

## Opportunities and Challenges of Islamic Economics in Empowering Agrarian Communities

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Submission	Accepted	Published
Feb 8, 2024	Aug 20, 2024	Aug 28, 2024

### **Abstract**

*Ideally, the application of Islamic economics in empowering the agrarian community in Kerinci Regency could provide significant opportunities to improve farmers' welfare through Sharia principles such as profit-sharing and fair rental systems. However, the reality on the ground reveals several challenges, including a lack of understanding of Islamic economics, limited access to modern technology, and issues in capital management and market access. This study aims to explore the opportunities and challenges of Islamic economics in the context of agrarian empowerment in Kerinci Regency and to provide strategic recommendations to address these obstacles. This article falls under field research with a qualitative approach, utilizing a case study method. The research concludes that, despite its challenges, consistent application of Islamic economic principles can enhance productivity and welfare for farmers and positively impact the mechanisms of agrarian empowerment in accordance with Islamic economic principles.*

**Keyword:** Syariah Economic, Empowerment, Agrarian.

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### **Abstrak**

Seharusnya, penerapan ekonomi Islam dalam pemberdayaan masyarakat agraria di Kabupaten Kerinci dapat memberikan peluang signifikan untuk meningkatkan kesejahteraan petani melalui prinsip-prinsip syariah seperti bagi hasil dan sistem sewa yang adil. Namun, realitas di lapangan menunjukkan bahwa terdapat sejumlah tantangan, termasuk kurangnya pemahaman tentang ekonomi Islam, keterbatasan akses terhadap teknologi modern, dan masalah dalam pengelolaan modal serta akses pasar. Penelitian ini bertujuan untuk mengeksplorasi peluang dan tantangan ekonomi Islam dalam konteks pemberdayaan masyarakat agraria di Kabupaten Kerinci, serta untuk memberikan rekomendasi strategis guna mengatasi kendala yang ada. Artikel ini tergolong dalam penelitian lapangan dengan pendekatan kualitatif. Metodologi yang digunakan adalah metode studi kasus. Hasil penelitian menyimpulkan bahwa, meskipun memiliki tantangan tersendiri, penerapan prinsip ekonomi Islam secara konsisten dapat meningkatkan produktivitas dan kesejahteraan petani, selain itu juga dapat memberikan dampak positif terhadap mekanisme pemberdayaan masyarakat agrarian sesuai dengan prinsip ekonomi Islam.

**Kata Kunci:** Ekonomi Syariah, Pemberdayaan, Agraris

### **Introduction**

Islamic economics as a system grounded in Sharia principles has gained widespread attention in many countries, including Indonesia. This system emphasizes justice, sustainability, and collective welfare in every economic aspect. With its focus on equitable wealth distribution and prudent use of resources, Islamic economics is highly relevant to sectors with a direct impact on people's lives, one of which is the agrarian sector. In Indonesia, the agrarian sector plays a crucial role, as a large portion of the population lives in rural areas and relies on agriculture (Mukharom et al., 2020). The application of Islamic economics in this sector is expected to enhance the welfare of society and ensure the sustainability of natural resources.

Kerinci Regency, located in Jambi Province, is one of the agrarian regions with abundant natural potential. As a region rich in agricultural and plantation land, Kerinci has long been a center for the production of commodities such as rice, coffee, and vegetables. Most of the people in Kerinci rely on agriculture for their livelihood, with the majority of the population adhering to Islam. The strong agrarian tradition in this region has long been influenced by Islamic teachings, including in land management and profit-sharing practices (Hodijah, 2014). One form of cooperation that aligns with Islamic economic principles is muzara'ah, a profit-sharing system in agricultural land management between landowners and tenant farmers. This shows the significant potential for implementing Islamic economics in the agrarian sector.

However, despite efforts to implement Sharia principles in empowering agrarian communities, the reality on the ground often falls short of expectations.

Islamic economics should ideally create justice in income distribution and sustainability in natural resource management. Nevertheless, the agrarian society in Kerinci still faces a dependence on an interest-based capital system that contradicts Sharia principles (Kurniawan, 2016). In addition, disparities in access to agricultural technology and markets remain significant challenges that hinder the productivity and well-being of farmers. Excessive land exploitation without regard to environmental sustainability also conflicts with the values of sustainability in Islamic economics.

The gap between what Islamic economics should implement and the actual conditions faced by the agrarian community leads to various socio-economic problems. Many farmers are trapped in poverty because they lack access to Sharia-compliant capital. The interest-based capital system prevalent in the agricultural sector increases farmers' economic burdens, as they are required to pay high-interest rates. Moreover, the limited access to modern agricultural technology makes it difficult for farmers to boost their productivity. As a result, agricultural outputs often fail to meet the growing market demands, keeping farmers' incomes low.

These issues highlight the need for a deeper study on the opportunities and challenges of implementing Islamic economics to empower agrarian communities. One of the key problems that need to be analyzed is how Sharia-based capital systems can be effectively implemented to replace the interest-based systems that still dominate the agricultural sector. Additionally, it is important to examine how wealth distribution can be carried out more equitably in accordance with Sharia principles, and how modern agricultural technology can be accessed by farmers to enhance their productivity. This is crucial to ensuring that Islamic economics can truly serve as a solution for improving the welfare of agrarian communities.

The objective of this research is to analyze the various opportunities that Islamic economics holds for empowering agrarian communities, as well as to identify the challenges in its implementation. This study will explore how Islamic economic principles such as justice, profit-sharing, and sustainability can be applied in the agrarian sector, particularly in Kerinci Regency. Furthermore, this research aims to provide recommendations on the necessary steps to make the implementation of Islamic economics more effective in enhancing the welfare of agrarian communities. Through this study, it is hoped that better solutions can be found to address the various challenges faced by agrarian communities in Kerinci. The recommendations provided in this research are expected to serve as a guide for local governments and communities in developing a sustainable agricultural sector in line with Sharia principles. Additionally, this research is expected to contribute to the development of Islamic economics as a holistic and sustainable solution for empowering agrarian communities in Indonesia.

## **Literature Review**

Research on the empowerment of agrarian communities within Islamic economics is not a new discussion. Researchers have previously explored and even published on this topic. Taufik Yahya et al., in their publication titled; *"Pemberdayaan Masyarakat dalam Peningkatan Kualitas Lingkungan Hidup di*

*Kecamatan Gunung Tujuh Kabupaten Kerinci*,” have thoroughly described the effectiveness of a joint movement program led by the village head and the local BPD chairman, which actively involved the community in maintaining and caring for the environmental quality of the area (Yahya et al., 2021). This publication shares similarities with the author’s study in the context of community empowerment in Kerinci. The difference is that while Taufik Yahya focuses on environmental empowerment, the author focuses more on economic empowerment.

Siti Zumrotun, in her article titled; *“Peluang, Tantangan, dan Strategi Zakat dalam Pemberdayaan Ekonomi Umat,”* has systematically presented research emphasizing the importance of zakat institutions (LAZ/BAZ/OPZ) with qualified human resources and full government support, demonstrating that zakat can be managed more professionally and systematically. This research opens up significant opportunities for empowering the poor, positioning zakat as a sustainable instrument for creating social welfare and economic independence for Muslims in Indonesia (Zumrotun, 2016). This article shares similarities with the author’s discussion on the opportunities and challenges of Islamic economics in empowering the community. The difference is that while Siti Zumrotun focuses on the role of zakat institutions, the author delves deeper into exploring the success of agrarian communities with various instructions and recommendations.

Adinugraha et al., in their work titled; *“Islamic Social Finance in Indonesia: Opportunities, Challenges, and Its Role in Empowering Society,”* have extensively detailed the vast potential of Islamic social finance in Indonesia, given its large market share due to the world's largest Muslim population. With a focus on social welfare, this work provides concrete evidence of the strategic role of Islamic social finance in community empowerment and sustainable poverty alleviation. The comprehensive analysis also highlights the importance of integration with Islamic philanthropic institutions to expand its positive impact (Adinugraha et al., 2023). This work shares similarities with the author’s study in the context of opportunities and challenges of Islamic economics in providing social welfare to the community. The difference is that while Adinugraha conducts research on a global scale, the author is more specifically focused on the county level.

These studies are the closest publications to the author's research. After reviewing the literature and analyzing dozens of similar works, the author has not found any that specifically and coherently address the same issues. This indicates that the research is empirically original and authentic, and not a plagiarism of existing works. The position of this research in relation to existing publications (state of the art) is its specific focus on applying Islamic economic principles, such as zakat, waqf, and profit-sharing, in the context of agrarian areas, particularly in Kerinci Regency. Unlike previous studies that generally highlight Islamic economics or its application in the financial sector, this research directly links Islamic economic theory with the realities of agrarian communities.

## **Research Method**

This article falls under field research with a qualitative approach. The methodology employed is a case study method to explore the opportunities and

challenges of applying Islamic economics in empowering agrarian communities in Kerinci Regency, Jambi Province. The main focus of this research is to analyze how Islamic economic principles, such as profit-sharing, justice, and sustainability, are implemented in the agrarian sector. Primary data sources include interviews with various relevant parties, such as the Kerinci Regency Agricultural Office, workers from Bank Syari'ah Indonesia (BSI) in Jambi, experts in community and village empowerment, the head of the village heads forum, and heads or representatives of farmer groups. Additionally, the researcher conducted direct field observations to examine the practices of economic empowerment among farmers and gathered documentation to support the primary data.

The data collection methods used include in-depth interviews to gain perspectives from key informants, participatory observation to directly observe the implementation of Islamic economics in the agrarian sector, and document analysis covering various official documents, reports, and data related to community empowerment programs in Kerinci. The obtained data were analyzed through data reduction, data presentation, verification, and conclusion drawing processes, following the analysis methods proposed by Creswell & Poth (2016). Thus, this research is expected to provide a comprehensive picture of how the application of Islamic economics can enhance the welfare of agrarian communities in Kerinci and identify the challenges faced in its implementation.

### **Agrarian Society from a Historical Perspective**

An agrarian society is a community whose livelihood relies on agriculture, livestock, fishing, and forestry. These communities depend on land management as their primary source of sustenance. Essentially, agrarian societies view land as the foundation for fulfilling daily needs, encompassing economic, social, and cultural aspects. Land management in agrarian societies is often passed down through generations, using traditional methods inherited from their ancestors. Thus, agrarian communities are not solely tied to the economic sector, but are also closely linked to social and cultural aspects rooted in land and nature (Mulyadi, 2015). Agrarian societies have deep roots in the history of human civilization. Since prehistoric times, humans have depended on land to meet their food and livelihood needs.

The shift from hunter-gatherer communities to settled societies practicing farming and managing land was a pivotal moment in the history of human civilization. The Neolithic Revolution, which occurred about 10,000 years ago in various parts of the world, marked the beginning of agrarian societies. During this period, humans began to develop agriculture, domesticate animals, and build villages that relied on agricultural products as their primary source of food and livelihood. As agriculture developed, agrarian societies began to build more complex social structures. Land management became more organized, and the emergence of food surpluses allowed for more specialized divisions of labor. In early agrarian societies, land was not only a source of livelihood but also a symbol of status and power (Sihaloho et al., 2016). In many ancient civilizations, wealth and power were often measured by the amount of land one owned. Social classes

began to form, where landlords had control over the land and the farmers who worked it.

In the context of global history, major civilizations such as Ancient Egypt, Mesopotamia, China, and India were heavily dependent on strong agricultural systems. The Nile River Valley, for example, was the center of life for the agrarian society of Egypt, which relied heavily on the annual flooding of the river to irrigate their agricultural lands. Similarly, the people of the Euphrates and Tigris River Valleys in Mesopotamia developed complex irrigation systems to support their agriculture. At that time, managing natural resources such as water and land was key to the sustainability of agrarian societies, and this influenced the political, economic, and cultural development of those civilizations (Prayoga & Zakariyah, 2024). During the Middle Ages in Europe, agrarian society flourished under the feudal system, where landlords held great power over their territories, while farmers who worked the land occupied a lower rung in the social structure.

Farmers typically worked on land owned by nobles and, in return, received protection from external threats. This system had a significant impact on the social and economic life of medieval European society. Agrarian economic self-sufficiency at the local level became the foundation for a political and social structure that endured for centuries. With the advent of the Industrial Revolution in the 18th and 19th centuries, agrarian societies in many countries began to undergo significant transformations. Industrialization shifted the economy from agriculture to industry and manufacturing. Many agrarian communities that had previously depended on agriculture transitioned to factory work, and cities rapidly developed as new economic centers (Collantes, 2007). However, in some countries, agriculture remained the dominant sector, even as technological modernization began to be introduced into farming practices. The history of agrarian society in Indonesia can be traced back to ancient kingdoms such as Majapahit and Sriwijaya.

During the colonial era, Indonesia's agrarian society underwent significant changes due to Dutch colonial economic policies, especially with the implementation of the forced cultivation system (*cultuurstelsel*) in the 19th century. This policy forced farmers to grow export crops such as coffee, tea, and sugar, with the profits taken by the colonial government. This system had a profound impact on the agrarian society of Indonesia, which experienced poverty and suffering due to colonial exploitation. After Indonesia gained independence in 1945, agrarian society remained the backbone of the national economy. Various agricultural policies, such as land reform programs and efforts toward food self-sufficiency, became the government's main focus in improving the welfare of farmers and maintaining national food security (Darmawan et al., 2023). During the Suharto era, Indonesia achieved rice self-sufficiency in 1984, a monumental achievement in the history of Indonesia's agrarian society.

However, issues such as land ownership inequality, rural poverty, and land conversion continue to challenge Indonesia's agrarian society to this day. In modern times, agrarian societies continue to adapt to various technological changes and policies. Although agriculture faces significant challenges such as urbanization, climate change, and globalization, agrarian societies still play a vital role in providing food for the world. In this context, the history of agrarian societies shows that they have undergone significant transformations, from

ancient times to the modern era, yet remain a central pillar in maintaining social, economic, and ecological balance.

From a global economic perspective, agrarian societies still play a crucial role, even though many countries have transitioned to industrialization and the service sector. They are a key pillar in maintaining global food security. The global agricultural sector provides food for a growing population, making the role of agrarian societies vital. Moreover, the land they manage contributes to maintaining ecosystem balance. However, they often face serious challenges, such as climate change damaging crops, limited access to modern technology, and a lack of support in accessing global markets (Rejekiingsih et al., 2019). The instability of food prices and the scarcity of natural resources also pose threats to agrarian societies around the world. In Indonesia, agrarian society plays a crucial role in the national economy. With the majority of its population working in agriculture, Indonesia is often referred to as an agrarian country.

Various commodities such as rice, palm oil, coffee, cocoa, and spices form the backbone of the country's economy. Agriculture not only serves as a source of national food but also as a source of income for rural communities that depend on the land they cultivate. Furthermore, agrarian communities in Indonesia also preserve local cultural heritage, which is closely related to traditional patterns in land and natural resource management. However, agrarian society in Indonesia still faces complex issues. One of the main problems is the inequality of land ownership. Many small farmers only manage limited-scale land, while much of the agricultural land is controlled by large companies or elites. This limits the access of agrarian communities to their primary resources, reducing opportunities to improve their well-being (Andreas et al., 2019). Additionally, limited access to modern technology hinders agricultural productivity. In many regions, farming practices still rely on inefficient traditional methods, making it difficult to compete in the global market.

Another challenge faced by Indonesia's agrarian society is the reliance on middlemen for the marketing of agricultural products. Middlemen often exploit their stronger bargaining positions to buy agricultural products at low prices, while farmers have few alternatives for selling their products. This creates injustice in the distribution of profits along the agricultural supply chain. Furthermore, the conversion of agricultural land into industrial and property areas poses an increasing threat. Fertile land, which should be a source of food, is often diverted for development that does not benefit local communities.

### **Agrarian Community Empowerment Program in Kerinci**

The agrarian community empowerment program in Kerinci Regency is a strategic initiative launched by the local government to enhance the welfare of farmers. This program aims to strengthen farmers' skills in land management, increase productivity, and support marketing efforts for agricultural products. The Kerinci Regency government, through the Agriculture Office, is committed to allocating regional funds annually to support this program. The empowerment program includes various technical training sessions, infrastructure improvements, and the provision of seeds and fertilizers to farmers.

Roza Gaprina Putra, an employee of the Kerinci Regency Agriculture Office, explained that the empowerment program for farmers includes land processing training, seed assistance for crops such as corn, potatoes, rice, and coffee, as well as fertilizer and agricultural machinery assistance. The government also provides infrastructure such as irrigation systems and farm roads to facilitate access and distribution of agricultural products. These programs are channeled through farmer groups to ensure better coordination and targeting, with the ultimate goal of improving the living standards of the community, particularly farmers, who make up the majority of the population in Kerinci Regency (Roza, Interview 2021).

Kerinci Regency is known for its fertile agricultural land, making agriculture a primary economic sector for most residents. Therefore, empowering agrarian communities is a top priority in local development policies. The empowerment program not only covers farming skill training but also includes marketing training to help farmers more effectively market their products. This ensures that agricultural outputs are not only produced efficiently but also marketed optimally, thereby increasing farmers' incomes. Additionally, the Kerinci Regency government, through the Agriculture Office, avoids providing cash assistance to prevent misuse of aid by recipients. Instead, assistance is given in the form of training and goods, such as seeds, fertilizers, and agricultural tools. This policy is implemented to ensure that the aid provided is used appropriately for the needs and objectives of the agrarian community empowerment program. In this context, village governments also contribute by allocating village funds for similar empowerment programs.

Firman Kurnia Wahyudi, a member of the Kerinci Regency Professional Assistance Team, explained that in addition to infrastructure development, village funds are also allocated for empowering farmers. Training and seminars organized by the village government aim to enhance farmers' knowledge about modern and efficient farming practices, especially in the era of Industry 4.0. With this training, it is hoped that farmers will be better prepared to face new challenges in the increasingly advanced and technology-based modern agricultural world (Firman Kurnia, Interview, 2021). The village of Muara Semerah in Air Hangat District, Kerinci, is one example of a village that routinely conducts training for its farming community. Each year, the village invites speakers from the Agriculture Office or agricultural professionals to provide training to farmers. The training covers both theory and practice in farming, from land preparation to product marketing. Vasihan Yama Putra, the Head of the Village Heads Forum in Air Hangat District, emphasized the importance of this training as an effort to enhance the skills and knowledge of farmers in the village (Vasihan, Interview 2021).

The agrarian community empowerment program also faces challenges. One of the obstacles is the limited human resources. Although many farmers in Kerinci have attended training, some still have skills below the standard. Additionally, unpredictable weather in the region also affects agricultural productivity. High rainfall and climate change often hinder farmers from maximizing their harvests. Another challenge is the lack of access to capital. Despite the government's provision of various forms of aid, many farmers still struggle to obtain capital to develop their agricultural enterprises. In Kerinci Regency, there are no Sharia banks that offer loans based on Islamic principles. This poses a challenge, given



that the majority of Kerinci's population is Muslim and prefers banking services that comply with Sharia (Roza, Interview 2021).

On the other hand, the government continues to address these challenges through various measures. For instance, infrastructure development, such as irrigation systems, is ongoing to ensure that agricultural land receives adequate water supply, especially during the dry season. Additionally, the government is also constructing farm roads to ease the transportation of harvested products to the market. With adequate infrastructure, it is hoped that agricultural productivity and efficiency can be improved (Hendra Donel, Interview, 2021). Empowering agrarian communities in Kerinci Regency aims not only to improve agricultural productivity but also to make farmers economically self-reliant. Through various training programs, assistance, and infrastructure support, the government hopes that farmers in Kerinci can better utilize the agricultural potential available. This program represents a commitment by the government to enhance the welfare of agrarian communities and strengthen the agricultural sector as a major pillar of the regional economy.

### **Islamic Economics in Kerinci: Opportunities and Challenges**

The implementation of Islamic economics in Kerinci Regency, Jambi Province, presents both significant opportunities and challenges within the context of the growing Islamic finance sector in Indonesia. The establishment of Bank Syariah Indonesia (BSI) in Jambi Province marks a milestone in the development of Islamic economics; however, Kerinci Regency currently lacks a branch or other entities of BSI. This situation underscores both the substantial opportunities and the challenges faced in expanding Islamic economics in the region.

One of the main challenges is the integration of the Islamic economic system with conventional financial institutions. The products offered by Islamic banks and financial institutions still follow a fixed installment payment system and the imposition of penalties for late payments, similar to those applied by conventional financial institutions. This setup limits the effectiveness of these products in supporting the agricultural sector, which is the backbone of Kerinci's economy (Fahrial & Utama, 2020). Agricultural income is often realized only after the harvest period, which varies depending on the type of crop. Some crops are harvested once a year, while others are harvested every three to six months.

The contract system used by Bank Syariah Indonesia does not differ significantly from conventional banks, particularly regarding collateral requirements and monthly installment payments. An employee of Bank Syariah Indonesia in Jambi explained that the bank will still seize collateral if a customer fails to make payments, even if the customer's business incurs losses. This reflects the heightened risk of financing in the agricultural sector due to the uncertainty of harvests and farmer income. Although the majority of Kerinci's Muslim population supports the implementation of Islamic economics, many lack a thorough understanding of its concepts and applications. According to the Chairman of the Pulau Luweh Farmer Group in Air Hangat District, while the community supports the concept, they struggle to grasp how Islamic economics can be practically

applied (Delma Patih, Interview, 2021). This lack of understanding remains a significant challenge in developing Islamic economics in Kerinci.

Regarding capital for agricultural ventures in Kerinci, funds come from various sources, including personal capital, profit-sharing with investors, and loans from banks. The Chairman of the Alam Lestari Farmer Group noted that using bank loans is risky because farmers must pay monthly installments regardless of their harvest outcomes. If the harvest does not meet expectations, the collateral provided can be seized by the bank (Mulyanto, Interview, 2021). This highlights that the current financing structure does not fully support the fluctuating nature of agriculture. On the other hand, profit-sharing systems or capital contributions from investors to farmers are still informally practiced in Kerinci. Investors provide land, seeds, and fertilizers, while farmers manage the land and agricultural activities. The harvest is then split between the investor and the farmer. This system, known as 'nyaham' in Kerinci, is more flexible compared to bank loans but faces challenges related to formalization and legality (Hermanidi, Interview, 2021).

Another issue faced by farmers in Kerinci is land ownership. Many farmers do not own land and must lease it from others through a system called 'nyasih' (rent). Rent payments can be made in cash or with a portion of the harvest, which means farmers must work hard to meet their rental obligations (Wan Wahabib, Interview, 2021). This situation makes the agricultural sector in Kerinci increasingly vulnerable to price fluctuations and harvest outcomes. In addition to capital and land ownership, human resources in the agricultural sector also pose a significant challenge. Many farmers lack knowledge and skills in modern farming techniques. According to Junaidi, Chairman of the Sinar Danau Farmer Group, many farmers in Kerinci are not well-versed in proper land management and marketing of their produce. This hinders efforts to improve productivity and competitiveness in broader markets. Unpredictable weather, such as prolonged rain or extended dry spells, also presents significant challenges to agricultural output in Kerinci. Floods and droughts can devastate farmland and negatively impact farmers, making it even harder for them to sustain their livelihoods amidst environmental fluctuations (Junaidi, Interview, 2021).

Despite these challenges, opportunities for implementing Islamic economics in Kerinci still exist but require stronger support from various stakeholders. Educating the community about Islamic economics and adapting Sharia-compliant financing systems to better support the agricultural sector are crucial for successful implementation (Hastin, 2021). Additionally, Kerinci's potential, given its predominantly Muslim population, can serve as an important asset in promoting Islamic economics in the region. However, without a deep understanding from the community and supportive systems for vital sectors such as agriculture, the implementation of Islamic economics in Kerinci may remain incomplete. There is a need for more adaptive and innovative policies from the local government and Islamic financial institutions to ensure the effective development of Islamic economics in Kerinci. Furthermore, active involvement from scholars and community leaders in socializing the concepts of Islamic economics to the broader community is necessary to help them understand and apply these principles in their daily lives.

## **Empowerment of Agrarian Communities in Kerinci**

Empowering agrarian communities in Kerinci Regency is a crucial effort to enhance the welfare of farmers and maximize the potential of the region's abundant natural resources. With its vast and fertile agricultural and plantation lands, Kerinci has substantial opportunities to increase productivity and improve the quality of agricultural products. To achieve these goals, effective and sustainable empowerment programs are necessary. The local government, in collaboration with village administrations, has designed various initiatives aimed at improving farmers' welfare through skill development, access to technology, and market access (Adams & Jumpah, 2021).

A primary focus of agrarian empowerment in Kerinci is enhancing farmers' access to productive assets. A major challenge faced by farmers is the limited funds available, which hinders their ability to adopt modern technology and hire skilled labor. In response, the Kerinci Regency government has implemented direct support measures, such as providing seeds, fertilizers, and modern agricultural tools. These initiatives aim to boost farmers' production capacities so they can meet the growing market demand (Marcinkowski et al., 2021). By utilizing modern technology, farmers are expected to increase efficiency in production processes, thereby improving agricultural yields and community welfare.

In addition to access to productive assets, improving market access is also a priority in this empowerment program. As the population grows and demand for agricultural products rises, farmers in Kerinci have significant opportunities to expand their market reach. However, to compete in broader markets, farmers need to enhance the quality and quantity of their products. Therefore, innovation in product development is crucial. Farmers are encouraged to produce crops that meet consumer needs in terms of both quality and quantity, allowing them to better capitalize on market opportunities (Giller et al., 2021).

Training and entrepreneurship programs are integral components of agrarian empowerment in Kerinci. Through training organized by local and village governments, farmers are given the opportunity to develop their skills in both technical agriculture and business management. These training sessions cover various aspects, from modern farming techniques to marketing strategies. This approach not only helps farmers improve their productivity but also enables them to manage their agricultural enterprises more professionally and sustainably. Additionally, fostering an entrepreneurial spirit among farmers can enhance their independence in developing their agricultural ventures (Paladan, 2019).

Another promising opportunity in agrarian empowerment in Kerinci is the implementation of Islamic economic systems. Given that Kerinci has a predominantly Muslim population, there is significant potential to develop Sharia-compliant systems in agricultural activities. One prevalent form of cooperation is the muzara'ah system, where landowners provide land to cultivators in exchange for a share of the harvest. This system is considered fair and aligns with Sharia principles as it facilitates mutually beneficial cooperation between landowners and cultivators (Pramono et al., 2020).

The implementation of Islamic economic systems in agriculture offers numerous benefits, particularly in terms of income distribution and social justice. Through the muzara'ah system, farmers without their own land can still

participate in agricultural activities, while landowners can utilize their land without directly engaging in production. This not only helps improve the welfare of small-scale farmers but also encourages optimal utilization of previously underused land. However, there are challenges that need to be addressed in the process of empowering agrarian communities in Kerinci. One challenge is the low level of education and technical knowledge among farmers regarding modern agriculture. Despite various training programs provided by the government, many farmers struggle to adopt new technologies due to limited human resources. Therefore, alongside training, continuous mentoring is necessary to ensure that farmers can effectively apply the knowledge they acquire in their daily practices (Sadiku et al., 2020).

Another significant challenge is infrastructure, such as agricultural roads and irrigation systems. Poor infrastructure can impede the distribution of agricultural products and reduce production efficiency. To address this, the Kerinci Regency government has worked to improve agricultural infrastructure, including the construction of village roads and irrigation channels. Better infrastructure will facilitate easier access to markets and distribution of agricultural products, thereby significantly increasing farmers' income. Addressing these challenges requires collaboration between the government, community, and private sector.

For example, village governments can play a crucial role in managing village funds to support farmer empowerment. Village funds can be used to finance training programs, infrastructure development, and capital assistance for farmers. Meanwhile, the private sector can contribute through investment in agricultural technology and providing capital for small-scale farmers. The success of agrarian empowerment programs in Kerinci depends on the commitment of all involved parties (Hastin, 2021). With the right support, farmers in Kerinci have significant potential to enhance their welfare and develop sustainable agricultural enterprises. The initiatives undertaken by the government are a positive first step, but more intensive and sustained efforts are needed to achieve optimal results.

### **Success of Agrarian Communities from an Islamic Economic Perspective**

The success of agrarian communities from an Islamic economic perspective can be evaluated based on how they manage natural resources fairly, sustainably, and in accordance with Sharia values (Rusanti et al., 2023). In Kerinci Regency, where the majority of the population is Muslim, various efforts have been made to empower farmers and enhance their welfare. Through empowerment programs such as improving access to productive assets, entrepreneurial training, and market access, agrarian communities in Kerinci have strived to achieve economic success. However, not all practices on the ground align with Islamic economic principles, necessitating further analysis.

One phenomenon reflecting success in applying Islamic economics in Kerinci is the use of the muzara'ah system in land management. This system facilitates mutually beneficial cooperation between landowners and cultivators, where cultivators are given the right to manage land in exchange for a share of the harvest. The muzara'ah system aligns well with Islamic economic principles, emphasizing justice, balance, and mutual assistance in economic cooperation

(Ichsan, 2018). Conversely, a significant challenge faced by agrarian communities in Kerinci is the heavy reliance on external capital, which often involves interest-based practices. This is contrary to Sharia values, which prohibit transactions involving interest (riba).

Indicators of success in agrarian communities from an Islamic economic perspective can be assessed through several key aspects. First, the aspect of justice in income distribution. In Islam, wealth distribution should be fair to avoid significant gaps between the rich and the poor. Successful agrarian communities should have mechanisms for equitable income distribution, such as through fair profit-sharing systems. Second, sustainability. Islamic economics emphasizes the importance of preserving nature and avoiding excessive exploitation of resources. Success can be measured by how well communities manage natural resources wisely and sustainably, without harming the environment. Third, economic independence (Indrawati, 2022). Successful agrarian communities in Islamic economics are those capable of self-reliance and not overly dependent on external sources, especially those involving interest-based capital.

To achieve greater success, agrarian communities in Kerinci need to adopt recommendations aligned with Islamic economic values. First, local governments should enhance education and training for farmers to improve their understanding of Sharia principles in economics. Through such education, farmers will become more aware of the dangers of interest-based financing and seek Sharia-compliant alternatives, such as Islamic cooperatives or profit-sharing financing. Second, there should be a strengthening of Islamic economic institutions at the village level, such as establishing Sharia-based microfinance institutions that can assist farmers in obtaining capital without interest. Third, the government and community should collaborate to develop more environmentally friendly and sustainable agricultural practices in line with Islamic economic principles (Hastin, 2021).

Additionally, raising awareness about the importance of zakat, infaq, and sadaqah as instruments of Islamic economics in wealth redistribution is crucial. Zakat on agricultural produce, for example, is an obligation for farmers as a form of social contribution to assist less fortunate members of society. By implementing zakat, the economic gap between wealthy and poor farmers can be reduced, leading to more equitable economic success. In this context, zakat serves not only as an act of worship but also as a socio-economic mechanism aimed at creating justice and collective welfare.

Historically, examples of successful agrarian communities can be seen during the time of Prophet Muhammad Saw. When the Prophet migrated to Madinah, he united a diverse society, including the Muhajirin (emigrants from Makkah) and the Ansar (the native inhabitants of Madinah). The Ansar, who were primarily farmers, generously provided some of their land to the Muhajirin through the muzara'ah system. This collaboration fostered social harmony and justice in Madinah. Additionally, the Prophet emphasized environmental conservation. Several Hadiths encourage Muslims not to destroy trees or harm the environment (Khuluq & Syamsuri, 2020).

Compared to the present, agrarian communities face more complex challenges. However, the fundamental principles taught by the Prophet remain relevant. Fair management of natural resources, mutually beneficial cooperation,

and environmental sustainability are values that must be upheld. In the modern era, agricultural technology also plays a crucial role and must be integrated with Sharia principles (Siregar, 2023). Technology can enhance productivity, but its use must consider sustainability and community welfare. For instance, the use of efficient irrigation technology can help farmers increase their yields without harming the environment. However, this technology should be accessible to all farmers, not just those with significant capital. In this context, the government's role is crucial in ensuring that modern agricultural technology is accessible to all levels of agrarian society, thereby preventing significant disparities between wealthy and poor farmers.

## Conclusion

The implementation of Islamic economics in Kerinci Regency offers various opportunities and challenges in empowering the agrarian community. The opportunities include the significant potential to utilize Islamic economic principles such as profit-sharing and zakat to improve farmers' welfare. With support from the government, Islamic financial institutions, and the presence of fertile agricultural land, the people of Kerinci have a strong foundation to implement Islamic economics. However, challenges include a lack of understanding of Islamic economic concepts, limited access to modern technology, and issues in capital and market management. Developing agricultural infrastructure and providing training for farmers are key to overcoming these challenges and maximizing the available opportunities.

In the context of the success of agrarian communities in Islamic economics, this research indicates that applying Islamic economic principles can bring significant benefits to farmers in Kerinci. This success is marked by increased productivity and quality of agricultural products, as well as improved market access through fair and sustainable systems. Communities that utilize profit-sharing and land lease systems in accordance with Islamic economic principles experience improvements in welfare and economic stability. Despite some ongoing challenges, such as limited knowledge and technology, a consistently applied Islamic economic approach can positively impact the empowerment of agrarian communities and enhance overall quality of life.

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