

ABSTRACT

This study aims to analyze the effect of the production sharing system in agriculture (muzara'ah) on the income of smallholders. This study also aims to analyze the profit sharing system in agriculture which is implemented in Sidoharjo Village, Sidoharjo District, Sragen Regency, Central Java.

In this study using the purposive sampling method as a method for sampling, so as many as 51 respondents were determined. Data obtained from interviews and questionnaires will be analyzed using simple linear regression through the SPSS program. The author also analyzes the profit sharing system in agriculture with descriptive analysis.

The results of the research that have been carried out show that the sharing system in agriculture which is applied based on customs has similarities with the muzara'ah profit sharing system. The most commonly used revenue share percentages are 50:50 and 75:25. People used to call it the maro system or paroan rice field. The results of the study using multiple linear regression showed that the muzara'ah profit sharing system measured from rice production and rice seedlings had a significant positive effect on the income of smallholders. While the age of smallholder farmers has no effect on the net income of rice smallholders.

Keywords: Muzara'ah, Revenue Sharing, Income for Farmers, Rice Production, Seed, Age of Cultivating Farmers, Agriculture.