

PATTERN OF PROFIT-SHARING AGREEMENTS BETWEEN SMALL HOLDER FARMERS AND ABSENTEE FARM LAND OWNERS

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Abstract

Purpose: The purpose of this paper examines the pattern of cultivation of agricultural land that is outside of the ownership of the land collector or the so-called absentee land. **Research Methods:** The method used is an empirical method, namely researchers directly search for data in the field by meeting with cultivators, absentee land collectors and community leaders. Then the data obtained is processed with an analytical descriptive method. And strengthened by legal materials in the form of legislation. **Findings:** The results of the study found that there were 2 (two) absentee soil cultivation patterns in Kintamani village, namely the cultivation pattern with production costs in agricultural land processing borne by all the cultivator and production costs in agricultural land processing borne partly by the landowner and partly borne by the cultivator of the land. The system of profit-sharing agreements between cultivators and absentee landowners in Kintamani Village is not written/oral based on a sense of trust. **Practical implications:** It is important for owners who are far away from their land to be able to cultivate their own land and to prevent future disputes between landowners and cultivators should make agreements in writing. **Researcher's Limitations:** this research area is located in Kintamani Village in Bangli Regency, Bali Province where the location is far away in the country side researchers conducted special research related to the land owned by the farmer outside of the area where the agricultural land is located. **Originality/Value:** The pattern of distribution of produce between farmers and absentee landowners has been done a lot of research but in research there are characteristics and specificities that exist in the area of the research site. The characteristics include people who are still not affected by the currents of globalization, farmers who have not been profit-oriented but there are things that are used for consideration in carrying out agricultural land product sharing agreements.

Keywords: Cultivation Pattern, Absentee Land, Revenue Sharing Agreement

1. INTRODUCTION

Indonesia's wealth including planet Earth, oceans, and the universe as a whole is a gift from God. Therefore, all of Indonesia's wealth must be used to ensure the highest welfare and prosperity of the Indonesian people. As an agricultural country, Indonesians rely heavily on their natural resources, especially land. Indonesia's very fertile natural conditions and abundant natural resources support this.

The land is God's gift as a natural resource that is essential for man's survival to carry out his daily life. For farmers, land can be used as agricultural land as a place to depend on their lives from the harvest. Agricultural products can be used to fulfill one's own life or sold as one of the agricultural commodities. (Volentino, 2013)

Land is used for living and earning a living. The majority of the population works as cultivators or farm laborers. Thus, the soil is the most important part for humans and other living beings. This is very important for life because the people live on land and obtain food by utilizing the

land. In this regard, it is necessary to regulate the grant, designation, control, use, and maintenance in order to guarantee a definite law as a form of providing legal protection to the wider community, especially farmer groups, and ensuring its sustainability.

The term land in the Basic Agrarian Law is not clear, but article 4 of the UUPA states that: there are certain rights to land, which can be obtained and controlled by each individual, either individually or together with other persons and bodies, according to the power of state control as stated in Article 2. ; 2). (Arba H.M, 2015) The right to each party to use the land as a space for the purposes stipulated in the laws and regulations. 3). the right to space and water is determined on the basis of what is already referred to in paragraph (1) of this article. One of the issues of concern for the implementation of UUPA is the land reform program in Indonesia. Landreform can be divided into two categories: narrow and sprawling. Budi Harsono (Harsono, 1999) stated that landreform is narrowly defined as a series of movements against the framework of Indonesian agrarian reform. Meanwhile, it is widely interpreted because land reform is referred to as agrarian reform. (Arisaputra, 2015)

Landreform is a fundamental change in terms of ownership and land that each individual controls, and there is a relationship of norms governing land tenure. (Sahnan, 2019) In Indonesia there are several main landreform programs, namely, a). Prohibition of ownership and controlled agricultural land over the limits; b). Prohibition of controlling agricultural land in absentee or unemployment; c). Division of agricultural land; d). Regulation of the lien of agricultural land; e). Regulation of revenue sharing in agricultural land; f). The establishment of a minimum limit of ownership of agricultural land. (Hustiati, 1990)

The purpose of the land reform is to increase the productivity of agricultural land which is very clear, because land ownership that exceeds the limit can lead to low agricultural productivity, and if the ownership has the status of absentee then of course the owner of the land does not work and work on it himself. Owning agricultural land, but the right of processing and care is given to the people who are cultivators in the area, so the management of agricultural land is not carried out intensively and efficiently. Agricultural land revenue sharing agreements, land is not the main goal but only has a relationship with land. The object of this agricultural revenue sharing agreement is the result of the land, as well as the labor of the person who worked on it. (Amiludin, 2019) From this arrangement, it is known as the prohibition of absentee ownership of agricultural land. Absentee land is land that is far from its owner. Although absentee farm land ownership refers to the ownership of agricultural land whose owner is located far outside the district where the land is located, it can be excluded for landowners who live in the district bordering where the land is located, but the distance between their homes and the land allows brand A to be able to work on its land independently and efficiently. The ban on absentee land ownership is intended to encourage farmers to be agile and effective in cultivating their own land, therefore the land becomes productive. The regulation of the ownership of absentee agricultural land is contained in article 3 of PP No. 224 of 1961 and PP No. 41 of 1964 concerning amendments and additions to Government Regulation No. 224 of 1961 concerning the Implementation of Land Division and Compensation, in articles 3a to 3e. As a result, the landowner must live in the sub-district where

the land is located in order to the land can be cultivated. Furthermore, uncultivated land certainly results in the land becoming derelict. Although the ban exists and remains in effect, the reality is that there are still many landowners who have absentee status. This proves that there are still people who own land that have absentee status.

For example, land owned by several communities that are far from where they live. The land is located in Bangli regency precisely in Kintamani Village, Kintamani District, and Bangli Regency while the owner lives far away in the city. Then it is cultivated by farmers who are close to the location of the land. Land ownership by communities living in different sub-districts results in inefficient land processing, for example in terms of managing, supervising, and transporting results. This can also lead to exploitation systems, such as people living in the city owning land in the village, which is cultivated by farm workers in the village with rent or profit sharing procedures. This means that the farmer who works the land spends a lot of energy solely getting half of the land he cultivates, while the landowner who lives in the city does not have to work on his land still gets a share of the crop. Basically, the rules regarding the prohibition of absentee land ownership were enacted to reduce land problems caused because the landowner was outside the location of his land. In fact, what happens is that there is a lot of land accumulation by one party, while farmers work on other people's land that is not their own land. (Annisa Thalassa Falah*, Nur Adhim, 2022)

In connection with the foregoing, there is a problem that can be formulated by the author, namely how is the pattern of cultivating agricultural land absentee in Kintamani village, Kintamani district, Bangli regency? As well as what is the system of profit-sharing agreements between cultivators and absentee land owners?

2. RESEARCH METHODS

It uses empirical research methods. The empirical method is a legal method that examines how the law works in a society. (Soekanto & Mamudji, 2003) There are 3 (three) approaches in writing this research, namely the statute approach, the analytical and conceptual approach, and the sociological approach. (Bambang Waluyo, 2002)

In addition, the study of the legal aspects of social interaction in society is carried out with a sociology of law approach, which also serves as a tool for identifying and elaborating findings from non-legal sources. This research uses 2 (two) data sources, namely, primary data sources and secondary data sources. Primary data sources are those obtained directly from the field, while secondary data sources are obtained from literature reviews or literature sources related to research topics. Primary legal documents and secondary legal materials are part of secondary data sources. The rules of legislation, minutes, and jurisprudence and court decisions serve as the main sources of legal information. (Mukti Fajar dan Yulianto Achmad, 20015) Scientific points of view, literature from books, articles, journals, research results, and other sources relevant to the topic under discussion are used to create secondary legal documents. The data collected to make this research there are 3 (three) techniques, namely interviews, observations, and documentation. The location used to obtain the data was held in the village of Kintamani, District of Kintamani, Regency of Bangli. Data processing and analysis

techniques will be analyzed with hermeneutics analysis techniques and the data collected through interviews and observations are used to compile qualitative analysis. This qualitative analysis technique will provide study results that are positively and noticeably correlated with existing reality.

3. RESULTS AND DISCUSSION

Kintamani Village is one of the villages in Kintamani District, Bangli Regency, Bali Province whose boundaries include the north bordering Sukawana Village, on the east bordering Banjar Yeh Mampeh, on the south bordering Bonyoh Village and on the west bordering Belancan Village and Banyung Village. Kintamani Village has a dominant area in the field of citrus and coffee plantation crops, because of its natural potential in the plantation sector, it makes its people work as farmer laborers. This shows the importance of the agricultural sector for Kintamani Village in terms of employment there. The majority of the population are farmers or work as farm laborers to support their families. This is because the soil and climate in Kintamani Regency are suitable for various types of crops, including horticultural crops, plantations, and forestry. Absentee land cultivation in Kintamani Village is land management carried out by cultivator farmers on agricultural land whose owners are far from outside the sub-district or outside the area where the land is located. Where it can be said that the farmer works the agricultural land not his own but belongs to someone else, but the cultivator farmer who is given the trust to work on the land with the aim of always having productive activities and the land is not categorized as wasteland.

Owners of agricultural land that live outside the area of the land located or far from the location of the land will give the right to the cultivator farmer to cultivate his farmland. Where in granting arable rights to cultivator farmers to manage the land, there are 2 (two) patterns of absentee land cultivation in Kintamani Village, namely, first from the results of interviews conducted with Mr. I Wayan Kayun, Mrs. Ni Luh Siti Septiyani, and Mr. I Nengah Gubar that technically the cultivation cultivated by them all production costs are borne by the cultivators. Starting from seeds, fertilizers, and tools used in cultivating agricultural land. (Wawancara I Wayan Kayun, Ibu Ni Luh Siti Septiyani, Dan Bapak I Nengah Gubar Dengan Petani Penggarap Di Desa Kitamani Bangli, Pada Tanggal 21 Desember 2022., n.d.)

In this case the owner gives only land in the power of the cultivator and it is the cultivator who will finance all the costs of production, and is obliged to plant, care for it until the harvest comes. Then, these costs can be calculated either on the part of the plant received by the cultivator or in advance from the crop before it is divided. The landowner only supervises the execution of his actions and then receives the final result and he does not actively participate in cultivating the land. Secondly, from the interview of Mr. I Komang Budiantara, the pattern of cultivating absentee land is technically the cost of production borne partly from the landowner and partly borne by the land cultivator, it is carried out based on the initial agreement according to what has been mutually agreed between the landowner and the land cultivator. (Interview of I Wayan Kayun, Mrs. Ni Luh Siti Septiyani, and Mr. I Nengah Gubar with farmers in Kitamani Bangli Village, on December 21, 2022. , n.d.) Mr. I Komang Budiantara

stated that in the process of cultivating, the preparation of managing the land starting from seeds, fertilizers, the purchase of pesticides and the tools used previously will be financed at the beginning first by the cultivator then will be in total all costs spent during the maintenance process then the landowner will reimburse half of the total costs incurred by the cultivator. (Interview of I Wayan Kayun, Mrs. Ni Luh Siti Septiyani, and Mr. I Nengah Gubar with farmers in Kitamani Bangli Village, on December 21, 2022. , n.d.)

According to the results of interviews with four farmers in Kintamani village, there are 2 (two) harvest periods for citrus crops, namely the harvest and the intermediate harvest. Great harvest i.e. when flowering and fruit formation occur simultaneously, a large number of fruits are produced or harvested. Intermediate harvest i.e. when a plant produces few flowers or the remaining flowers do not develop into fruit during the bumper harvest, the harvest will stop. Because fewer fruits ripen in the off-season, the intermediate harvest is often referred to as the rest of the fruit harvest. The proportion of fruits produced between the harvest period and the intermediate harvest period is 1:10. The amount of ripeness, skin color, and size of oranges collected periodically indicates that their quality is usually inferior to that of harvested oranges. The intermittent harvest period often lasts from February to April, and the harvest period usually lasts from July to September. The process of flowering and fruiting can be accelerated if the rainy season begins earlier.

4. SYSTEM OF PROFIT-SHARING AGREEMENTS BETWEEN CULTIVATORS AND ABSENTEE LAND OWNERS

Overeenkomst and verbintenis are terms from the Dutch language used in the word treaty. According to one of the interpretations, the term overeenkomst means agreement or agreement. Since the two parties have agreed to achieve something, the expression "agreement" is used. (P.N.H. Simanjuntak, n.d.) The definition of verbintenis according to Subekti is an agreement that has a broader meaning than the scope of a treaty. With a broader concept than a treaty then the agreement arises as a result of laws and treaties. As a result, there is a relationship between the agreement (overeenkomst) and the agreement (verbintenis), in which the agreement issues an agreement or can be considered a component of the agreement. (Zerlina Fakultas Hukum et al., n.d.) According to Subekti, an agreement occurs when two people or one person agrees with the other to perform a certain action. Written agreements and oral agreements are included in the form of agreements, where the Agreement made in writing by the parties is referred to as a written agreement. (R. Subekti, 1990) On the contrary, an oral agreement indicates that an agreement reached by the parties directly then the agreement has been in force for as long as it lasts.

The profit sharing agreement in the cultivation of agricultural land has been going on for a very long time and has even been passed down for generations. Speaking of profit sharing, if defined profit sharing is a form of agreement that landowners use with cultivators in making a profit. (Gusti Ngurah Oka Pramana, I Ketut Kasta Arya Wijaya, 2022)

The profit sharing agreement is also regulated by the government, namely in Law No. 2 of 1960 concerning profit sharing agreements, broadly speaking it is an agreement made between

a landowner and a person or legal entity (cultivator) in which the cultivator is allowed by the landowner to carry out agricultural business on his land with the distribution of the proceeds that have been agreed upon by both parties (Law No. 2 of 1960 article 1 letter C). (Wahyuningsih, n.d.)

Agricultural workers used to cultivate and manage farmland that did not belong to them based on trust and agreement. The agreement between the parties usually includes the land itself and everything inherent in it. Rights and obligations including the terms of the agreement are usually governed by the parties. The profits from such tillage are then divided according to the agreement. Regarding the distribution of the yield obtained after harvest, it depends on the initial agreement and from the mechanism of processing agricultural land. Of the 4 (four) cultivator farmers who have been interviewed, the distribution of proceeds with a full financing pattern from the cultivators of the distribution concept is that the landowner gets 1/4 or 25% of the share and the cultivator gets 3/4 or 75% part of the overall output. The distribution of proceeds with a financing pattern is borne by half of the cultivators and the other half from the landowners with the concept of sharing the results of 50% of the cultivators and 50% of the landowners this can be said to be quite good, because the cultivators get part of it and the landowners also get half of the total crop. Although the distribution of the results can be said to be fair because each of them gets an even division, it is still the cultivator who slams the bones to expend all his energy in the process of cultivation until the harvest arrives. Meanwhile, the owner only receives the results without having to work on his own land.

Of the 4 (four) cultivator farmers who have been interviewed, the legal form of agreement between the cultivator and the absentee land owner in Kintamani Village is unwritten / oral. The agreement was made based on a sense of trust between the landowner and the cultivator farmers. Although it is rare to find disputes in the concept of an unwritten agreement, the possibility of disputes is quite high. The peasant workers in Kintamani village in working on land owned by others whose owners are outside the city or sub-district are used to making agreements in an unwritten/oral manner. This is very common for farmers in Kintamani village. The existence of confidence and trust for the farmers of cultivators even though the legal form of the agreement is only made in an unwritten / oral manner this will apply as appropriate and will not result in disputes against the parties in the future. Landowners and cultivators in forming unwritten or oral agreements are built on one of the concepts, namely the principle of freedom of contract.

The principle of freedom of contract each Individual is free to enter into a contract as they see fit in a number of ways that guarantee their freedom in relation to the agreement. This includes but is not limited to: 1) The freedom to determine whether or not to enter into the agreement; 2) Freedom to decide with whom to enter into a contract; 3) Freely establish the contents and clauses of the agreement; 4) does not contravene existing regulations or norms; 5) Freedom to determine the form of the agreement both written and oral. (Miru, 2020)

The principle of freedom of contract as a guideline in making agreements, it can be said that agreements in unwritten / oral form that are carried out by the parties based on the principle of freedom of contract are allowed so as not to violate the provisions that have been regulated in

a norm. The people of Kintamani village, especially those who work as cultivators, choose to enter into a profit-sharing agreement orally and unwritten based on mutual trust. Because of the kinship, mutual cooperation, and cooperation between the villagers, cultivators are always willing to accept any conditions. However, if any party feels aggrieved, then deliberation will be used to solve the problem, and rarely involve village officials as long as it can benefit both parties. Although both parties use unwritten/verbal agreements based on mutual trust, disagreements between landowners and farmers are extremely rare.

5. CONCLUSION

From what has already been described above the author can conclude it as follows:

That there are two patterns of absentee land cultivation In Kintamani Village, Kintamani District, Bangli Regency, namely, first, the cultivation pattern with production costs in agricultural land processing is borne by all the cultivators with the concept of dividing the results, namely the landowner gets 1/4 or 25% share and the cultivator gets 3/4 or 75% part of the overall output. Second, production costs in agricultural tillage are borne partly by the landowner and partly borne by the cultivator of the land, with a share of the yield of 50% of the cultivator and 50% of the landowner. The system of profit sharing agreements between cultivators and absentee landowners in Kintamani Village is unwritten / verbal where it is based on a sense of trust between the landowner and the cultivator farmer.

Related to the above conclusions, the author suggests some suggestions aimed at absentee land owners that they can work on their land or farmland independently, from the cultivation process until the harvest arrives. In addition, people who work as absentee land cultivators should make a written agreement to minimize disputes between land owners and cultivators in the future.

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