

Implementation of The Musyarakah Agreement in the Profit Sharing System of Chicken Farming (Case Study of Selayang Village, Selesai District, Langkat Regency)

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Article Info	ABSTRACT
Keywords: Musyarakah Contract, Profit Sharing, Chicken Farmer	<p>This research is motivated by a collaborative system in poultry farming, which has been seen rapid growth but still faces major challenges, particularly limited capital availability . The profit- sharing partnership system requires a large area of land, similar to partnerships in cattle, goat, and chicken farming. Such a partnership takes place in Selayang Village, Selesai Subdistrict, Langkat Regency, particularly in the profit-sharing system applied to the chicken farm owned by Mr. Iswandi. This study employs a qualitative approach using field research methods, tailored to the main objective of describing and implementing the application of a profit- sharing system in poultry farming based on the Musharakah contract . The findings show that Musyarakah is a cooperative agreement between two or more parties in a specific business where each party contribute capital, and profits and risks are shared according to a mutual agreement . In this poultry farming profit-sharing system, there is no demand for equal division of labor ; instead, each party is responsible for the tasks agreed upon at the start of the contract . In this case, PT Indonesia Agrinusa – Binjai is responsible for assisting the farmer throughout the chicken rearing period until harvest and also plays a role in marketing the products . Meanwhile, the farmer, Mr. Iswandi, is responsible for maintenance the chicken throughout the duration of the partnership .</p>
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INTRODUCTION

Islam is a comprehensive and universal system of life, which regulates all aspects of human life, from social, economic, political, to spiritual life. Islam not only regulates human relations with God, but also with fellow human beings. Thus, all aspects of human life such as faith, worship, morals, and muamalah are comprehensively regulated in Islam so that humans can live a balanced life and gain happiness in this world and the hereafter (Sholihin & Mun'im, 2019) . Islam teaches its followers not to only focus on the afterlife by ignoring the world, but are also encouraged to strive and utilize all their potential to meet their life's needs. Trying and working in the Islamic perspective is not only about seeking material income, but also has the value of worship and reward if done with the right intentions and in a way that is in accordance with sharia (Jurnal et al., 2021) .

In the context of entrepreneurship, establishing a business requires not only expertise and enthusiasm, but also sufficient capital as the main factor for success. Many people have adequate expertise and a strong desire to try, but are constrained by limited capital. This raises the need for a cooperation system that can help overcome the capital problem (Haerul, 2022) . In addition, with the increasing population and increasing living needs, as well as the decreasing natural resources available, people are beginning to realize the importance of working together to face various obstacles and challenges in everyday life. This awareness gives rise to social norms and rules that regulate relationships between individuals so that there are no conflicts of interest and common goals can be achieved harmoniously (Sinambela et al., 2023) .

Musyarakah is a form of cooperation that is widely used in the sharia financing system. This term refers to a partnership agreement in which two or more parties agree to combine capital and labor to run a joint venture, with profit sharing according to agreement and risk sharing according to the capital contribution of each party (Haerul, 2022). In a musyarakah agreement, the contracting parties can agree to the same or different capital contributions, and the distribution of profits does not have to be proportional to the capital, as long as it has been mutually agreed upon. However, the distribution of losses must be proportional to the amount of capital contributed by each party. This agreement provides flexibility in running a joint venture, while ensuring justice for all parties (Kamaruddin, 2022).

An example of the application of musyarakah in society can be found in the chicken farming business cooperation in Selayang Village, Selesai District, Langkat Regency. In this village, one of the residents, Mr. Iswandi, runs a chicken farming business with capital obtained through cooperation with PT Indonesia Agrinusa - Binjai. This collaboration has been running for quite a long time and has become a successful partnership model, where each party has a clear role and responsibility. Mr. Iswandi as a farmer is responsible for providing cages and caring for the chickens until harvest time, while PT Indonesia Agrinusa acts as the provider of initial capital which includes the purchase of chicken seeds, feed, and medicines needed during the maintenance process (Nurhafizah Nazwa & Zidny Nafi, 2021).

The initial capital provided by PT Indonesia Agrinusa includes 4,000 chicken seeds, along with the cost of feed and medicine which are the full responsibility of the company. In the profit sharing system they agreed upon, all initial capital and operational costs are borne by PT Indonesia Agrinusa . After the chickens are harvested and the results are sold, the profits obtained will be calculated by subtracting operational costs from sales revenue. The remainder is then distributed to the farmers as part of the results of the cooperation. This system allows farmers to make a profit without having to bear the full capital risk, while investors receive a share of the profits according to the capital contribution that has been given.

As an illustration, in one harvest period, with a chicken population of 4,373 chickens and a total harvest weight of more than 8 tons, the total income obtained reached around Rp150 million. After deducting operational costs of Rp120 million which include feed and medicines, the net profit obtained was around Rp30 million. This profit is the portion received by Mr. Iswandi as a result of cooperation with PT Indonesia Agrinusa during the harvest

period. Through this mechanism, both parties receive benefits fairly and equally according to the contributions and risks they bear.

This musyarakah cooperation system is a practical solution to overcome capital constraints that are often faced by small and medium business actors, especially in the livestock sector (Rani Rahayu & M. Zidny Nafi' Hasbi, 2022) . With this cooperation, farmers like Mr. Iswandi can continue to run their businesses without having to think about capital limitations, while investors can obtain profits according to the agreement without being directly involved in the daily operations of the farm. This model reflects the principles of justice and mutual assistance in Islam, and shows that sharia principles can be applied effectively in various aspects of the community's economy.

In addition to the economic aspect, musyarakah cooperation also teaches the values of responsibility and trust between the parties involved. Each party must carry out their duties and obligations in accordance with the roles agreed upon at the beginning of the contract. In the case of a chicken farm in Selayang Village, Mr. Iswandi's responsibility is to care for the chickens while PT Indonesia Agrinusa plays a role in mentoring and providing production needs, becoming a real example of how the principle of division of labor in musyarakah can work well. This system does not require the same volume of work, but rather the conformity of the agreed responsibilities.

This collaborative experience can be an example and inspiration for other communities who want to develop businesses with limited capital. With a fair and transparent profit-sharing system, this kind of collaboration provides an opportunity to expand the business sustainably. The musyarakah model also avoids the risk of capital monopoly by one party only, thus providing equal opportunities for small business actors to develop and contribute to the local economy (Aziroh, 2014) .

Overall, the implementation of musyarakah contract in the profit sharing system of chicken farming in Selayang Village is a real manifestation of the implementation of sharia values in the business world. This system not only provides financial solutions, but also fosters a spirit of cooperation, justice, and shared responsibility. Thus, musyarakah can be used as an alternative financing model that can be developed more widely in various Muslim business sectors, especially in rural areas that still have limited access to capital and infrastructure.

METHOD

The type of research used in this study is field research (research), which is a research method conducted by going directly to the research location to obtain data from the first source (Utsman, 2014) . The object of this study is the implementation of the musyarakah contract on the profit sharing system of chicken farming in Selayang Village, Selesai District, Langkat Regency. The selection of this location was motivated by its location which is close to the researcher's residence, making it easier to collect data intensively. In addition, the majority of the people in Selayang Village are Muslim and have long known and implemented a profit sharing system based on the musyarakah contract in chicken farming business activities, making this location relevant and strategic for further research.

This research lasted for approximately three months, starting from February to April 2025. During this period, researchers conducted direct observations of the chicken farming business practices run by the community, especially those implementing a cooperation system with other parties through the musyarakah scheme. The main focus of the research was directed at the process of implementing the contract, the role of each party in the cooperation, and the profit-sharing mechanism applied. This research also aims to examine the extent to which sharia principles are implemented in the economic practices of local communities, and how this system can provide benefits both financially and socially.

One of the main methods in data collection is in-depth interviews conducted directly with chicken farm owners, in order to obtain detailed information about the cooperation process, obstacles faced, and benefits obtained. In addition, researchers also interviewed the surrounding community to explore their views and responses to the existence of the chicken farm business, both in terms of economic, environmental, and social impacts (Abdurrahman, 2021) . The data collected from these two sources provides a complete picture of the implementation of the musyarakah contract in real life, as well as how the community interprets the profit-sharing system in running a business fairly and in accordance with Islamic values.

RESULTS AND DISCUSSION

Langkat Regency, North Sumatra, has great human resource potential, including chicken farming which is one of the investment materials. On the other hand, the existence of chicken farming built in Selayang Village has brought many positive impacts both to improve the welfare of the local community and can also open up job opportunities.

In Selayang Village, there is a chicken farm with a Musyarakah cooperation contract system between PT and the livestock owner. This cooperation is very beneficial for the surrounding community, but it also has a negative impact on the surrounding environment with the presence of chicken manure waste. If not followed up, it will cause disease and pollute the environment.

Scope of Implementation of Musyarakah Contract in Chicken Farming

A Musyarakah contract is a form of cooperation between two or more parties for a particular business each party has a role, by providing contributions each fund where losses and profits are borne each party. In this chicken farming partnership system, there are demands for the volume of cooperation that each party has . role . Where both parties are responsible for their work according to the agreed contract or agreement.

In this case, the company is responsible for accompanying the farmers. from chicken maintenance, choosing chicken seeds, choosing chicken feed until harvest and being responsible for the chicken marketing system. If something happens, the solution is for both parties to contribute to overcoming these obstacles. This kind of implementation is in accordance with the Musyarakah Agreement (Rani Rahayu & M. Zidny Nafi' Hasbi, 2022) .

Based on the researcher's observations, both parties have implemented the concept in accordance with the principles applied according to the Musyarakah Agreement. This was emphasized by Mr. Iswandi, who has chickens, who believes that it is not only helpful, namely

freeing me from usury behavior, this financing system is very helpful where the nature of helping each other also protects me from usury. The company does not charge me for additional capital or interest from the financing . So I am very confident about this partnership, I will not want to run a partnership if it contains usury.

If the farmer experiences a crop failure, which causes the sales results to be unable or insufficient to pay the price of the sapronak, then in this case the partner company will not ask for payment obligations. Regarding the cooperation between the two parties, they work together in managing the chicken farm . All parties provide capital, only the type of capital is different, PT provides capital in the form of chicken seeds, chicken feed and medicines while the chicken owner manages everything such as capital for making cages and operational costs for workers.

The risks experienced by chicken farmers are chicken diseases and chicken deaths as well as unstable selling prices . The positive impact that affects this farm is opening up job vacancies for local residents, while the negative impact is the impact of the smell of livestock waste can disturb local residents if not managed properly.

Benefits of Musyarah Contract in Chicken Farming Cooperation

Cooperation in the form of a Musyarah contract is a form of partnership in Islamic economics that prioritizes the principles of justice and mutual assistance. In this contract, two or more parties work together to run a business, with the division of capital and profits agreed upon at the beginning. One of the main advantages of this contract is its ability to avoid usury practices, because the profits obtained are divided based on a proportional agreement, not a fixed interest as in the conventional system. This is certainly very beneficial, especially for small and medium business actors who want to develop their business in a halal and sustainable manner. In addition to simplifying the business process, the Musyarah contract also encourages the creation of a working relationship that is mutually trusting, transparent, and responsible (Haerul, 2022) .

The implementation of the Musyarah contract is very relevant in the livestock sector, such as in the chicken farm in Selayang Village. In this collaboration, each party contributes capital in the form of money, labor, or production facilities such as chicken coops and feed. The profits obtained from the sale of chickens are divided according to the proportion of each party's contribution. Interestingly, if there is a loss - such as the death of chickens due to an epidemic or crop failure due to weather - then the loss will also be borne together. This makes the collaboration fairer and does not burden one party unilaterally. This system also makes partners more compact in managing risks, and more motivated to maintain production quality and livestock health.

The positive impact of the Musyarah-based chicken farming cooperation is not only felt by the parties directly involved, but also by the surrounding community. The chicken farming business run in Selayang Village has opened up many jobs for villagers. Starting from work as a barn caretaker, feed transporter, egg sorter, to cleaning staff, all of which are additional sources of income for people who previously did not have permanent jobs. Indirectly, this business also contributes to improving family welfare, reducing unemployment rates, and encouraging local economic growth. In fact, some residents have become

interested in learning to raise livestock independently after seeing the positive results of the ongoing cooperation (Agus Nasrudin et al., 2024) .

However, behind the positive impacts, this chicken farming business also has a negative side that needs to be managed properly. One of the main problems is the accumulation of chicken manure which if not cleaned regularly will cause an unpleasant odor and pollute the air. This is certainly very disturbing to the comfort of local residents, especially for houses that are close to the farm location. In addition to the smell, chicken manure can also be a breeding ground for flies and bacteria that cause diseases, such as respiratory disorders and digestive tract infections. Therefore, farm managers must pay serious attention to the sanitation and cleanliness of the cage, for example by scheduling regular cleaning and providing adequate waste disposal channels.

Another equally important issue is the management of dead chicken carcasses. Chickens that die from disease or other causes must be handled immediately and properly so as not to cause environmental pollution. If chicken carcasses are left to pile up or disposed of carelessly, then in addition to causing a pungent odor, this can also pollute groundwater and pose a risk of transmitting disease to other animals and humans. Therefore, a planned organic waste management system is needed, such as disposal in a special place or processing into organic fertilizer. With proper management, the Musyarakah-based chicken farming business in Selayang Village can continue to run by providing economic and social benefits, while maintaining environmental sustainability for the surrounding community .

CONCLUSIONS

Based on the research data in the field, it can be concluded that Musyarakah is a cooperation agreement between two or more parties in running a certain business, where each party contributes funds with the agreement that the profits and risks will be borne together according to the initial agreement. In the chicken farming partnership system studied, there was no demand to equalize the volume of work, because each party is responsible according to the agreement that has been made previously. The company is responsible for assisting farmers from the maintenance period to harvest, and is involved in product marketing, while the farmers focus on raising chickens. If there are obstacles in the implementation of cooperation, the solution taken is for both parties to contribute to solving the problem together. This implementation pattern reflects the application of the Musyarakah contract concept in accordance with the economic principles of sharia law, where partnerships are based on the spirit of justice, shared responsibility, and mutual assistance.

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