

The Implementation of the Mukhabarah Contract and Its Impact on Farmers' Well-being in Mallongilongi Village

Wanda Wulandari¹, Muh. Alim Fasieh², H. Mukhtar Yunus³, Jumaedi Nagga⁴

^{1,2,3,4} Institut Agama Islam Negeri Parepare, Indonesia

Email: wndmms003@gmail.com, mubalimfasiehb@iainpare.ac.id, hmukhtaryunus@iainpare.ac.id,
jumaedi@iainpare.ac.id

Keywords:

mukhabarah, farmers' welfare, profit-sharing, Islamic economics.

Abstract

This study aims to analyze the implementation of the mukhabarah contract and its impact on farmers' welfare in Mallongilongi Village. The background of this study is based on the discrepancy between profit-sharing practices in the field and the principles of justice in Islamic economics. This study employs a qualitative approach using a case study design. Data were collected through observation and interviews, then analyzed descriptively. The results indicate that mukhabarah practices are still dominated by verbal agreements without clear documentation, potentially leading to a lack of transparency in profit-sharing. Additionally, a tendency toward profit-sharing that is not yet fully fair was identified, which impacts the low level of well-being among some farmers. From an Islamic economic perspective, these conditions do not yet reflect the principles of justice, balance, and public interest. Strengthening the understanding of Sharia contracts and improving the profit-sharing system to make it fairer are necessary, and these should serve as the foundation for further research.

INTRODUCTION

Indonesia is known as an agrarian country where the agricultural sector serves as one of the main pillars supporting the economy, particularly in rural areas. This sector not only provides food but also serves as the primary source of income and employment for the majority of the population (Majid, 2022). In practice, various forms of agricultural cooperation have developed within communities, one of which is the mukhabarah contract a profit-sharing system between landowners and farmers.

The mukhabarah contract is a form of agricultural cooperation in which the landowner provides the land, while the farmer provides labor and production capital, and the harvest is then divided according to the agreement (Khoiruna et al., 2023). From an Islamic economic perspective, this contract is based on the principles of justice (*al-'adl*), mutual assistance (*ta'awun*), and the proportional sharing of profits and risks (Adiwarman A. Karim, 2014). Ideally, the implementation of the mukhabarah contract is expected to improve farmers' welfare through a fair and transparent system of crop distribution.

However, on-the-ground realities indicate that the implementation of the mukhabarah contract does not always align with Sharia principles. In Mallongilongi Village, the agricultural cooperation practice known locally as "*marumab galung*" remains dominated by verbal agreements without clear documentation. This situation has the potential to create uncertainty and imbalance in the distribution of harvest proceeds. In fact, in some cases, the practice of profit-sharing in such cooperatives has not fully reflected the principles of justice and transparency. This is evident in profit-sharing arrangements that exhibit a tendency toward the exploitation of harvests, resulting in landowners not receiving a fair share in accordance with the principles of cooperation.

Consequently, the welfare of landowners remains low, characterized by income uncertainty and limitations in meeting basic living needs. This situation contradicts the concept of welfare in Islamic economics, which emphasizes not only the magnitude of income but also the fulfillment of the principles of justice (*al-'adl*), balance (*tawazun*), and public interest (*maslahah*), so that the welfare that should be achieved through mukhabarah cooperation cannot be optimally realized, both from economic and social aspects (Seftianti, 2025). This issue highlights a gap between the ideal concept (*das sollen*) and actual practice in the field (*das sein*). In Islamic economics, welfare is not measured solely by income but also encompasses distributive justice, social balance, and sustainability (Z. Lubis & Ritonga, 2016). Therefore, inconsistencies in the implementation of the mukhabarah contract have the potential to hinder the optimal achievement of farmers' welfare.

Several previous studies have examined the mukhabarah contract from various perspectives. (Khoiruna et al., 2023) emphasize that mukhabarah must be implemented in accordance with Sharia principles, free from elements of *gharar* and *riba*. Meanwhile, Jufri et al. (2022) found that Sharia-compliant implementation of mukhabarah can have a positive impact on farmers' well-being in a holistic manner. Another study by (Muctharom, 2024) focused more on the implementation mechanisms of the mukhabarah contract in rice farming but did not thoroughly examine its impact on farmers' welfare. On the other hand, (Wawan, 2021) demonstrated that the success of mukhabarah is influenced by factors such as the fairness of profit sharing and transparency in the partnership.

Although various studies have been conducted, there remain limitations in research that integrates the implementation of the mukhabarah contract with its impact on farmers' welfare in a contextual manner at the village level, particularly in Mallongilongi Village. Based on this gap, this study aims to examine how the mukhabarah contract is implemented in Mallongilongi Village and how it impacts farmers' welfare. This study is unique because it combines empirical practice analysis with a sharia economics perspective, thereby providing a more comprehensive overview and serving as a reference for the development of fairer and more sustainable sharia-based agricultural practices.

METHODS

This study employs a qualitative approach using descriptive field research. This approach aims to gain an in-depth understanding of the implementation of the mukhabarah contract and its impact on farmers' welfare based on actual conditions in the field (Akbar, 2022). The research procedures were systematically designed, beginning with the problem formulation stage, followed by data collection in the field, and concluding with analysis and the drawing of conclusions (Arifin, 2020).

The research was conducted in Mallongilongi Village, Lanrisang Subdistrict, Pinrang Regency, South Sulawesi. The location was selected based on the characteristics of an agrarian community that still practices a mukhabarah-based agricultural cooperation system. The research subjects consisted of tenant farmers and landowners involved in mukhabarah practices. Sampling was conducted using purposive sampling, considering specific criteria such as experience in mukhabarah cooperation and active involvement in the profit-sharing process. This technique was deemed appropriate as it enabled the identification of relevant informants who directly understood the practices under study (Rumidi, 2002).

Data collection was conducted through observation and interviews. Observation was used to directly observe mukhabarah practices in the field (Rosyid, 2015). Interviews were conducted

to gather in-depth information regarding the implementation of the agreement and its impact on farmers' welfare (Suharsimi arikunto, 2012). The data analysis technique in this study employed an interactive model consisting of three stages: data reduction, data presentation, and drawing conclusions (Arifin, 2020). The data obtained was analyzed to identify patterns, relationships, and the alignment of mukhabarah practices with the principles of Islamic economics. Data validity was ensured through source and method triangulation, ensuring that the research results accurately and reliably depict the conditions (Sugiyono, 2015).

RESULTS AND DISCUSSION

RESULT

The research findings obtained from the field data collection process, as well as a discussion linking these findings to the theory previously explained. The analyzed data were derived from observations and interviews with informants consisting of landowners and tenant farmers in Mallongilongi Village, with a total of three informants. In this study, all informants chose not to disclose their identities or names directly. Therefore, the researcher maintained the confidentiality of the informants' identities by using initials or specific codes. This was done as a matter of research ethics to protect the privacy and comfort of the informants throughout the research process. The list is as follows:

Table 1. Informant Data

Pemilik Lahan dan Petani Penggarap				
No.	Name	Age	Status	Major Crop Types
1	AL	55 Years	Farmer	rice plants
2	KN	37 Years	Farmer	rice plants
3	RD	50 Years	Landowner	rice plants

Source: Researcher Processed Results (2026)

Based on interviews with the three informants and supported by the data in Summary Table 2, it was found that the practice of profit-sharing in agriculture in Mallongilongi Village is locally known as "*Marumab Galung*." The underlying principles are justice (*al-'adl*), transparency, and proportional profit and loss sharing based on each party's contribution. Additionally, this system emphasizes the values of honesty and trustworthiness as the primary foundations for the sustainability of the cooperation (Adiwarman A. Karim, 2014). Substantively, this practice can indeed be categorized as a form of mukhabarah, as it involves cooperation between landowners and farmers through a profit-sharing system, where the initiative for cooperation typically originates from the landowners. The primary motivation of landowners is not merely to pursue business profits, but rather due to physical limitations resulting from old age or a lack of farming skills, leading them to choose to partner out their land to prevent it from lying fallow.

In practice, this cooperation is based on full trust through an oral agreement without a written contract. From a theoretical perspective, this is actually permissible as long as it fulfills the elements of *ijab* and *qabul* and there is mutual consent from both parties (Purnomo, 2025). However, the absence of written documentation has the potential to create uncertainty (*gharan*), particularly regarding the division of proceeds and the respective responsibilities of each party.

This condition is evident in field practice, where the system of trust serves as the sole foundation of the cooperative relationship. This arrangement lasts for the duration of one harvest season, with the division of proceeds agreed upon at the outset. Interestingly, field implementation shows that the burden of production costs is predominantly borne by the tenant farmers, which is a distinctive characteristic of the Mukhabarah practice in that village.

However, behind this foundation of trust, the study found serious challenges in the form of breaches of integrity or moral hazard. Some tenant farmers were identified as engaging in fraud by hiding some of the harvest sacks or manipulating weighing data during reporting. For landowners, honesty is non-negotiable; thus, strict sanctions in the form of immediate termination of the cooperative relationship are imposed on untrustworthy tenant farmers to seek new, more honest partners. In Islamic economic theory, honesty is the primary indicator of the success of the profit-sharing system (Adiwarman A. Karim, 2014).

On the other hand, the “*Marumah Galung*” system demonstrates a strong sense of humanity through the principle of “empathy.” This partnership is not rigidly based on numerical calculations; if the harvest is very meager or fails, landowners often hold consultations and forgo their share to cover the tenant farmer’s capital losses. This demonstrates that the value of mutual aid remains the social foundation of the community. However, within the context of profit and loss sharing theory, risk distribution should be more balanced (Qalbia & Saputra, 2023).

Overall, the impact on well-being remains limited. For tenant farmers, the income earned is barely sufficient to meet basic needs or subsistence levels (food expenses) and remains highly influenced by the uncertainty of harvest yields. This aligns with farmer well-being indicators stating that high dependence on food income indicates a low level of well-being (F. A. Lubis et al., 2024). Meanwhile, for landowners, welfare levels are often hindered by dishonest actions of tenant farmers, resulting in income that does not match the capital invested. Ultimately, such dishonesty not only causes material losses but also undermines the noble spirit of mutual aid that lies at the heart of this cooperative arrangement.

Table 2. Summary of Interview Results with the three Informants (AL, KN and RD)

No	Findings Theme	Description of Findings	Example of Informant Quotes
1	Understanding the concept of mukhabarah	The Mukhabarah Ceremony in the Village of Mallongilongi, Known as “Marumah Galung”.	<p>“Here, we rarely call it Akad Mukhabarah; we’re more familiar with the term Marumah Galung.” (AL)</p> <p>“I don’t know exactly when this custom began. We’ve been doing it for as long as I can remember, ever since my grandmother’s time.” (KN)</p>
2	The process of	Landowners enter into	“This has been a long-

	establishing a partnership	partnerships not solely for business reasons, but also due to constraints. These partnerships are conducted verbally (without a written agreement).	standing tradition: I own rice fields but can't manage them on my own, so I entrust them to others to cultivate." (RD) "There are no written documents or signatures on paper. We make arrangements directly (verbally): 'You cultivate my rice fields this year, and we'll split the profits like this.'" (AL)
3	Sources of capital and seed funds	a practical variation of the Mukhabarah contract in the field, where the burden of production costs falls predominantly on the tenant farmer.	"When it comes to land matters, the landowner usually handles the arrangements. The farmers are responsible for providing the seeds, fertilizer, and tractor costs. However, harvesting costs are shared, since payment is made not in cash but in rice the harvested rice is distributed according to the area of land harvested." (AL)
4	Profit sharing	does not use a fixed payment, but rather a flexible percentage-based system as agreed upon initially.	"There's no set amount for the split. Sometimes we split it in half or into thirds, depending on what we agreed on at the start." (AL)
5	Duration of the partnership	One harvest season.	"Yes, that's what we do until the harvest is over." (KN)
6	Transparency and oversight	Although the partnership is based on trust, in practice, instances of dishonesty or fraud (moral hazard) committed by individual tenant farmers still	"As far as this partnership is concerned, there are also some farmers who tend to cheat. Their cheating

		occur. The identified forms of fraud include two main issues: hiding a portion of the physical harvest (bags of rice) before reporting, and manipulating the weight data from the scales during the reporting process to the landowner.	usually involves hiding a few sacks of the harvest, and some even underreport the weight when they report to me. We landowners usually coordinate with each other, saying, "This farmer does this or that," so we're aware of it." (RD)
7	Conflict management	For landowners, honesty is an absolute requirement for the sustainability of the agreement. Terminating the partnership after the harvest season ends serves as a tangible sanction against untrustworthy tenant farmers.	"If I come across a farmer like that, once the harvest is over, I'll end our partnership and look for another farmer who's willing to work my fields." (RD)
8	Risk sharing	The Marumah Galung partnership is not rigidly bound by numerical rules but takes real-world conditions on the ground into careful consideration.	"In this system, we rely on our judgment; if the results are very poor, we discuss it calmly. Sometimes the proceeds aren't given to the landowner to cover my capital losses" (KN)
9	Reasons for choosing the partnership system	Cooperative initiatives often originate from landowners. Farmers use these cooperatives to supplement their income.	"Usually, it's the landowners who come to me to have their rice fields managed because they're getting old and can't manage them on their own. I just accept it to supplement my income." (AL) "The landowners come to me. If it's a blessing, why turn it down?" (KN) "Since I don't have any farming skills, rather than

			<p>letting the land lie fallow, it's better to work together like this it helps us, and the landowners also get a share of the harvest." (RD)</p>
10	Farmers' welfare	<p>the reality of well-being that remains at the level of meeting basic needs, the presence of factors hindering well-being due to breaches of integrity, income uncertainty, the negative impact of dishonesty on landowners' well-being, and undermining the spirit of mutual aid.</p>	<p>"Praise be to God, the harvest from this marumah galung can be used for our daily meals. Although the yield isn't consistent every harvest, it's at least enough to cover our kitchen needs. But to say we're prosperous well, maybe not yet, especially when the harvest is very meager." (KN)</p> <p>"If I only rely on other people's rice fields the ones they manage it's not nearly enough. I'm well-off because I have my own land; if I had to rely on other people's land, I think it would barely be enough to feed myself." (AL)</p> <p>"Actually, the marumah galung system is intended to help, but it sometimes leads to disappointment when the farmers aren't honest. Someone once reported a yield of only a few sacks, even though the rice in the field looked excellent. There's also fraud during weighing, or they hide part of the harvest before</p>

			reporting it to me. When this happens, as the landowner, I don't feel prosperous because the harvest is small and gets reduced further, so the income doesn't match the capital I've invested." (RD)
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Source: Researcher Processed Results (2026)

DISCUSSION

The Implementation of the Mukhabarah Agreement in Mallongilongi Village

In practice, the mukhabarah contract is a concrete application of PLS theory in the agricultural sector. This is evident in the profit-sharing mechanism, which is not determined as a fixed amount but rather as a ratio or percentage such as a 50-50 split or a 66.67% split as agreed upon at the outset (Widyaningtyas et al., 2025).

According to Al-Ghazali, "mukhabarah is an agricultural partnership agreement between the landowner and the tenant farmer, in which the land is provided by the landowner while the seeds and labor are provided by the tenant farmer, and the harvest is divided according to a mutual agreement." (Dias Wardani, 2019). According to Adiwarmarman A. Karim, "the Profit and Loss Sharing Theory explains that economic activities should ideally be conducted based on the principles of cooperation and a fair distribution of profits commensurate with each party's contribution. In this theory, no party is disadvantaged because both profits and risks are shared. The principles of justice (*al-'adl*) and mutual cooperation (*ta'awun*) form the basis that the distribution of proceeds must be proportional to the capital and labor contributed. In the context of the mukhabarah contract, this theory emphasizes that the distribution of agricultural proceeds between the landowner and the tenant farmer must be agreed upon from the outset without elements of uncertainty (*gharar*) or usury (*riba*)." (Adiwarmarman A. Karim, 2014).

In the context of Islamic economic law, a mukhabarah contract is considered valid if it fulfills the essential elements and conditions of a contract, such as the presence of the contracting parties (*aqidain*), the subject matter of the contract (*ma'qud 'alaiih*), the exchange of consent (*ijab-qabul*), and a clear agreement regarding the distribution of profits. This contract is highly relevant for application in agrarian communities because it helps farmers who do not own land but possess the ability to manage agricultural operations. Furthermore, the mukhabarah system promotes economic efficiency through productive cooperation grounded in the principles of justice and mutual assistance (*ta'awun*). Thus, the mukhabarah contract is not merely an economic relationship but also an embodiment of Islamic social values in rural communities (Astuti et al., 2023).

The implementation of the mukhabarah contract in Mallongilongi Village through the local practice of "*Marumab Galung*" essentially reflects the concept described by Al-Ghazali, namely cooperation between the landowner and the farmer with profit sharing based on mutual agreement. This is evident from the clear division of roles: the landowner provides the land, while the farmer provides labor (and, in practice, also covers most of the production costs). Furthermore, the profit-sharing agreement made at the start of the harvest season indicates that

the fundamental elements of the contract such as *ijab qabul* and clarity of the ratio have been fulfilled, albeit in verbal form.

However, upon deeper analysis using Adiwarman A. Karim's perspective through the Profit and Loss Sharing (PLS) theory, this implementation is not yet fully ideal. In the PLS theory, the sharing of profits and risks should be proportional to each party's contribution. In fact, in the practice of Mukhabarah in Mallongilongi Village, the burden of production costs is predominantly borne by the tenant farmers. This situation indicates an imbalance in risk distribution, where the tenant farmers bear a greater burden compared to the landowners, meaning the principle of justice (*al-'adl*) has not been fully realized.

From the perspective of social and economic objectives, this practice actually holds significant value. The landowner's motivation, which is not solely driven by profit but also aimed at maintaining land productivity and helping tenant farmers secure an income, demonstrates the implementation of the principle of mutual aid (*ta'awun*). This is reinforced by the flexibility in profit-sharing during crop failures, where the landowner is willing to reduce or even forgo their share. This practice aligns with the values of Islamic economic ethics, which emphasize humanity and social solidarity.

However, findings regarding moral hazard specifically farmer fraud (concealing harvest yields or manipulating scales) indicate that the principle of trust (*amanah*) has not been fully realized. In the context of PLS theory, this situation undermines the principles of transparency and justice because one party is disadvantaged. Furthermore, contractual practices based solely on trust without written documentation also risk creating ambiguity (*gharar*), particularly regarding harvest reporting.

Overall, the implementation of the mukhabarah contract in Mallongilongi Village can be said to be conceptually sound but not yet optimal in practice. The alignment is evident in the presence of cooperation, profit-sharing agreements, and the spirit of mutual aid. However, shortcomings emerge in the aspects of unbalanced risk distribution, a weak monitoring system, and the presence of dishonest behavior that undermines the principle of justice.

Farmers' and Landowners' Perceptions and Understanding of the Mukhabarah Agreement Implemented in Mallongilongi Village

An interpretation of these findings suggests that the perceptions and understanding of farmers and landowners in Mallongilongi Village regarding the Mukhabarah contract are not merely textual or normative, as described in fiqh literature, but are rather contextual and rooted in the social and humanitarian values that are alive within the community.

The finding regarding the principle of "*using one's intuition*" indicates that the parties to the cooperation interpret mukhabarah not merely as an economic contract, but as a social relationship grounded in empathy and solidarity. In the event of a poor or failed harvest, the holding of consultations and the landowner's willingness to reduce or even forgo their share reflect an implicit understanding of the values of justice and mutual aid (*ta'awun*), which constitute the essence of the Mukhabarah contract in Islamic economics. In other words, although they may not formally employ fiqh terminology, the practices carried out align with the fundamental principles of Sharia.

Furthermore, the dominant initiative for cooperation comes from the landowners as expressed by the informants (AL and RD) indicating the landowners' awareness of their own limitations and the need to optimize the land to keep it productive. This demonstrates that landowners have a functional understanding of mukhabarah as a mutually beneficial economic

solution. On the other hand, tenant farmers view this cooperation as an opportunity to gain access to land and a livelihood, despite all the risks involved.

Thus, both parties' perceptions of the mukhabarah agreement in Mallongilongi Village can be categorized as a practical understanding that is, an understanding shaped by experience, local wisdom, and social values, rather than formal theoretical studies. This also explains why the "*Marumab Galung*" practice has endured, as it successfully accommodates economic aspects while maintaining social harmony.

Overall, these findings confirm that the implementation of mukhabarah in Mallongilongi Village functions not only as a mechanism for distributing agricultural produce but also as a social instrument that reinforces human values, trust, and solidarity among the community.

The Impact of the Implementation of the Mukhabarah Agreement on Farmers' Well-being in Mallongilongi Village

From an Islamic economic perspective, farmers' well-being is measured not only by income levels but also by the fulfillment of the principles of justice, social balance, and sustainability. Islam emphasizes that true well-being encompasses both material and spiritual dimensions, a concept known as "*falkebahagiaan*" (worldly and otherworldly happiness). Therefore, policies that ensure fair distribution of produce, prevent exploitation, and provide halal financing are integral to efforts to improve farmers' well-being (F. A. Lubis et al., 2024).

Farmers' well-being is defined as the fulfillment of their material and non-material needs, enabling them to lead a decent, secure, and sustainable life. Indicators of Farmer Well-being, according to Sudana et al., identify at least five aspects that can serve as indicators of farmer well-being: Development of Income Structure, Trends in Expenditures on Food, Trends in the Farmers' Price Index (FPI), Trends in food security at the farming household level, Purchasing power of farming households (Dias Wardani, 2019).

Interpreting the findings by linking the theory of farmer welfare within the perspective of Islamic economics reveals a complex interplay between normative values and empirical realities on the ground. From the perspective of Islamic economics, welfare is not solely focused on material aspects but also encompasses a spiritual dimension known as the concept of *Falah*. This means that an economic system, including the Mukhabarah practice, is considered capable of improving welfare if it can foster justice, social balance, and sustainability.

Based on the findings in Mallongilongi Village, the "*Marumab Galung*" practice has substantively reflected some of these principles; however, it has not yet been fully optimized in comprehensively improving farmers' welfare. First, from the perspective of income structure, the Mukhabarah cooperative provides access for landless farmers to continue earning income from the agricultural sector. This demonstrates an economic distribution function aligned with the principle of justice in Islam. However, the dominance of production costs borne by the cultivators results in a significant economic burden, causing the income earned to be unstable. The uncertainty of crop yields further reinforces the condition that farmers' well-being remains at the level of meeting basic needs.

Second, regarding food expenditures and purchasing power, fluctuating income affects farmers' households' ability to meet non-food needs. This indicates that the majority of income is still allocated to basic necessities, meaning the level of well-being remains relatively low. In other words, the mukhabarah practice has not yet been fully capable of significantly improving the quality of life.

Third, in the context of the Farmer's Price Ratio (NTP), the imbalance between production costs borne by the tenant farmer and the returns received indicates that farmers' bargaining power remains weak. Although profit-sharing is based on an agreement, in practice the tenant farmer bears a greater risk. This has the potential to reduce the farmers' terms of trade and impact long-term well-being.

Fourth, regarding household food security, this cooperative arrangement actually makes a positive contribution because farmers retain access to the produce. However, dependence on a single harvest season and the uncertainty of yields make food security vulnerable, especially during crop failures.

Fifth, from the perspective of purchasing power, income constraints and the presence of moral hazard risks also affect farmers' economic stability. Fraudulent practices such as hiding harvest yields and manipulating scales not only harm landowners but also undermine the trust system that forms the foundation of the cooperation. In the long term, this can reduce opportunities for cooperation and negatively impact farmers' own incomes.

Furthermore, when viewed through the lens of Islamic economic principles, the "*Marumab Galung*" practice reveals two contrasting aspects. On one hand, it embodies the values of mutual aid, trust, and flexibility, which reflect the spirit of justice and humanity. Additionally, the principle of risk-sharing within the Profit and Loss Sharing theory has a direct impact on farmers' economic stability. In this system, when a crop failure occurs, the losses are not entirely borne by the farmer, but are shared according to an agreement. This arrangement provides an economic safety net for farmers, preventing them from being trapped in debt burdens or extreme losses as often happens under lease or interest-bearing loan systems. With risk sharing in place, the economic resilience of farmers' households is better maintained. However, in practice in Mallongilongi Village, the presence of moral hazard indicates that the internalization of the values of trust and honesty which are the primary prerequisites for achieving *falah* has not yet been optimized (Zamir Iqbal dan Abbas Mirakhor, 2011).

The relationship between mukhabarah and farmers' well-being is highly dependent on the quality of its implementation. If PLS principles such as honesty, transparency, and fairness are not upheld, this system can actually lead to inequality. For example, when profit-sharing is not conducted fairly or harvest yields are manipulated, farmers' income becomes suboptimal and well-being is difficult to achieve (Habib Ahmed, 2010).

Thus, it can be concluded that the implementation of the mukhabarah contract in Mallongilongi Village has contributed to farmers' welfare; however, it remains at a basic level and has not yet fully met the indicators of welfare from an Islamic economic perspective. The main constraints include income uncertainty, cost burden disparities, and breaches of integrity that undermine the principles of justice and sustainability. Therefore, strengthening the value of honesty, improving cooperation mechanisms, and ensuring a more balanced distribution of risk are key to enhancing farmers' well-being in a more holistic manner.

CONCLUSION

The conclusions of this study indicate that the implementation of the Mukhabarah contract in Mallongilongi Village is known by the term "*Marumab Galung*". This cooperative practice reflects the principles of mutual aid, trust, and flexibility, particularly under suboptimal harvest conditions. Farmers' and landowners' perceptions and understanding of the Mukhabarah tend to be practical and contextual rather than based on theoretical understanding; however, in substance, they align

with the spirit of solidarity, even though they do not yet fully meet the principles of justice in Islamic economics. In terms of welfare, this practice provides income access for tenant farmers but has not yet fully optimized their well-being. This is marked by disparities in the burden of production costs, as well as the emergence of moral hazard that undermines the value of trust. Thus, the welfare achieved remains at the stage of meeting basic needs and does not yet fully reflect the concept of *Falah*, which encompasses both material and spiritual dimensions.

This study has limitations, as it employs a descriptive qualitative approach, which prevents the quantitative measurement of farmers' welfare levels. Furthermore, this study focuses on only one location, so generalizing the results to other regions must be done with caution. Therefore, it is recommended that future research employ a mixed-methods approach involving a larger number of respondents to more comprehensively measure farmers' levels of well-being.

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