

Robust

Research Business and Economics Studies

journal homepage: <http://ejournal.iainkendari.ac.id/robust>

Indonesian Local Communication Livestock Deposit as A Step for Joint Benefits

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ARTICLE INFO	A B S T R A C T
<p><i>Article History:</i></p> <p><i>Received 11 Juli 2021</i></p> <p><i>1st Received in revised form 12 Agustus 2022</i></p> <p><i>2st Received in revised form 05 September 2022</i></p> <p><i>3nd Received in revised form 17 Oktober 2022</i></p> <p><i>Available online 31 Oktober 2022</i></p> <p>Keywords: Time Deposit, Profit Sharing, Livestock Profit Sharing, Benefit.</p>	<p>This study aims to study, study, and discuss in writing about Cattle Deposits in the Style of the Indonesian Local Community in terms of profitability, risk and the social importance of humanity from the cattle production sharing system. At the same time providing knowledge to encourage the wider community to participate in investing (Desposito) their money in the form of cooperation for local livestock production. So that later it is expected to be a value for the common good and a driver of the quality of local livestock products. The method used is a literature review sourced from a web browser and several books related to research. The main objects of this literature review research are local cattle farmers who use a profit-sharing system and the cattle investors. The results of this study say that the profit sharing for local livestock, especially cattle, is very profitable for these livestock investors. Local farmers are also helped by the existence of capital to buy cows to be raised. This collaboration will certainly help local farmers to earn income and also benefits for the community from the livestock investment. So that the common good is created.</p>

1. Introduction

Indonesia has many rural communities or people who are classified as traditional living. One of the characteristics is that many people still work as farm laborers or raise livestock traditionally, for example raising cattle. It is undeniable that Indonesian society is relatively low-middle class. We can clearly see the high social inequality. Therefore, there

needs to be a step to become a harmonic or a balancer of the existing gaps. For example by helping provide capital to them to be used as a business or side job. One example is that people who are classified as having excess assets can invest their money in cattle farmers with a profit-sharing cooperation system.

Researchers want to reveal and study well from existing literature sources related to short-term investments engaged in animal husbandry, especially cattle with profit-sharing cooperation. As a system of cooperation for profit sharing has existed in Indonesian society for a long time. We usually call this short-term investment by the term deposit. Because it is not permanently attached and can be taken at any time. It's just that the conversion of this deposit is livestock in the form of cows.

This research is based on a review of the existing literature and wants to examine how the Indonesian Local Community-style Cattle Depositio will run and how the system will work. This system means that it will talk about investment (Livestock Deposits) and profit sharing cooperation that is implemented. And what are the benefits for both parties involved. So that it can be an investment option for the wider community to participate in local community-style livestock deposits. This step will certainly encourage local cattle breeders, standard quality and national meat supply, and create a common benefit.

Regarding cattle deposit, the basis for this system is the Law of the Republic of Indonesia Number 10 of 1998 concerning banking, deposits are deposits whose withdrawals can only be made at a certain time based on the customer's agreement with the bank. For livestock deposits, the agreement is made between the cattle breeders and investors. Then about this investment, of course, there is an agreement on the cooperation carried out. The term cooperation in the economic world can be called Profit Loss Sharing.

Budiono said, in the Profit Loss Sharing system, the price of capital is determined jointly with the role of entrepreneurship. Price of capital and entrepreneurship is an integrative unit which together must be taken into account in determining the price of production factors. This means that the determination of the price of production factors for livestock deposits will be based on the price of cattle in the market.

In cattle deposits related to the agreed profit sharing, based on the proceeds from the sale of cattle which have been deducted by some livestock costs and the initial price of cattle. As the understanding of Gross profit sharing, which is a system of business agreements that share the results based on income that has been reduced by the cost of goods sold. The researcher wants and hopes that the Local Community-Style Cattle Deposits can be of value to increase the common good. In accordance with the basic concept of benefit. Etymologically, the meaning of Maslahah can mean goodness, usefulness, appropriateness, feasibility, harmony. The word al-Maslahah is sometimes opposed with al-mafsadah and sometimes with the word al-madhara, which means damage.

In terms of terminology, Maslahah according to al-Ghazali is attracting benefit or rejecting harm, but that is not what we want, because the cause of achieving benefit and denying its harm is the goal or purpose of creatures, as for the goodness or benefit of creatures in the achievement of their goals, will But what we mean by maslahat is to maintain or maintain the goals of syara', as for the objectives of syara' relating to creatures there are five, namely: maintenance of them (creatures) for their religion, their souls, their minds, their lineage or descendants, and their property. , then anything that contains or includes the maintenance of the five basic points is maslahah, and on the other hand anything that denies the five basic points is mafsadat, whereas if you reject it (something that denies the five basic points) it is benefit.

This livestock deposit builds cooperation and has an element of mutual help. Considering that Indonesia at this time really needs cooperation and mutual help between communities which is very high. So that the gap in Indonesia can be helped. Wealthy

communities help those in need by establishing profit-sharing cooperation in the livestock sector. Breeders will receive it and then raise it until the cattle are worth selling. This step is of high social significance. Therefore, this research is considered very important for education about the meaning of helping and cooperation that is framed in a cattle deposit system in the style of local Indonesian communities.

2. Research Method

The method used is a literature review sourced from a web browser and several books related to research titles. The main objects of this literature review research are local cattle farmers who use a profit-sharing system and the cattle investors.

Database	Observation Date	Minimum of Years	Key Words	Amounts
Google Scholar	12 Okt 2021	2017	Deposito	15.000
		2020	Deposito	15.200
		2021	Deposito	14.400
Google Scholar	12 Okt 2021	2017	Bagi Hasil Ternak	23.000
		2020	Bagi Hasil Ternak	16.000
		2021	Bagi Hasil Ternak	5.500
		2021	Bagi Hasil Ternak Sapi	2.830
Google Scholar	14 Okt 2021	2017	Profitabilitas Bagi Hasil Ternak Sapi	198
		2020	Profitabilitas Investor Ternak Sapi	298
		2021	Profitabilitas Investor Ternak Sapi	168
		2021	Profitabilitas Investor Ternak Sapi	80
Google Scholar	14 Okt 2021	2017	Analisis Kemaslahatan	17.100
		2021	Analisis Kemaslahatan	3.600
		2017	Analisis Kemaslahatan Bagi Hasil Ternak Sapi	7.300
		2021	Analisis Kemaslahatan Bagi Hasil Ternak Sapi	995

3. Result

Cattle stock deposits are a form of short-term investment, where the status of capital ownership does not play a permanent role in a business or can be taken back at a certain time. This cattle deposit is a projection of the deposit system in general, like bank deposits. According to Muhammad Hassanudin and Habib Nazir, the definition of a time deposit is a time deposit from a third party at a bank where the withdrawal can only be made in accordance with a predetermined period of time according to the agreement between a third party and the Bank. Then according to the Banking Law no. 10 of 1998 article 1, the

definition of time deposits is savings that can only be withdrawn at a certain time based on the customer's agreement with the bank.

From the definition above, the researcher tries to project these systems and schemes into profit-sharing collaborations carried out by local Indonesian communities. If the form of deposit in the bank is directly nominal money, then this cattle deposit will be converted to the form of a cow. So the nominal value is based on the price of cattle. This cattle deposit is the same as gold deposit. However, what becomes the regional government is the mechanism of the process of making livestock deposits based on the cooperation of profit sharing between the farmers and investors. So this livestock deposit has a social value for humanity.

Since the first, this system of sharing the results of cattle has often been carried out and has become an option for a few people, usually rural communities. At first glance, of course, investing in cattle seems like a saturated investment. It looks like a long process and the profits are not that big compared to other investments. However, if examined more deeply, this investment will actually look very attractive, profitable, and useful. It is not only beneficial economically but also socially for humanity.

Profit Sharing of Livestock System Process

There are several forms of cooperation system for the results of this cattle. Among them, cooperation in dairy cattle and beef cattle. For dairy cows, the main purpose of raising cattle is to produce milk. Then for the profit sharing, of course obtained from the sale of the milk. Then if the cow is not suitable for milk production, it will be sold and the results divided according to the agreement. However, in general, the cooperation for the production of cattle is engaged in beef cattle. Cooperation for the results of beef cattle circulating in the community is divided into two options. First, cattle are raised only to be fattened and then sold. The cows used are usually bulls. Second, cows to be bred.

Based on research (Tahedi, et al, 2021) it is known that the cooperation in raising cattle that he does with Syafik is because both of them already know each other, and of course the desire to spin money so as to generate benefits for both parties. The initial capital issued by the owner of the capital to buy cows is around 8 million rupiah. In the cooperation contract, the owner of the capital is obliged to buy the cow which is then to be raised and bred by the cattle keeper. In terms of profit sharing from the results of the cooperation, the owner of the capital and the keeper of the cattle agree that the result of raising the cow which then gives birth to the first calf will be fully owned by the keeper of the cow, and then when the cow gives birth to the second calf, it becomes the property of the owner capital.

In this context, the owner of the capital does not participate in helping the cattle rearing process, whether it is in the form of external use (such as bran, cake, or sago), the owner of the capital fully surrenders to the cattle keeper to meet the main feed (grass) and external feed. In the context of the mother cow not producing/not giving birth to calves, the cow keeper and the owner of the capital agree to sell the cow and replace it with another cow. And if the cow dies, then the settlement process is amicable through deliberation to find the cause of the death of the cow.

If in the process of raising cattle it turns out that the cow is sick and it is not the fault or negligence of the cow keeper, it must be proven and not the responsibility of the cow keeper, this has been agreed upon by both parties. And it turns out that the death of cattle was found to be the result of the error of the cow keeper, so it is entirely the responsibility of the cow keeper to compensate for the loss. (Tehadi, et al, 2021) revealed that the cooperation agreement between the two parties was carried out verbally, but both agreed on cooperation in raising cattle. Breeders buy cows for breeding, in terms of selecting cows, they jointly choose and determine which cows to raise. The owner of the capital is obliged to buy the mother cow, while the cow keeper is obliged to provide a place/cage for the cow, providing

the ability to feed cows (grass), as well as external feed in the form of cake, bran or sago, as additional nutrition given to cows, in order to make cows. it gets bigger fast.

In connection with the obligations assigned by the cow keeper, if the mother cow gives birth to the first calf it will become the property of the cow keeper, this is agreed on the basis that the cow keeper becomes enthusiastic to breed her cows, and receive the results early. Meanwhile, at the birth of the second calf, it will become the property of the investor, and so on, whether it is the third, fourth, and so on. (Amam, 2021) In the event that undesirable things happen, for example, the cow being kept dies or the person keeping the cow dies, or the owner of the capital dies, the solution is to be done by means of kinship and deliberation. The results of the deliberation revealed that if the cow being kept dies, it will first confirm the cause of the death of the cow. If the death of a cow is caused by the fault or negligence of the cow keeper then it is entirely the responsibility of the cow keeper, but if otherwise, it is not the fault of the cow keeper, then there is no compensation for the dead cow.

Profitability of Indonesian Local Community Livestock Deposit

Then regarding the profits obtained from the cooperation for the production of cattle, this is quite promising and is greater than deposits in banks where the percentage of the profit is from the interest given. According to research (Purnomo et al., 2021) the profit sharing of beef cattle is quite beneficial for both parties. With a note, especially for breeders must maintain more than five tails. As for investors, just one cow is comparable to the average bank deposit within five months with a nominal value of one hundred million rupiah.

We can project the exposure (Purnomo et al., 2021) with the following estimates:

1 Cow = Rp 8.000.000,-

Time of Maintenance less than 6 month for contract.

Market value of cow after 6 month = Rp 14.000.000,-

So, obtained omset = Rp 6.000.000,-

If the initial agreement is that there are several costs for the farmer as accommodation for cattle care and feed, at least IDR 1,000,000 for every 1 cow within 6 months.

Gross Margin obtained is Rp 5.000.000,-

For the distribution of the results, according to the agreement at the beginning, namely 50%: 50%, then each party gets a profit sharing of Rp. 2,500,000 per one cow. If the agreement of the system is to breed and then part of it is in the form of calves, of course the calculation will be the same. It's just that the conversion is still a calf that has not been sold.

Meanwhile, in banking, the average yield-sharing interest on deposits is 5% per the amount deposited according to the deposit table provided by the banking sector. For example, if the nominal amount deposited is IDR 10,000,000 with 5% profit sharing interest, then the calculation result is $IDR 10,000,000 \times 5\% = IDR 500,000$ per year.

The calculation above shows that the profit sharing obtained from cattle deposits is greater than bank deposits. The researcher hopes that this review will be able to open and attract the attention of other Indonesian people to invest in the field of cattle production sharing. The other side of naming cattle profit sharing with the term deposit is the hope of researchers to open up space and opportunities for local farmers to accommodate many investors. Considering that if only one or less than five birds are kept, it is not enough for the keeper, as in the review above. Then the researcher also hopes that the entities engaged in the investment world, such as banks, want to create a new program, namely livestock deposits.

Risk of Indonesian Local Community Livestock Deposit

Apart from seeing the predicted profit that will be obtained from the investment, investors will certainly review the risks of the investment. The researcher dares to say that the cooperation for the production of cattle with the term deposit, must have studied and studied

well. Talking about deposit risk, the first thing that comes to mind is that there is almost no deposit risk even though the yields are very small. This thinking is indeed based on deposits in general in banks. In fact, there is no risk.

This view, of course, is not a benchmark to say that deposits are definitely risk-free. In fact, all businesses will definitely have a risk, even if it is small. As Richard G. Lipsey said, all businesses will have a risk. Small and large businesses or businesses certainly have risks in it. As the basic economic concept that income will be created from a sacrifice. In this sacrifice there must be a process. In this process, there will be risks.

For example that deposits have an apparent risk are gold deposits. Currently, gold deposits are starting to be active and intensive among the public. Although gold has an intrinsic value that makes the price stable, the value of this gold also involves a conversion of the value of the currency that has been the world's benchmark, namely the U.S. Dollar. The fluctuating value of the USD currency will affect the value of gold around the world.

Likewise with cattle deposits. The risk that can be seen from this cattle investment is death and loss from the theft of the livestock. But so far, this risk is classified as very rare even according to research (Gunadi et al., 2017) it is not up to 10% of the risk. Research (Gunadi et al., 2017) says that the risks faced in cooperation for cattle production have become a special concern for the keepers. So far, the maintainers have studied, anticipated and carried out security and maintenance very well. One of the actions taken by the keepers in securing and supervising their livestock is to bond in clumps like an association with local breeders. In order to work together to supervise and share related to their livestock. As well as the routine provision of vitamin injections and cooperation on the grass rights of their cattle. So investors don't have to worry about the risks of Indonesian cattle deposits.

The Social Value of Humane Cattle Deposits in the Style of Indonesian Local Communities

Cattle stock deposits have a significant additional value for the role of humanity and also help the Indonesian people's economy. The system that exists in the cattle deposit applies a cooperation that has the meaning of mutual cooperation, mutual assistance, and social meaning. Researchers consider that this livestock deposit system can help to overcome social inequality, especially in the economic aspect of Indonesian society. Therefore, the researcher said that the Cattle Livestock Deposit in the style of the Indonesian Local Community is a step towards the common good.

According to the concept of *maslahah*, Al-Buthi stated that *Maslahah* is the benefit intended by the most wise shari'a for his servants in the form of maintaining their religion, soul, mind, lineage, and property based on the priority scale of the order of mention, while the benefits are delicacy and media. towards him, and rejecting from suffering, or the media towards him. Abdul wahab Khalaf said that the definition of *Maslahah mursalah* is a benefit where the syar'i does not require a law to realize that benefit. And there is no evidence that shows whether the benefit is recognized or not. *Maslahah* is called *mut}laqah* because it is not bound by arguments that blame or justify. (Alibahreis et al., 2021) Jamaluddin 'Abdurrahman mentions *maslahah* in a more general sense and what is needed is all what is useful for achieving goodness and pleasure as well as those that are designed to eliminate difficulties and difficulties, so it can be understood that the essence of *maslahah* is the creation of goodness and pleasure in human life and avoid things that can damage it. However, benefit is related to the order of proper and proper values of goodness that humans really need.

Thus, *maslahah* is a benefit that has no basis in evidence, but there is no cancellation if there is an event for which there is no shari'ah provision and there is no 'illat that comes out of shari'a'; that determines the clarity of the law, then something is found that is in accordance with syara' law, namely provisions based on maintaining harm or to declare a benefit, then

the incident is called *maslahat*. The main purpose of benefit is to maintain the harm and maintain the benefits. (Imron, et al, 2021) said that cooperation for the production of beef cattle has a deep humanitarian meaning, namely helping. The existence of the role of the financier to provide funds to the custodian shows a high social sense. That way, funds from the financier can be used as a source of income or income for local cattle farmers. The custodians as local cattle breeders are greatly helped to be more diligent in cattle business.

Apart from being a source of income for local farmers, it turns out that this collaboration can build motivation for local farmers to improve the quality of their livestock, for example beef cattle. This is similar to research (Rofifah, 2020) which says that the provision of capital from investors for cooperation for cattle production can encourage and put demands on the performance of beef cattle farmers. They can automatically be motivated to be active in raising beef cattle.

If the profit sharing system for cattle can be a motivation, it will certainly add other important values in the life of the nation and state. As an Indonesian citizen, of course this is a form of state defense. This motivation will certainly have an influence on the quality of the existing local beef. Not only the quality of local beef but also can greatly meet the needs of domestic meat supply.

Supposedly, later the government will no longer need to carry out large-scale imports of meat. Precisely with the abundant supply of meat and good quality, the government does not need to worry about reducing the price of local meat so that the price does not soar and Indonesia can certainly export local flea meat. That way Indonesia will get an additional state visa. (Permadaniar et al., 2021) also said similarly, that the increasing role of local farmers in improving the quality of beef cattle will greatly help the Government to supply domestic meat supplies. In the future, the government should no longer need to carry out large-scale meat imports to provide meat stock needs and reduce meat prices in the Indonesian market.

The researcher hopes that the discussion efforts in the form of articles on Cattle Livestock Deposits in the Style of the Indonesian Local Community can become a material for joint studies to be realized in the future with joint steps. Maybe not directly in a big role for the Government to educate on Livestock Deposits, or the role of banks to make it a new product in its financial wheel investment. But maybe starting from an individual step by participating in making this investment to local cattle farmers around where you live.

4. Conclusion

Broadly speaking, the literature review reviewing Cattle Deposits in the Style of Local Indonesians as a Step for the Common Good can be a very good choice for the wider community to participate in investing in it. In addition to having a much better advantage than a mere money deposit, this livestock deposit also has an additional value that is so important in a human sense. This cattle deposit is a humanitarian step to help each other, thus helping to overcome the socio-economic gap of the community. In addition, cattle deposits are also part of the government's efforts to improve the quality and supply of local beef. Related to the risk, these cattle deposits are also very low, so they are not a significant problem in the investment review.

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