# PARTNERSHIP STRATEGY AS AN EFFORT FOR ECONOMIC EMPOWERMENT TO ENHANCE THE ECONOMY OF TOBACCO FARMERS: A PERSPECTIVE OF FIQH MUAMALAH AT PT. SADHANA JEMBER

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#### **Abstract**

The aim of this research is to explore the partnership strategies implemented by PT. Sadhana Jember to enhance the economic status of tobacco farmers and the partnership patterns at PT. Sadhana Jember from the perspective of figh muamalah. The research methodology employed is qualitative research. Data collection techniques include observation, interviews, and documentation. The data analysis technique utilized is qualitative data analysis employing triangulation methods including data reduction, data display, and conclusion drawing. The findings reveal that PT. Sadhana Jember's partnership strategy, known as the Core-Plasma pattern, prioritizes partners as the core and the company as the plasma. This strategy involves internal identification, partner selection, and agreement establishment. The welfare impacts encompass meeting basic needs and spiritual fulfillment, reflecting a comprehensive approach. From a figh muamalah standpoint, Mudharabah and Musyarakah financing models propel agricultural development, particularly in tobacco farming, instilling economic awareness and benefiting landowners through profit-sharing arrangements, consequently elevating their living standards.

**Keywords:** Partnership Strategy, Economic Empowerment, Economy of Tobacco, Fiqh Muamalah

# **INTRODUCTION**

As an agrarian country, the agricultural sector plays a strategic role in national development. According to Soekartawi as cited in Ashari, recognizing the importance of the agricultural sector, among its roles are as the main source of livelihood for a majority of the population, contribution to GDP, export contribution (foreign exchange earnings), industrial raw materials, as well as providing food and nutrition.

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Several times, the agricultural sector has proven capable of being a backbone of the national economy during economic crises. Not only that, based on data from the Central Statistics Agency (BPS), as of August 2022, out of 135.3 million employed individuals, 29.96% of them work in the agricultural sector. This figure indicates that the number of farmers in Indonesia reaches 40.64 million people. The agricultural sector grew by 1.84% (yoy) in 2021 and contributed 13.28% to the national economy. Then, in Q2-2022, the agricultural sector showed consistency with a positive growth of 1.37% (yoy) and contributed 12.98% to the national economy. Therefore, Indonesia not only has a strategic role but also is a country with significant economic potential in the agricultural sector.

Despite having a strategic role and significant potential in the agricultural sector, Indonesia is still confronted with several issues such as agricultural production infrastructure, especially the lack of funding. As an essential element in increasing production and the living standards of rural communities, the absence of capital can limit the sector's movement. The need for capital will increase with the variety of commodity options and cultivation patterns, technological advancements, cultivation, post-harvest handling, and rapid processing of results. In the era of agricultural technology, intensive capital deployment, both for agricultural tools and production facilities, cannot be avoided. The problem arises again because most farmers cannot finance capital-intensive farming with their own funds.

To ensure fairness for farmers, there is a need for a farmer partnership system that aligns with the characteristics of the agricultural sector. With the current situation, financial institutions are not yet supportive of the agricultural sector or perhaps no longer an alternative for farmers in seeking their capital needs. It is known that the partnership system has also been taught in Islamic values. Partnership is one form of muamalah (transactions) which is derived to become the rule of the game or human rules in social life. Meanwhile, universality means that Islamic Sharia can be applied in time and place until the end of time. This universality is clearly evident, especially in the field of muamalah. In addition to having broad and flexible coverage, muamalah does not differentiate between Muslims and non-Muslims.

Partnership is a cooperation between two or more parties for a particular effort in which each party contributes funds with the agreement that profits and risks will be shared according to the agreement. Usually, the Islamic partnership system used in the agricultural sector includes muzara'ah, mukhabarah, and musaqah. The difference between these systems is that muzara'ah involves landowners providing seeds, mukhabarah involves tenants providing seeds, and musaqah is a simplified form of muzara'ah where tenants are only responsible for watering and maintaining as compensation. As stated in the Quran in surah Al-Maidah verse 1:

"O you who have believed, fulfill [all] contracts. Lawful for you are the animals of grazing livestock except for that which is recited to you [in this Qur'an] - hunting

not being permitted while you are in the state of ihram. Indeed, Allah ordains what He intends."

And in surah An-Nisa' verse 29:

"O you who have believed, do not consume one another's wealth unjustly but only [in lawful] business by mutual consent. And do not kill yourselves [or one another]. Indeed, Allah is to you ever Merciful."

Optimizing the utilization of local potential is one of the next steps in community empowerment that utilizes local potential and resources. This potential includes all existing resources such as natural resources, human resources, and social resources. One form of optimizing the use of local potential in empowering the community's economy is through the utilization of human resources.

PT. Sadhana is one of the largest tobacco warehouses in Jember Regency. PT. Sadhana collaborates with PT. HM Sampoerna in supplying tobacco and increasing tobacco productivity in Jember. PT. Sadhana Jember implements a partnership program with farmers as an optimization of local potential. The program is carried out through tobacco supplier companies to improve the quality of tobacco and the welfare of farmers. The partnership program is realized through mentoring, technical guidance, easy access to agricultural production financing and infrastructure, and a guarantee of tobacco purchases according to agreements between suppliers and farmers. Recognizing the importance of the sustainability of tobacco farming and the social welfare level of farmers' lives, PT. Sadhana provides mentoring to farmers three (3) times before tobacco seedling and planting. Providing capital access to farmers, as well as providing access in the form of production equipment packages. The partnership program guarantees the absorption of production in accordance with the agreement between tobacco farmers and suppliers. The partnership program has prevented farmers from lengthy tobacco trading chains and middlemen, thus potentially reducing farmers' profits significantly.

Therefore, this research deeply examines the partnership system applied by PT. Sadhana Jember and its impact on farmers in improving the farmers' economy, as well as being reviewed from the perspective of fiqh muamalah. Based on the background provided, this research focuses on partnership strategies as efforts to empower the economy to improve the tobacco farmers' economy applied by PT. Sadhana Jember and its impact on farmers, as well as being reviewed from the perspective of fiqh muamalah.

#### **RESEARCH METHOD**

The research method consists of a description of the type of research, data collection, data sources, data types, and data analysis. Written in paragraph form.

This study employs a qualitative approach, as it aims to produce descriptive data in the form of written words. According to Bogdan and Taylor, qualitative

research is a procedure that generates descriptive data in the form of written or oral words from individuals and observable behaviors directed towards the holistic understanding of contexts and individuals. As for its type, this research utilizes field research, where the researcher observes a phenomenon in its natural setting. Field research is also understood as a qualitative approach or data collection method, with the emphasis on researchers immersing themselves in the field to observe a phenomenon in its natural state. In this study, the researcher will observe a phenomenon concerning partnership strategies applied by PT. Sadhana Jember with farmers, as well as the partnership patterns established between PT. Sadhana and farmers as efforts towards economic empowerment and enhancing farmers' economic conditions from the perspective of figh muamalah.

In this study, the researcher conducted observations and interviews with individuals perceived to possess knowledge about the situation and conditions under investigation. The selection of data sources for the interviewed individuals was purposive, meaning they were chosen based on specific considerations and objectives. The informants involved in this research, who are knowledgeable about the aspects being studied, include: 1. The manager of PT. Sadhana Jember, 2. Employees of PT. Sadhana Jember, specifically Agricultural Field Extension Officers (PPL), and 3. Partners of PT. Sadhana Jember with whom they have been collaborating for five (5) year

The collection data using observation, interview, and documentation

In this study, the researcher employed qualitative descriptive data analysis. The analysis commenced with the systematic organization of data acquired from interviews, field notes, and documentation. This involved categorizing data, delineating units, synthesizing information, establishing patterns, prioritizing salient points for investigation, and drawing conclusions to ensure clarity for both self-understanding and communication to others

### **RESULT AND DISCUSSION**

# **Analysis/Discussion**

The Partnership Strategy Implemented by PT. Sadhana Jember to Enhance Tobacco Farmers' Economy

Based on field research findings, the partnership strategy employed by PT. Sadhana Jember is the Core-Plasma model, wherein the Partner functions as plasma and PT. Sadhana Jember as core, with steps involving Internal Identification, formulating aspects to be partnered, seeking suitable partner candidates based on company criteria, and reaching agreements with potential partners. The Welfare Impact felt by partners and the community includes the fulfillment of basic needs reflected in adequate housing, sufficient clothing and food, affordable and quality

education, and healthcare costs. Essentially, the perceived welfare entails meeting both physical and spiritual needs.

Partnership is adapted from the word "partnership," which signifies an alliance or collaboration. Partnership can be interpreted as a form of alliance between two or more parties forming a cooperative relationship based on agreement and mutual need to enhance capacity and capability in a specific business field or for a particular purpose, thereby achieving positive outcomes.

Every endeavor utilizing partnership methods certainly possesses its own pattern. Partnership patterns represent forms or systems to be implemented in business partnerships between micro, small, and medium enterprises (MSMEs) and larger enterprises, tailored to the nature or business being partnered. Partnership patterns are fundamentally categorized into two: direct mentoring patterns and cooperation patterns. Direct mentoring patterns involve direct engagement between large enterprises (mentoring companies) and micro, small, and medium enterprises (their mentees).

Partnership Patterns at PT. Sadhana Jember in the Perspective of Figh Muamalah

Research findings in the field indicate that Mudharabah and Musyarakah are investment financing models that have significant impacts on the development of the real sector and the productivity level of human resources. The concepts of Mudharabah and Musyarakah will steer economic behavior towards a better and more productive direction. Farmers will be more concerned about the funds they deposit in the mukhabarah profit-sharing system, which is a cooperation agreement between landowner farmers and PT. Sadhana Jember, where profit-sharing agreements are made after the tobacco is harvested and the results are subtracted from the initial capital.

Muzara'ah, the profit-sharing from this cooperation, is in the form of net harvest results after deducting maintenance costs and seed capital for planting tobacco. Musaqah, a partnership system or musaqah contract for landowners, has many benefits, such as helping economically weak communities to earn additional income, thus improving their living standards.

Each partnership effort has its own pattern. Partnership patterns are forms or systems employed in business partnerships between micro, small, and medium enterprises (MSMEs) and large enterprises, tailored to the nature of the partnership. Partnership patterns are generally categorized into two: direct development patterns and cooperative patterns. Direct development patterns involve direct involvement between large enterprises (mentoring companies) and micro, small, and medium enterprises (their partners).

The purpose of forming a partnership is to achieve better results by providing mutual benefits between the partnering parties. Thus, partnerships should be

beneficial to all parties involved, and no one should be disadvantaged or harmed. Strong and mutually beneficial partnerships that maximize benefits require balanced commitment among all parties involved. Partnerships can be formed by individuals, legal entities, or groups. The partnering parties may have equal or subordinate statuses, share the same mission or have different missions but complement each other functionally.

Based on the research findings regarding partnership patterns at PT. Sadhana Jember from the perspective of fiqh muamalah, it appears to be very effective. This is evidenced by observations and interviews conducted by researchers, which show that it helps uplift the economies of both parties (landowners and PT. Sadhana Jember). For landowners, it improves their economy because profit-sharing agreements provide greater benefits compared to leased land arrangements. And for land cultivators, this partnership provides them with steady employment, which is more efficient than their previous sporadic work.

#### CONCLUSION

The partnership strategy employed by PT. Sadhana Jember is the Core-Plasma pattern, where Partners function as the core and PT. Sadhana Jember as the plasma. The steps involve internal identification, formulating aspects that need partnering, seeking suitable partner candidates, and making agreements with potential partners. The Welfare Impact felt by partners and the community is reflected in the fulfillment of basic needs, such as adequate housing, clothing, and food, as well as affordable and quality education and healthcare. Essentially, the perceived welfare is the fulfillment of both physical and spiritual needs.

The partnership pattern at PT. Sadhana Jember from the perspective of fiqh muamalah is appropriate, wherein Mudharabah and Musyarakah are financing models that have tangible impacts on the development of the agricultural sector, especially in tobacco cultivation and human resource productivity. The concepts of Mudharabah and Musyarakah lead to positive and productive changes in economic behavior, making farmers more conscious of improving the economy. Profit-sharing agreements between land-owning farmers and PT. Sadhana Jember are made after the sale of tobacco, with profits distributed after deducting the initial capital. Profit-sharing, in various forms such as Muzara'ah and Musaqah, benefits landowners by providing additional income opportunities, particularly for economically disadvantaged communities, thus improving their standard of living.

It is hoped that through partnerships, tobacco farmers can contribute to enhancing the community's human resources. Initially unaware of the techniques required for high-quality tobacco cultivation, the partnership can assist tobacco farmers in improving their livelihoods. For PT. Sadhana, this partnership can yield tobacco of the highest quality, increase sales, and accelerate the company's growth.

It is suggested that the partnership agreement between PT. Sadhana Jember and tobacco farmers be conducted effectively at the outset to ensure that neither party feels burdened or disadvantaged, thus fostering a long-lasting and mutually beneficial partnership.

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