

Fairness in Profit-sharing System of Business in Fish Catch in Muslim Community at South Sulawesi

Alimuddin¹, Christian Mangiwa² and Muallimin³

¹University of Hasanuddin, Indonesia

²University of Hasanuddin, Indonesia

³University of Hasanuddin, Indonesia

Abstract: This study aims to examine the justice in the profit-sharing system of capture fisheries in Muslim communities in South Sulawesi. The research method uses descriptive qualitative analysis. To determine whether there is fairness in the profit-sharing system, the value of fairness is based on Islamic Sharia. Data sources used in this study are primary data collected by interview and observation methods. The data obtained were then analyzed qualitatively using an analysis of the elements of the value of fairness, namely honesty, trustworthiness, and balance in implementing the profit-sharing system. The results showed that the capture fisheries business profit-sharing system showed the implementation of the value of fairness by fishermen in the captain with crew but there was dishonesty and not responsible out by the leader on land (*pongawa darat*) in reporting the sale revenue to the fishermen of captain and crew. Even so, with a simple management touch on one of the fishermen's groups it was able to apply the value of fairness in the system of sharing results well and consistently

Keywords: profit-sharing, capture fisheries business, fairness, fishermen, leader on land.

Introduction

Revitalization of Agriculture, Fisheries and Forestry (RPPK) is a national program that has been implemented by the government in an effort to maximize economic development in the field of agriculture widely. One of the goals of this program is to optimize the use of natural resources which is expected to increase income and welfare of farmers and fishermen (<http://www.litbang.deptan.go.id/special/rppk/>).

Although, generally, farmers and fishermen community in the development perspective is in the same places, as actors and beneficiaries of results of the development but in sociology, the characteristics of fishing community are different from farming community. According to Yusuf and Arief (2008), "Farmers face situations that can be controlled while fishermen are faced with ecological situations that are difficult to control on production, remembering that capture fisheries are open access so fishermen also have to keep moving due to that there are elements of risk that must be faced greater than those faced by farmers".

Socio-economic research found that majority of maritime population, especially coastal fishing communities in developing countries, including Indonesia, are in poverty (Winoto, 2006; Acheson and Emerson in Haryono, 2005). This condition indicates that there are fishermen that cannot have a kind of capture technology because of the availability of large capital. The poverty conditions experienced by fishing communities especially labor fishermen (crew) in Indonesia have caused them to be considered as marginalized groups of people.

Even the socio-economic conditions of fishing community are divided into two main groups, the first groups that has equity, often called captain of the land, and the second groups that exists worker (crew). In South Sulawesi, the social strata of fishing communities are known as captain on the land (boat owners and production equipment), captain on the sea (boat / boat captains), and crew (need fishermen) (Arifin, 2012).

The group of fishermen belonging to the captain strata is still relatively small while those belonging to the crew category are relatively large. The socio-economic strata and bargaining of captain of

fishermen group are relatively higher than crew of fishermen. As a result, crew of fishermen often get unfair treatment, especially in profit-sharing of catching fish. Profit-sharing ratio still uses old method that is difficult to leave, even though the rules of profit-sharing have been promulgated. UU no. 16 of 1964 in Article 3 paragraph (1) is stated

"If a fishery business is carried out on a production sharing agreement, the results of the business must be given to fisherman cultivator as follows: if a sailboat is used, a minimum of 75% of the net income while if it is used by a motorboat, a minimum of 40% of net income ...".

The rule has not been widely applied because most of crew of fishermen will not really know about profit-sharing system. This condition is further aggravated by limited knowledge, business capital and the available of employment in the coastal areas. Therefore crew fishermen follow the provisions of Captain.

In the view of Islam, the application of a profit-sharing system must pay attention to justice in both sides, even though one side that has high bargaining power and the other has limitations or weaknesses with a low bargaining power. As Allah Almighty says O ye who believe! Squander not your wealth among yourselves in vanity, except it be a trade by mutual consent, and kill not one another. Lo! Allah is ever Merciful unto you. ' (Surat an-Nisa [4]: 29).

With the development of information technology, television and social media that have existed in village will increase knowledge and information on fishermen with the result that can improve the bargaining position of crew of fishermen. On the other hand, Captain fishermen have had the increasing number of entrepreneurs engaged in this business so that sharing system hopefully has improvements that can develop the economy of fishermen crew with the result that income balance will exist, or income gap will be minimized.

Based on the above, this study will try to explore the application of justice in the sharing system of fisheries on Muslim communities in South Sulawesi, especially in Muslim fishermen in Barru, Takalar, and Jeneponto. The selection of the three regencies is related to a variety of different fishing businesses. In Barru regency, the fishermen studied were those who attempted on a moving chart (boat chart). Whereas in Takalar regency fishermen catch fish on reef by using spears and in Jeneponto regency fishermen use modern fishing gear by using special fishing net that was granted from Japan and Government. All of fishermen, both Captain and crew, are Muslim communities who are expected to apply the value of justice in Islam. The result of data collection is analyzed by using content analysis. The result of the study is able to reveal the other side of justice on profit-sharing of fishery business.

Research Methodology

This research is a qualitative research. A survey was conducted to interview responders.

Result and Discussion

General description of process of cooperation between captain of the land, captain of the sea and crew is Captain on the land as one of the businessmen working to collect / buy fish from the fishermen. The fish collected will be resold to fish collector that will be sent to entrepreneurs' restaurant or exported abroad. The captain on the land only works on land and entrusts his fishing gear to be used by sea retainer.

Another fisheries business is captain on the sea and crew. Both of them are the same characters that go to the sea to catch fish. But both have different status, captain on the sea has been given the trust of shipowners and fishing equipment (captain on the land) to operate existing fishing gear and is a ship captain. Whereas Crew is the fishermen invited by captain on the sea to catch fish together.

Catching fish with spear. According to Muis as captain on the sea, the people in the local environment who work as captain on the sea, generally, have 4 or 5 crew. Captain on the sea and crew are going to the sea 6 times / week started at 20.00 until 05.00 except Thursday night. Muis said that the catching fish will be sold to captain on the land directly in the morning. However, before the ship landed on

the ground, every members of the ship (captain on the sea and crew) take some fish that are of no economic value. Sales revenue of fishermen is immediately divided into predetermined proportions. The proportion of profit-sharing applied by the captain on the sea and crew is divided based on component such shipowner, owner of the ship's engine, owner of compressor, and each crew of the ship including captain on the sea. All components get equal parts .

From the results of interview, the collaboration between captain on the sea dan crew does at certain times, in March-May and October-December. Those months are an effective time to catch fish due to fairly normal wave conditions.

Muis said that sales revenue of catching fish is around Rp. 2,000,000 /night . there are capital expenses that will reduce the amount of sales revenue such as ship fuel, fuel compressor, and cigarette. This expense is estimated around Rp. 250.000 /night. Overall, the revenue that will be divided to 8 components (ship owner, owner of ship's engine, owner of compressor, captain on the sea and 4 crews is Rp. 1.750.000,- / day. Captain on the sea that has 4 components (owner of ship, owner of ship's engine, owner of compressor, and captain of the trip) gets Rp. 875.000,- and all of crew get Rp. 218.750,-.

Catching Fish with Nets. According to Kadir's explanation, the treasurer of the fishermen group, Hasanuddin University in collaboration with BBPI (Balai Besar Penangkapan Ikan) Directorate General of Capture Fisheries Ministry of Maritime and Fisheries Affairs in Semarang provided fishing gear as fishing net, rope, ballast, and other components. All of the component will be assembled by the members of fishermen based on model and procedure to make modern fishing nets. The equipment is worth hundreds of millions and fishermen have not been able to hold this equipment for the current conditions. In addition, Hasanuddin University and BEPI also helped two ships, a large one with a transport capacity of 5 tons or equivalent to 50 people and one Fiber vessel. The use of this tool is more practical and has more benefit than the catching fish that have been used.

Nowadays, the numbers of fishermen group member as assistance manager is 14 people consisting of 1 group leader, 2 captains and 11 group members. The leader's job is to coordinate all of group members and participate in fishing activities. The captain's job is to lead the ship in the catching fish process. While the task of group member is as a technical executor such as pulling nets, tidying nets, and installing ropes. Furthermore, 11 members will be appointed as a treasurer who reports all of the outcome and income of the group in a month.

The benefit of this equipment conducts fishermen unite due to the need of human to pull fishing net. If one of members cannot join, other fishermen will replace.

According to Kadir , the group conducts fishing activities every day with a fairly short duration, from 06.00 WITA to 08.00 WITA. It takes approximately 15 minutes to get to the fishing location. Kadir said that fishing activities by using the equipment is only spent at last for 6 months while at other times fishermen spend their time to improve fishing gear, take a rest, and do another job such as planting seaweed because of the big waves.

Kadir said that there are capital expenses that is spent to buy full, food, and beverage, estimated Rp. 200.000,- /day. Furthermore, Kadir revealed that if the fishing gear is damaged, the Department of Marine will bear the cost of repair, but heavy repair will be borne by the Bipi Semarang.

Kadir revealed that the average gross income earned from sailing is around Rp. 1,000,000 / day. Based on agreement of equipment assistance, income is allocated (10% or Rp 100,000,-), to PAD of Fisheries Service of Jeneponto Regency (20% or Rp. 200,000,-), to PNPB BIPI Semarang (10% or Rp. 100,000,-), to Operating costs and 60% or Rp 600,000, - to be shared between captain, leader, and crew.

From the proportion of 60% to fishermen, leader get 1½ proportion, each captain get 1¼ proportion, and each crew get 1 proportion.

Based on these descriptions, the amount of revenue received by a leader, two captain and eleven crew are as follows:

Gross Profit	Rp 1.000.000,-
less : Operational expenses	Rp 100.000,-
PNBP	Rp 200.000,-
PAD Tax	<u>Rp 100.000,-</u>
Total expenses	<u>Rp 400.000,-</u>
Net Income (for 14 members)	<u>Rp 600.000,-</u>
Proportion of profit-sharing:	
Leader 1,5/14	Rp 60.000,-
First Captain 1,25/14	Rp 50.000,-
Second Captain 1,25/14	Rp 50.000,-
Each crew 1/14	Rp 40.000,-

Based on these calculations, it can be concluded that leader of group will get an average monthly income around Rp. 1,800,000,- and each Captain will get around Rp. 1,500,000 , and each member gets Rp. 1,200,000 per month plus fish for daily consumption of fishermen.

Catching fish with Bagang. Jufri as captain on the sea said that his team, with 8 crew, goes to sea at 3:00 p.m. and, returns at 7:00 a.m. the team spent 1 to 1.5 hours to go to bagang. Captain on the sea and crew, generally, go to sea for 25 days in one season or one month.

Furthermore, Jufri said that total costs of fishermen incurred when his team goes to sea is not settled. He only receives expense report from captain on the land at the end of season. The average cost of spending is around Rp. 11.000.000/season including fuel costs, consumption, cigarettes, etc. it can be clearly seen that operational cost of bagang is Rp. 440.000,-/day with sailing in 25 days/season. relating to repair of ship or bagang damage used in catching fish is borne by captain on the land as ship owner and bagang.

Jufri also said that daily catching fish will be sold immediately. But before being sold, pungawwa laut and crew take some fish that are not too economical for their family consumption needs .

There are two ways that can be done to sell catching fish. Firstly, captain on the sea sell the fish to collector who directly buys in bagang or before boat arrive to mainland. Secondly, fishes that have arrived in main land totally have captain on the land to sell to collector or anyone who will buy the fish. The selling price of catching fish is determined by the captain on the land and will be delivered sales revenue made by captain on the land at the time of profit-sharing in the end of season to captain on the sea.

Jufri and Sudirman said that two ways of selling catching fish that has been mentioned has a different effect. If captain, on the sea, sell fish directly to collector in the sea, captain on the sea and crew has capable to take at least 15% from sales to be shared equally to all of members. if sales revenue is above Rp5.000.000, - how about if it will be above? Sales revenue and the deductions obtained are reported to captain on the land when they arrive on mainland and submit net sales revenue at the same time. However, if the sale is made by captain on the land, captain on the land is entitled to take 10% from sales revenue. Sudirman says that if captain on the land sell the fish, captain on the sea is only informed sales revenue by captain on the land. These habits are only maintained with mutual trust among all parties. This belief is guarded in this community so that relations between parties can take a long time. If a fraud occurs from one of the parties, it will be easily known by the party who is cheated and becomes an indication to terminate the cooperative relationship .

After one season passed, captain on the land distribute the profit-sharing to captain on the sea and members. All of revenue obtained during one season was delivered and reduced with all of expenses during one season. Net income will be divided equally to captain on the land and all of members of captain on the sea. After each party receives the profit-sharing, the task of captain on the sea is to divide income to all of the members, captain on the sea and all of crew.

According to Jufri, the proportion of profit-sharing applied in the area is 1 part for crew, 1.5 parts for bas or crew which has also responsibility to maintain, turn on the engine and drive the ship, and 2 parts for captain on the sea.

Jufri and Sudirman said that the average of net sales during one season is around Rp. 30 million. With an average operating expenses amounted Rp11.000.000,-/season, net income that will be divided to captain on the land and captain on the sea and also crew is Rp. 19.000.000, therefore, profit-sharing obtained by captain on the sea and captain on the land is Rp. 9.500.000,- (1:1).

The revenue obtained by captain on the sea and members are divided by the ratio, 1 part for crew, 1.5 parts for bas or crew which has also responsibility to maintain, turn on the engine and drive the ship, and 2 parts for captain on the sea. the overall number of profit-sharing parts is 10,5 parts (7 crew, 1 bas, and 1 captain on the sea) with Rp1.809.500, -/part.

Based on the ratio, each party will receive the profit-sharing as follows:

- Captain on the sea = Rp1.809.500 x 2 parts = Rp3.619.000 (1 person)
- Each Crew = Rp1.809.500 x 1 part = Rp1.809.500 (7 persons)
- Bas = Rp1.809.500 x 1,5 parts = Rp2.714.250 (1 person)

Honesty as a dream. According to Alimuddin, et al (2010), being honest on business is everyone's dream. How not, being honest in producing a product, and being honest in division of profit-sharing implies the considering of the values of truth and the benefit of mankind. But doing business to get short-term benefits by ignoring the truth and benefit, in general, will plunge itself into the brink of destruction. Applying lie of the content of products produced not only harms consumer but also will occurs bankruptcy.

In business, the difference between a true businessman and a temporary businessman lies in honesty. A true businessman will uphold the value of honesty in business management (Hendrikcks and Ludeman, 2003), while a temporary businessman will try to maximize the material benefits even though they must violate the prevailing ethics and norms in society.

Anyone who does business based on honesty will win the competition. Survey results of James Mc. Kouzes and Barry Z. Postner in 1997 and 1993 showed that the character of honesty is the first rank of a CEO to achieve success (Agustian, 2004: 77). Likewise, the success of corporate mystics puts honesty as the first secret to success (Hendrikcks and Ludeman, 2003: 2). They still hold because basically human nature does not want to be deceived, spend their time, and energy to analysis the truthfulness by seeing their words and behavior.

Honesty is the desire of every businessman because honesty is able to bring out the best abilities of every person not only as a glorious concept but also as a tool to achieve personal success and company success. The application of honesty in the organization will reduce the cost of the organization because there is no need strict supervision. Honest is human nature and does not need to be studied. In fishing communities, honesty is an obligation inherent in every businessman. there is no special staff assigned to oversee the process in catching, selling, and distribution of sales revenue. All of the fishermen have implemented honesty each other. The division of sales revenue is known before the cooperation is carried out.

In fishing business, fishermen enjoy the consumption prepared by captain on the sea during the fishing process to return to mainland. All of costs incurred are transparent and are known in number by fishermen. The amount of catching fish and species are known by the fishermen. Taking fish for household consumption of each fisherman is known and approved by captain on the sea.

After arriving boat, captain on the land in the fishing group with spears and bagang ready to accommodate all fishermen's catches even though the price has not been determined. The selling price can be known after captain on the land sells to customers. From the sales revenue, the captain on the land gets a commission of 10% of the selling price. Price transparency that occurs at selling price is not visible and is not reported every day to fishermen and captain on the sea. Submission of the selling price and sales revenue is delivered by captain on the land at the end of the season. While

sales obtained by fishing groups with nets are carried out by fishermen without using captain on the land.

In essence, captain on the land is employee of the fishermen who earn income based on sales. Captain on the land is same with marketing staff who must both deposit and also account for sales revenue at the end of working day. Cash deposits can be made at the bank of the fishing group so that the sales revenue can be accounted for. While selling prices are carried out openly to the group of fishermen that is used the net, known to all members of the group, recorded by one of the groups and stored by the fishermen who are appointed by all of fishermen.

Responsibility as symbol of personality. Responsibility is a trust that must be carried out. A person who accepts responsibility to carry out instruction according to what is ordered by responsibility giver and reports the results of the work without increasing or reducing. He also must really maintain and hold the responsibility.

A fisherman who do the character of responsibility will work earnestly to get the optimal catching fish and report it according to the results obtained. Likewise, Responsibility carried by a captain on the land in selling the catching fish must work seriously and report it according to reality, without being added or reduced. The responsibility practice for fishing communities in South Sulawesi is carried out based on the agreement between captain on the sea and crew. There is no complaint in working at sea and every crew is carried out the duties properly. They work earnestly in order to get maximum catching fish. They realize that working earnestly is only the way to obtain fortune.

In management, if every member of organization knows and carries out the tasks that it takes it will create efficiency in the effort and effectiveness in achieving the result. Likewise, togetherness and honesty will be created in work because the relationship between another crew is harmonious in work due to no one dominates the work and no one works casually while the others work hard.

After completing work at sea, the fishermen will take the fish for their household needs without being burdened with costs or prices. Every fisherman is aware of the quality and larger amount of fish that can be taken, and the fish is taken openly so that no strict supervision is needed.

Regarding to the sale of fish carried out in the sea until the boat landed, everything was carried out transparently between crew and captain on the sea, both the quantity and the selling price. The sales revenue is reported and submitted the money to the captain on the land. In this way, the fishermen have carried out the responsibility imposed by the captain on the land in working properly.

Sales made on land by captain on the land tend not to be monitored and sometimes the selling prices that occur are not the same as those reported to the captain on the sea and their crew because of the variation of fish quality so that what is reported is the lowest selling price.

The way of working will encourage cooperation that is not or can be sustainable due to the compulsion in each member. This work relations will create distrust and encourage every member of the organization to act dishonestly so that work relations become in harmony and tend to be inefficient and ineffective.

However, Jeneponto is different from the others in term of the practice of selling fish. all sales, both those carried out at sea and on land, are carried out openly and are known to all of the members. This is because fishermen are given the task of selling the fish, reporting sales revenue, and reporting the money received to the group treasurer. In this way the relationship between the fishermen is more harmonious and mutual respect.

Balance of Continuity Guarantor. Distribution of balanced business results between each member of the organization will create a sense of ownership in organization that strives to constantly develop and maintain. Balance will eliminate the nature of jealousy, increase the sense of togetherness, eliminate laziness and increase activity, and eliminate greed and foster gratitude.

In practice, the balance of profit-sharing in fishing communities can be seen from the size of the profit-sharing ratio between each member of the business group. Before joining to become a member of a particular fishing business group, firstly the group members agree on the profit-sharing ratio that will be used as a guide in dividing the sales revenue. The balance of profit-sharing has been agreed

and the profit-sharing ratio is influenced by the high level of responsibility carried out by each member especially for groups of fishermen who use nets in Jenepono,

While fishing companies with spear tools show a balance of profit-sharing in groups of fishermen in the sea (captain on the sea and crew) based on the amount of responsibility and investment. However, the distribution of revenue of captain on the land shows a condition of imbalance. This can be seen from the income received by captain on the land based on sales revenue, not from the net income. Likewise, the business of catching fish with bagang, the captain on the land gets the large amount of profit-sharing, 50% of net income, and gets an additional income of 10% on sales revenue. Even though this additional income is obtained, this business group suffers losses because the basis of calculating the profit-sharing was based on gross sales. The profit-sharing ratio of captain on the land investment is still too large if the amount of revenue compares with catching fish by using spear that is only 30%. The dominance of the economic power and the amount of fisherman resources available causes an imbalance in the profit-sharing ratio that is more favorable to the captain on the land.

Conclusion

To assess justice in the implementation of the profit-sharing system for capture fisheries in Muslim communities in South Sulawesi, three elements of justice are used, namely honesty values, trustworthy values, and balance values. In its implementation, the three elements of value have been applied to groups of fishermen in the sea, namely leaders in the sea and crew members in the profit-sharing system. However, if it is associated with its implementation with the leader on land, there will be dishonesty and inability to carry out the mandate by the leader on land. Even in determining the profit-sharing system there is an imbalance in the amount of income received between the parties involved, especially between leaders on land and fishermen.

From the aspect of dishonesty, there is no transparency in the selling price and the results of sales made by land leaders while from the trust value, the land leader does not account for the results of daily sales but is carried out at the end of the season which causes the fishermen to be unable to connect with the incident. While the imbalance in profit-sharing is caused by the occurrence of revenue from sales from land leaders despite losses in one season or on each sales day.

Particularly for fisheries business groups caught using nets that receive equipment assistance and management from the government has implemented a profit-sharing system fairly. Simple management assistance that fits the needs of fishermen causes a separation of responsibilities and is carried out consistently causing this business and its members to survive to this day.

References

- , 2001. *Al Q'uran and Translation Karim Al Qur'anul* Printing unto the King fadh. Madina Al-Munawwarah.
- Agustian, Ary Ginanjar. 2004. *ESQ Power Generating Success Secrets: An Inner Journey Through the Al-Ihsan*. Arga. Jakarta.
- Alimuddin, Iwan Triyuwono, Gugus Irianto, and Grahita Chandrarin. 2011. The Concept of Selling Price of Honesty: Achieving Profits Reach benefit. *Jurnal Akuntansi Multiparadigma*. Accounting Department, Faculty of Economics and Business, University of Brawijaya. Malang. Volume 2. Number 1. April. Pages 70-90.
- Arifin, Ansar. 2012. *Fishermen in Poverty Traps (Study of Patron-Client Structures and Poverty Traps in Fishermen Communities in Tamalate Village, North Galesong District, Takalar District, South Sulawesi Province)*. (<http://repository.unhas.ac.id/handle/123456789/1478?show=full>). Accessed January 31, 2018)
- Haryono, S.J.K. 2005. Strategy for Fishermen's Survival Study of Diversifying the Work of Fisherman Families as One of the Strategies in Maintaining Survival. *Journal of Scientific Journal of Population*. Volume 7. Number 2: 1.

- Hendricks, Gay, and Kate Ludeman. 2003. *The Corporate Mystic: Business Success with Heart*. Fahmy Yamani's translation. Kaifa, PT Mizan Library. Bandung.
- Law of the Republic of Indonesia Number 16 of 1964 concerning Share of Fisheries. 1964. Ministry of Marine Affairs and Fisheries of the Republic of Indonesia. Jakarta.
- Yusuf, D. and Arief, A. A. 2008. *Strategies for Procurement of Fishermen Financial Capital through Local Institutions (Case Study of Pa'lalakang Village, North Galesong District, Takalar Regency)*. <http://Repository.unhas.ac.id/bitstream/handle/>
- Winoto, Gatot. 2006. *Pattern of Poverty in the Settlement of Fishermen in Dompok, Tanjungpinang City*. Thesis. Postgraduate Program in Regional and City Development Management Program at Diponegoro University. Semarang.