 000	17	17%
P 41, 000 and above	3	3%
TOTAL	100	100%

Table 11 reveals that most 49 or (49%) of the respondents receiving a monthly salary of between P 21,000.00 – P 30,000.00, at some 31 or (31%) of the respondents have at least P20,000.00 in month. Some 17 or 17% have higher salary of 31,000.00 to P40,000.00 and few or 3 or (3%) of the respondents were receiving a high salary that can sustain their needs, majority of the respondents a salary which is not enough to sustain their daily needs that motivates them to avail loan.

Opinions of the Respondents Regarding Loans granted by the GSIS and PAG-IBIG

This part presented the opinion of the respondents regarding loans granted by the GSIS and PAG-IBIG on what is loan, their opinion regarding loan granted by the GSIS and PAG-IBIG. It also composed of relevant feedback from the respondents on the part of Qur-anic injunctions and hadith in relation to Riba.

In the question what is loan, the respondents narrated the perceptions about loans. According to the respondents, loan is lending money from different lending agencies for the purpose of survival of individual/family necessities, loan is a program of the government for all government employees, and this is a system of borrowing money with interest. In order for the employee to upgrade his/her records she/he shall avail loans offered by the government lending institutions. They also said that loan is not good, meaning riba, but because of unavoidable circumstances, like call of necessity they have done it. Majority of the respondents stated that loan is unacceptable when rules and principles of Shariah is concern. Therefore loan is prohibited.

The following are the answers the question, please state your opinion regarding loan granted by the GSIS and PAG-IBIG. According to the respondents, loans from the GSIS and PAG-IBIG fall under the category of Riba due to fixed interest. Accordingly this is an issue and problem encountered by the Muslim employee since that they are working in non-Islamic institution; they were forced to avail of loans in order to upgrade their records and sometime they have also no choice out of necessity because some circumstances that cannot be avoided like members of the family being hospitalized

or any forms of adversity that me befall in the family. Some said that in Islam, it is prohibited upon the lender to stipulate any increase to his loan. Therefore, GSIS and PAG-IBIG system lending money, stipulating an interest on money, which is Haram.

Another respondent said that any interest based transaction is prohibited in the point of view of Shariah. Therefore, as a Muslim, an believer of Islam we must avoid availing of loans from different lending agencies, as it is forbidden and can harm our belief (Faith).

In the case of anticipated follow-up whether loans granted by the GSIS and PAG-IBIG categorized as usury (Riba)? Particularly on what specific Prophetic Traditions or Qur'anic injunctions can be cited to justify that loans granted by the GSIS and PAG-IBIG which cannot be categorized as usury (Riba).

Most of the respondents said, yes. It means that the loans are categorized as Riba. Any interest based transaction is prohibited in the point of view of Shariah, since the loans granted by the GSIS and PAG-IBIG is an interest based transaction so it falls into Riba. Another respondent said that loan is definitely usury or Riba due to interest stipulated, but the Hadith stated as "Wamaastakirowminho" ...meaning it is allowable because of the situation that the government is un-Islamic.

According to other respondent, loan is highly evident as usury due to its interest. As Allah stated in the holy Qur'an said,

وَمَا آتَيْتُم مِّن رَّبًّا لِّيَرْبُوَ فِى أَمْوَالِ النَّاسِ فَلَا يَرْبُوا عِندَ اللَّهِ
وَمَا آتَيْتُم مِّن زَكَاةٍ تُرِيدُونَ وَجْهَ اللَّهِ فَأُولَٰئِكَ هُمُ الْمُضْعِفُونَ



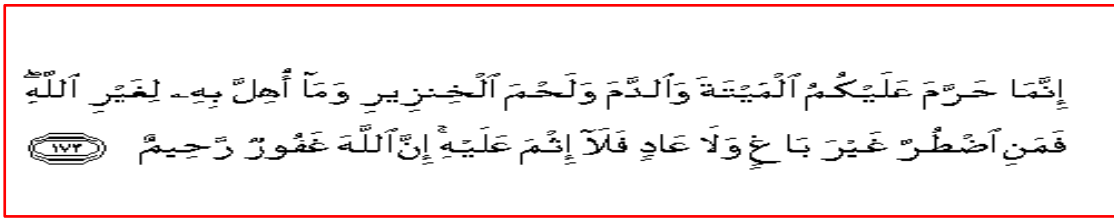
"What do you give (loan) in the form of usury to human property, then it does not increase with Allah": but that which ye lay out for charity, seeking the Countenance of Allah, (will increase): it is these who will get a recompense multiplied. (Sura .ar-Rum: 39).

"IbnMas'ud says that the Prophet (pbuh) cursed the consumer of interest and the 'one who feeds it' and the one who witnesses it and the one who documents it." Ibn Maja (2277).

Consequently, loan is forbidden in the eyes of Allah S.W.T, so as a Muslim or believers of Islam should be refrained from w availing any loan offered by different agencies whether private or government lending institution.

B. If the loans granted by the GSIS and PAG-IBIG fell under the category of usury (Riba), are there any excuses to the Muslims availing this loans living in the secular society like the Philippines?

According to Dr. Abdul M. Lantong one of the faculty members in Islamic Education said. "No. Being a resident of a secular society is not unexcused from the law that prohibits interest transaction. However, the law giver gives concession to the responsible person if he/she is in the state of necessity. But it does not mean that prohibited transaction becomes allowable or legal. But because of necessity the person is allowed to do so, she/he is exempted from punishment by Allah, example life between deaths or he is in danger, in order to save his/ her life he is allowed to do it, another example is eating pork if the person is in the state hunger and she/he have no choice but to eat pork she/ he is allowed to eat it".As analogy if the person is in the state of necessity he she allowed to do it as Allah said



“But if any forced by hunger with no inclination to transgression, God (Allah) is indeed off-forgiving Most Merciful.” Surah Al-Baqara Ayah 173. The Prophet S.A.w said " people are excused in punishment if he is in forced or in a situation in danger."

Another respondents said, No, law is law wherever you are, the place does not matter but the religion matters this does not mean that when you are living in the secular society you are excused in doing things that are against your religion, but there are some exemptions if the people is in danger there is no choice, but to do it, so this is an exemption to one not face the punishment, provided that the person is not willing to do it but only forced of the situation.

Therefore, religion does not evolve. But the people must adjust or live in accordance to its belief (Iman) as well in the teaching of the Prophet Muhammad S.A.W.

Motivations for Availing Loans

Table 2 presents the weighted mean of the motivations of the respondents for availing loans in the PAG-IBIG and GSIS loaning institutions.

Table 2

Motivations for Availing Loans in GSIS and PAG-IBIG

(n=100)

Item	Rating			Weighted Mean	Description
	1	2	3		
1. I prefer to avail loans from GSIS or PAGIBIG than to pawn my accessories.	33	35	32	1.99	Sometimes
2. I avail loan from GSIS and PAG-IBIG to buy a new car/ motor and other transportation for livelihood.	37	53	10	1.72	Sometimes
3. I avail loan from GSIS and PAG-IBIG to sustain my further study.	33	43	24	1.90	Sometimes
4. I avail loans from Pag-ibig and GSIS to finance my business/farm.	39	50	11	1.72	Sometimes
5. I borrowed from either PAG-IBIG for the renovation of our house.	44	39	17	1.72	Sometimes
6. I avail loans from PAG-IBIG and GSIS in payment for the hospital bill.	17	40	43	2.26	Sometimes
7. I borrowed money from private entities to augment the budget of the family.	34	33	33	1.99	Sometimes
8. I avail loans from GSIS and PAG-IBIG so that I can help others out of this money.	60	37	3	1.42	Never
9. I avail Loans from GSIS to purchase communication facilities needed (e.g. Cellphone and personal computers, etc.	81	19	0	1.19	Never
10. Every enrolment I avail loans for my children's needs.	35	49	16	1.81	Sometimes
OVERALL MEAN				1.77	Sometimes

Legend 2.50 – 3.49 Agree (A)
1.50 – 2.49 Disagree (DS)

1.00 – 1.49 Strongly Disagree (SD)

The table revealed that the respondents rated these institutions as sometimes with a grand mean of 1.77 described also as Sometimes in the scale used. Respondents availed of loans even though they are Muslim because it is a part of being employed; they don't have choice because it is mandatory.

The result implies that the Ibadah of Muslim professionals are not affected in availing of any loan either government loan or private loan because they are doing it for their necessity only. Ibadah of every individual could not be seen in attitudes towards Riba. Ibadah is something in our inner selves, somewhere in our spiritual beliefs that will be known only through one's honesty sincerity and religiosity.

It can be inferred that most of the respondents sometimes avail loans because of the motivations being mentioned in the table. It further shows that respondents are only availing loans occasionally.

Impact of Availing loans

The data gathered here have bearing on the impact of availing loans, that is, economic impact, social impact and psychological impact.

Table 3
Frequency and Weighted Mean Distribution on the Response of Respondents on the Impact of Government loans to the Ibadah (Worship)
(*n=100*)

Item	Frequency				Weighted Mean	Description
	1	2	3	4		
a. Salat Five times a day prayer	41	48	11	0	1.67	Disagree
b. Jum'a Friday Congregation Prayer.	54	37	9	0	1.55	Disagree
c. Observance of Fasting (Sawm)	50	50	0	0	1.50	Disagree
d. Recital of Shahada (Declaration of faith)	34	50	12	4	1.86	Disagree
e. Giving the alms/Zakat	54	46	0	0	1.46	Strongly Disagree
f. Performance of pilgrimage to Makkah.	52	48	0	0	1.48	Strongly Disagree
g. Giving charity/Sadaqa	48	37	15	0	1.67	Disagree
h. Food consumption	50	50	0	0	1.50	Disagree
i. Kindness to my co- teacher	41	44	15	0	1.74	Disagree
j. My cooperation to the extra-curricular activities.	34	50	12	4	1.86	Disagree

k. Kindness to my co- teacher.	48	44	8	0	1.6	Disagree
l. My cooperation to the extra-curricular activities.	41	53	6	0	1.56	Disagree
m. Helpfulness to my co- teacher.	32	46	22	0	1.9	Disagree
n. Helpfulness to my co- teacher.	54	46	0	0	1.46	Strongly Disagree
OVERALL MEAN					1.64	Disagree

Legend: 3.50 – 4.00 Strongly Agree (SA)
2.50 – 3.49 Agree (A)
1.50 – 2.49 Disagree (DS)
1.00 – 1.49 Strongly Disagree (SD)

Table 3 shows that the overall mean of 1.64 reveals that the respondents disagree in the statement mentioned in the table. Availing of Loans/ Riba will affect the Ibadah of every Muslim Professional because this is Haram or prohibited in Islam;

This means that the impact of government loans to the Ibadah of the respondents shows that availing loans did not help to strengthen the spiritual belief of individual. It implies that the respondents were fully aware about the consequences in availing loans but they still were doing it due to the call of necessity.

Economic Impact

In this table, it reveals the economic impact of availing loans.

Table 4
Frequency and Weighted Mean Distribution on the Response of Respondents on the Economic Impact Of Loan (n=100)

Item	Frequency				Weighted Mean	Description
	1	2	3	4		
a. Strengthened my business	41	51	8	0	1.69	Disagree
b. Strengthened my livelihood project.	54	37	9	0	1.75	Disagree
c. Widened my farm area.	39	51	10	0	1.71	Disagree
d. Riba will bring chaos and crisis to the economy.	0	0	50	50	3.5	Strongly Disagree
e. Loans increase my investment.	54	46	0	0	1.64	Disagree
OVERALL MEAN					2.06	Disagree

Legend: 3.50 – 4.00 Strongly Agree (SA)
2.50 – 3.49 Agree (A)
1.50 – 2.49 Disagree (DS)
1.00 – 1.49 Strongly Disagree (SD)

The respondent indicated that availing loans did not increase their business with a computed weighted mean of 1.69 described as disagree. This is also means that their business did not prospered by loans availed by them. The mean 1.75 strongly disagree stressed that the loans offered by the GSIS and PAG-IBIG have nothing to do in strengthening the livelihood of the respondents. The mean 1.71 strongly disagree that the livelihood of the respondents is widened. The 3.5 weighted mean described as strongly disagree simply means that Riba bring chaos and crisis to the economy. The mean 1.64 shows that the respondents strongly disagree that availing loans increase their investment. In the table, the respondents indicated that availing loans has no positive impact on their economy as indicated by the grand mean of 2.06 described as disagree in the scale used.

It implies obviously that the loans offered by the government did not help the economic growth of the respondents.

Social Activities Impact

Table 5 presents the weighted mean on the different variables that describe the social impact of loaning in the PAGIBIG and GSIS institutions.

Table 5
Frequency and Weighted Mean Distribution on the Response of Respondents on the Social Activities Impact of Loan (N=100)

Item	Frequency				Weighted Mean	Description
	1	2	3	4		
A. Riba will divide people into classes: a. Upper class b. Middle class c. Lower class	0	0	53	47	3.47	Agree
B. Riba generates envy and hatred among the poor toward the rich.	0	0	58	42	3.42	Agree
C. Resulting in social disorders, conflicts and at fines breeds	0	0	53	47	3.47	Agree
D. Riba also will create wide gap between the rich and the poor.	0	0	55	45	3.45	Agree
OVERALL MEAN					3.45	Agree

Legend: 3.50 – 4.00 Strongly Agree (SA)
 2.50 – 3.49 Agree (A)
 1.50 – 2.49 Disagree (DS)
 1.00 – 1.49 Strongly Disagree (SD)

The table revealed that the majority of the respondents rated agree all item on this particular category with the grand mean 3.45 that Riba will divide the people into classes like upper class, middle class and lower class.

This further generates envy and hatred among the poor toward the rich, resulting in social disorders and conflicts. Riba will also create wide gap between the rich and the poor. This

happened because the rich will gain profit through the interest of their money from debtor. It implies that the loans offered by the government affect the social activities of the people.

Psychological Impact

Table 6 presents the weighted mean on the different variables that describe the psychological impact of loaning in the PAGIBIG and GSIS institutions.

Table 6
Frequency and Weighted Mean Distribution on the Response of Respondents on the Psychological Impact of Loan

Item	Frequency				Weighted Mean	Description
	1	2	3	4		
A. Create lazy capital owner.	0	0	48	52	3.52	Strongly Agree
B. . Create bad attitude like: a. Materialism b. Selfishness c. Arrogance d. Inhumane	0	8	59	33	3.25	Agree
C.Riba harms human relationship.	0	6	57	37	3.31	Agree
D. Create greediness.	0	0	48	52	3.52	Strongly Agree
Grand Mean					3.40	Agree

Legend: 3.50 – 4.00 Strongly Agree (SA)
 2.50 – 3.49 Agree (A)
 1.50 – 2.49 Disagree (DS)
 1.00 – 1.49 Strongly Disagree (SD)

As revealed on this table, the respondents believed that loaning create lazy capital owner with a computed weighted mean of 3.52 described as Strongly Agree in the scale used. The same number of respondents had the opinion that the psychological impact of loan creates greediness with a computed mean of 3.52 also described as Strongly Agree on the same scale used. The respondents had the unanimous ideas that loan has negative psychological impact on human person with a computed grand mean of 3.40 described as Agree in the scale used.

Summary

This study aimed to find out the opinion of the Ulama working in the government regarding loans. Specifically, this sought to would answer the following questions: What is the Socio- Economic profile of the respondents in terms of; Age, Sex, Civil Status, Number of Years in service, Number of Children, Type of House, Type of Loan, Educational Attainments, Rank and Position, Appointment Status and Salary? What are the opinions of the respondents on the loans granted by GSIS and PAG-IBIG? What are the motivations for availing loans? What is the impact for availing loans?

A qualitative descriptive research design was utilized in the study. The study was conducted in Cotabato City. There were a total of 100 Ulama respondents purposively selected

using the criteria that they were working in the government who served as the mean source of information using a self-made structured survey questionnaire and an interview schedule to key informant.

Findings

The findings that emerged from statistical analysis of the data gathered from the respondents were summarized as follows: Majority of the respondents 36 percent has an age bracket of 31-40 years old. It implies that majority of the respondents were in the age of maturity. In terms of their gender, the female respondents outnumbered the male respondents, that is, 64 percent female and 36 percent male. In terms of the present job, majority 65 percent of the respondents have been working for up to seven (7) years. Out of 100 respondents, majority 79 or 79 percent of these were married, few 20 or 20 percent were single and only one or 1 percent was separated. It implies obviously that majority of the respondents were married and mature enough to handle problems in life. It implies that most of these employees/ teachers have minimal/ or very few siblings of at least three (3) which are manageable even without availing the loans. Most of the respondents sometimes availed loans because of the motivations being mentioned in the table.

It further shows that respondents only availed loans occasionally. The respondents were fully aware about the consequences in availing loans but still there were doing it due to call of necessity.

The loans offered by the government did not help the economic growth of the respondents. The loans offered by the government affect the social activities of the people and create a pang of guilt and conscience in their Shariatic knowledge.

Implication

Based from the forgoing findings, the following implications were drawn:

Most of the respondents who avail loan are based on their necessities. Riba could create lazy capital owner because they gain profit without any effort. Most of the respondents were aware that availing loan is committing riba. However, they still commit because of needs. Riba could also create other bad attitude like materialism, selfishness, arrogance and inhumane.

Recommendation

The following are the recommendations of this study:

Muslim government employee should strive hard not to engage in any kind of Riba and government loan except on what was said in the Quran as excuses on forced by the situation. *“But if any is forced by hunger with no inclination to transgression, God (Allah) is indeed oft-forgiving Most Merciful” (Al-Imran) Ayah 3,* *“But if one is neither forced by necessity, without willful disobedience, nor transgressing due limit, and then is he guiltless. For God is oft-forgiving Most Merciful” (Surah Baqara Aya 173)* and the Hadith of Prophet Muhammad (S.A.W.)

Institutional administrator or heads should cooperate in helping the employee to avoid Riba and government loans because these are not excused in the punishment of Allah because they signed and agreed that those under them would engage in Riba and loan, as said in the Quran, *Those who charge Riba are in the same position as those controlled by the devil’s influence. This is because they claim that Riba is the same as commerce. However, God permits commerce,*

and prohibits Riba. Thus, whoever heeds this commandment from his Lord, and refrains from Riba, he may keep his past earnings, and his judgment rests with God. As for those who persist in Riba, they incur Hell, wherein they abide forever” (Quran 2:275) as in the Hadith said by the Prophet Muhammad (S.A.W.) “Jabir said that Muhammad cursed the accepter of usury and its payer, and one who records it, and the two witnesses, and he said: They are all equal in punishment”.

Additional recommendation is for the sinner of Riba to study and learn the way of salvation and repentance in Allah. They must not avail of loan except by forced of circumstances or by worst situation like hunger or it is between life and death situation but after committing it , it is a requirement that they should repent. For after all Allah is merciful and forgiving as stated that Allah said in the Qur an, “And turn all of you in repentance to Allah, Oh believers, in order that you may be successful.” Surah An- Noor Ayah 31 Prophet Muhammad (S.A.W.) said in his Hadith “One who repents from sin is like one without sin.” Ibn Maajah. Quran said also “Surely I will repeatedly forgive those who repent, believe and do righteous deeds, and then accept right guidance.” Surah Taha Ayah 82.

Finally, there is need to strengthen the Da’wah among the members to avoid availing loans if the sole purpose is for extravagance in all forms because it is highly prohibited in Islam. In big cities taking loans from banks and financial institutions for purchasing houses, car and for higher and professional education, have become norm. People no longer have the Islamic spirit of helping their needy brethren by giving interest-free loans.

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