

# Nusantara Net Farm Income

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## ABSTRACT

This study aims to develop welfare-based Net Farm Income into Nusantara Net Farm Income. This study used the Nusantara Participatory Approach, which was conducted among rice farming communities by conducting action research through observation and visits with individual farmers and farmer groups in a hamlet in Malang Regency. Additional findings from the NFI welfare indicator improve and refine the NFI formula to (Material income - Material expenses - Zakat) + (Culture of Togetherness + Culture of Independence) x (*Ijtihad* + Gratitude + Allah's Approval). This study offers an antithesis to the (conventional) NFI, which involves material, non-material, cultural, and religious components.

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## 1. Introduction

In modern Indonesian agriculture, the welfare of farmers is still calculated using NFI (Net Farm Income), which is the net income from agricultural activities. Farmers understand that the purpose of production activities is to earn income to meet their daily food needs. The concept of NFI has so far described agricultural activities as business activities that view agriculture only in terms of income and expenses. Agricultural profits do not actually indicate the welfare of farmers, but rather the inequality between large and small farmers. Data from the Central Statistics Agency (BPS) in 2021 shows that large farmers earn profits of up to IDR 22.98 million per year. Farmers' profits are indeed unequal. Small-scale farmers earn profits of up to IDR 5.22 million per year. This figure is not any better according to BPS data as of August 2024. Small-scale farmers earn profits of up to IDR 5.16 million per year, which means that it has actually decreased. The harsh reality of our national agriculture seems to show that NFI is a symbol of inequality itself, not a symbol of prosperity.

The injustice embodied in the NFI symbol legitimizes the notion that agriculture is unattractive and unprofitable, leading farmers to eventually switch to other types of land use and professions. Empirical evidence shows that the number of farmers in Indonesia has declined by 7.45% over the past 10 years, based on 2023 BPS data, from 31 million to 29.3 million people. This injustice is even more pronounced when we look at how rice prices are

manipulated in the national free market. Rice prices in Indonesia have reached their highest point in Southeast Asia, as stated by Carolyn Turk, World Bank Country Director for Indonesia and Timor Leste yet the income of small farmers continues to decline. NFI inequality has a strong correlation with fair value as standardized in IFRS IAS 41 [1-2]. It is unfortunate that agriculture in Indonesia still uses NFI, which further undermines food sovereignty in Indonesia.

Criticism of NFI has been made by several researchers [1, 3-7]. This study develops the NFI construction results from Islamic Accounting Anthropology (IAA) [8] and develop it by using the Nusantara Participatory Approach under the umbrella of the Nusantara Paradigm [9] to rice farmers. The ultimate goal is to develop the Nusantara NFI. This is necessary for three reasons. First, because the welfare NFI has not fully made explicit the local values present in agricultural practices in different regions. Second, the welfare NFI that was previously developed was applied to sugar farmers, and of course rice farmers have different production processes and challenges. The application of the welfare NFI that will be refined to rice farmers will provide an understanding of the flexibility of the NFI practice. Third, farmers in Indonesia carry out agricultural accounting based on memory [5, 10-11], meaning that NFI welfare requires development that allows flexibility. This study took the object of research in the farming community in Krajan Hamlet, Klampok Village, Singosari District, Malang Regency.

### **Net Farm Income as A Benchmark for Farmer Welfare**

It is important for people or companies that carry out their business activities to know what profit is. Profit in accounting is the realization of revenue with expenses (Profit is the part expected by everyone who carries out business activities, including agricultural activities. The conceptualization of profit in the agricultural sector can also be called Net Farm Income (NFI). Net Farm Income (NFI) is a standard measure of agricultural profitability [8]. The welfare of farmers in Indonesia can be measured through Net Farm Income (NFI) for the micro scale and through Farmer Exchange Rates (FER) for the macro scale.

So far, NFI has been viewed as something materialistic. The concept of net farm income is a characteristic of the concept of profit formation in conventional accounting through this income statement, providing various potential dependencies for farmers, especially in terms of agricultural production patterns. Generating profits can provide opportunities for

agricultural businesses to expand, replace capital, reduce debt, increase working capital, and cover family living expenses.

### **Urgency of Updating the Net Farm Income Concept**

Agricultural economic activity is a very complex activity, because in agricultural economic activities, relationships are not only established with humans, but also with humans and nature as an implementation of human functions. [10] views NFI using a broad perspective, namely a combination of political, economic, social, cultural and beliefs that dominate farmers. The combination of various types of perspectives is known by researchers as the Political Economy of Accounting approach. The need to update the NFI concept based on justice and environmental insight in order to pay more attention to the existence of farmers and ensure the sustainability of Indonesian agriculture.

The formulation of NFI plays a very important role in contributing to farmers' welfare. Farmers' purchasing power is represented by NFI, where NFI is obtained by farmers after subtracting total (Gross) output from total real costs.

The NFI calculation formula shows that the total gross output is greatly influenced by the amount of harvest and purchase price. Meanwhile, real cost is influenced by the company because it involves agricultural production factors such as seeds, fertilizers, pesticides, and others. When farmers' harvests are small and purchase prices are still low, while the price of daily necessities is quite high, it is certain that farmers must seek alternative sources of income to increase their purchasing power. This fact seems to confirm that although agricultural producers are basically producers of basic necessities, in reality subsistence farmers are in the position of consumers. In an increasingly complex agricultural economic situation, with the tug-of-war between the interests of the parties in power in the agricultural sector, such NFI calculations no longer reflect the welfare of farmers as a whole. Victory is just a symbol that is not related to real objects and events.

### **Components of Ijtihad, Allah's Consent, Togetherness, and Gratitude ad The Basis for Indicators**

Reffering to [2] we can construct the concept of farmer's profit using the metaphor of zaka, which etymologically has two root words, namely Zaka and zakka. The first meaning, zaka, means that everything that is external can grow and become a value, environment, or influence of material, physical, and spiritual subjectivity. This meaning shows that every creation contains goodness that has the potential to contribute to other creations of God.

However, the second meaning, zakka, means that everything that grows and develops must be by something outside the value, environment and influence of other subjectivity, so that according to the first one, it must be sanctified by divine values. topic of zakat. creation If the profit is interpreted both materially and immaterially, then the bread taker has indeed taken and tread the path of holiness. This means that the profits obtained can be channeled to achieve true wealth, namely by increasing religiosity and social awareness. So that human efforts in fulfilling their mission, namely serving God and serving the welfare of the earth, continue in their daily work lives. Therefore, material and non-material aspects as well as quantitative and qualitative indicators need to be considered in the formulation of farmer welfare, in this case NFI. By including these four dimensions in the NFI structure, the definition of welfare is no longer just the growth of material, but also the growth of religiosity and concern for farmers towards each other. Thus, the continuation of NFI is prosperous [8] produces the following formula:

$$\text{NFI} = (\text{Ijtihad} + \text{Allah's Blessing}) \times (\text{Togetherness} + \text{Gratitude})$$

This formulation illustrates the opposite of the NFI which has long been dominated by materialism and capitalism. In addition, this equation also considers the fate of farmers who are isolated from capitalism and materialism. Through *ijtihad* and gratitude, we believe that agricultural accounting thinking becomes more humane and civilized in operational activities. The priority of maintaining integrity in giving alms and gratitude is usually a command from Allah. The combination of forces can usher in a new era of accounting that respects the welfare of farmers, the environment and society as a whole, and ensures the preservation of sustainable agricultural practices.

## 2. Method

In this study, the researchers used the Nusantara Participatory Approach (NPA) research design. NPA is the embodiment of the Nusantara Paradigm into a constructive methodology that involves actors, in this case farmers. NPA is a methodology that has been applied in various pro-people studies conducted by the Peneleh Research Institute since 2022.

The Nusantara Paradigm [9] has been translated into the Nusantara Paradigm methodology [12] which allows historical studies or cultural values to become the basis for practical construction. The nusantara participatory approach is a wise and polite research agenda to (re)discover the identity of the archipelago by involving oneself in shared realities in order to build the independence of a virtuous community that has unique natural and cultural characteristics, towards a civilization full of wisdom and social justice in the context

of devoting oneself to the nation and religion. NPA differs from the Rural Participatory Approach (RPA), which prioritizes technical research as a medium for community empowerment so that they are able to identify their own problems, design action plans to solve them, and help solve their problems [13]. The Rural Participatory Approach is very technical in empowering communities, because based on the Western Paradigm, everything is oriented towards material and economic interests. The influence of this way of thinking, all of which, whether space, time, and material changes, must be perceived objectively, will negate the "measures" of inner atmosphere such as religiosity and culture. The Nusantara Participatory Approach is a wise-polite research agenda to (re)recognize the identity of the Nusantara by uniting together to build an independent, holy society.

Based on the background and issues to be addressed in this study, the researcher will conduct action research using the NPA. Reason and Bradbury define action research as a participatory process related to the development of practical knowledge [14]. This is intended to unite action and reflection, theory and practice, in providing practical solutions to issues that are of primary concern to people and improve the quality of the group and individuals within that group, who systematically observe specific social situations and find solutions to problems that arise through collaborative participation [15-16]. Fogarty explains that research conducted using the action research method has several focuses, namely (1) actively participating in situations of change; (2) starting to solve problems directly; (3) a reflective process for progressive problem solving; (4) working with others as part of a community of practice; (5) research leading to social action; (6) research aimed at understanding the underlying causes of change in people/organizations; (7) regular and direct interaction with practitioners [17]. This approach is inductive, which will provide a high level of trustworthiness [18], so that the designed NFI for continued welfare will be in line with the reality expected by users.

The stages of this research consist of (1) diagnosis conducted by observing the rice farming process by farmers, namely Mr. Edi, Mrs. Jundovi, and Mrs. Elo, as well as the Gapoktan in Krajan Hamlet, Klampok Village, Singosari District; (2) establishing an action plan based on the results of the diagnosis, in which the researchers identified agricultural activities, both material and religious-cultural, including financial (income, expenses); (3) implementing actions, namely formulating a sustainable welfare NFI; (4) the evaluation stage was carried out through a gathering, which is the Nusantara form of a Focus Group Discussion (FGD) with rice farmers. At this stage, the researchers also collected input from farmers to improve the sustainable welfare NFI design.

### 3. Results and Discussion

#### NFI Criticism

Net Farm Income (NFI) is an indicator often used in agricultural accounting to calculate the net profit generated from agricultural activities. In the international framework, NFI is calculated using a formula that focuses on monetary aspects, such as total income minus production costs. This concept is often considered universal, but it does not pay enough attention to the social, cultural, and justice contexts for local farmers, especially in Indonesia. The international NFI formula tends to center on a monetary approach that ignores the non-monetary dimensions of farmers' lives. In the article [1], the main criticism is the dominance of monetary logocentrism, an approach that is too focused on monetary value without considering the cultural, environmental, and spiritual values that are an integral part of farmers' lives.

The same article also highlights how IAS 41 in agricultural accounting creates potential injustices through the valuation of biological assets. This valuation ignores the social reality of farmers in Indonesia, who often work in unstable economic systems. As a result, the monetary value of biological assets does not reflect the reality of farmers' hard work and contribution to agricultural sustainability. The international NFI concept is considered to be more biased towards global economic interests, such as large companies and other economic agents, than the needs of local farmers. A study by [19] shows that this approach strengthens farmers' dependence on large companies, thereby weakening their bargaining position in the economic chain.

In the context of Indonesian farmers, social and religious values play an important role. [3] highlights that the international NFI concept ignores spiritual aspects such as honesty, trust, and relationships with God (*Habrum minallah*) and humans (*Habrum minannas*). This makes the concept less relevant to local conditions. The international NFI concept, which is oriented towards financial gain, creates pressure for farmers to increase production in ways that are often detrimental to the environment. For example, the excessive use of chemical fertilizers or soil exploitation can damage agricultural ecosystems, as revealed in the research by [11].

[4] found that the simple accounting practices carried out by salt farmers in Madura showed diversity in financial recording. The international NFI concept is unable to accommodate this reality because it is too rigid and inflexible towards local practices based on memory and trust. In many agricultural communities in Indonesia, traditional social

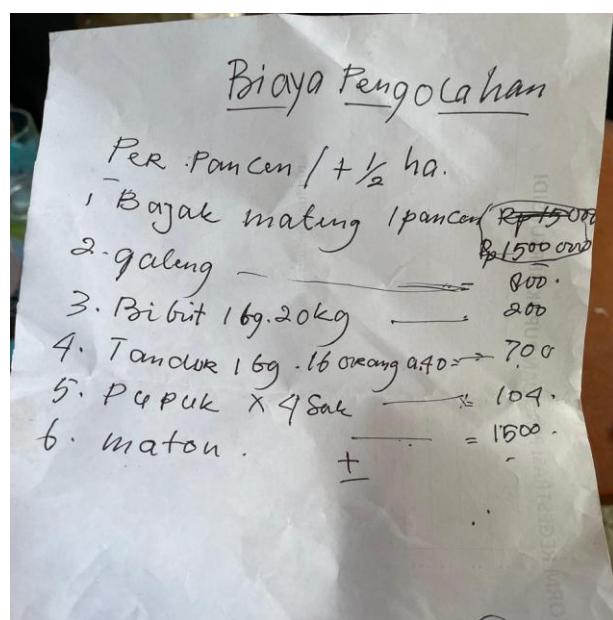
systems emphasize collective welfare over individual profit. The international approach in NFI, which focuses on net profit, often conflicts with these local principles, as shown by [19] in his study of tobacco farmers in Temanggung.

International NFI is difficult to implement in farming communities that have limited access to modern technology and accounting knowledge. Many farmers, as studied by [11] rely solely on memory and do not have a formal recording system, making international formulas irrelevant. In the context of Indonesian agriculture, local wisdom such as mutual cooperation and trust often form the basis of agricultural sustainability. The international approach in NFI does not take these factors into account, making it less able to reflect the non-financial contributions that have supported agricultural sustainability.

*"Well, it's not certain, because sometimes if there is leftover fertilizer, we just buy the additional amount needed. We estimate how much is needed."*

This quote clearly illustrates that farmers calculate based on their intuition regarding their raw material needs. They do not keep formal records of the amount of fertilizer used previously or needed in the future. Instead, they rely on experience and memory to adjust additional fertilizer purchases as needed. This approach is often used by farmers who are accustomed to informal practices in managing their resources, due to limited access to technology or long-standing cultural habits.

**Figure 1.** Memory-Based Calculation of Processing Costs



In Figure 1, it can be seen that the farmer informants do not base their processing cost calculations on a standard and fixed formula, but rather rely on their memory and intuition to predict the costs that will be incurred in their agricultural processing activities. Farmers use estimation methods to calculate the need for seeds, fertilizers, labor costs, etc., taking into account the size of their land. The costs incurred are tied to the size of the land owned. Farmers only record their needs on a piece of paper. Of course, this cannot be justified by the International NFI concept.

The international NFI concept is also unable to capture the inequality in profit sharing between farmers and other parties, such as distributors or large companies. [19] study confirms that this formula strengthens the dominant position of large companies, while farmers remain in a weak position. In response to these various criticisms, several studies, such as that conducted by [11], offer an alternative in the form of *Ijtihad*-based NFI. This concept takes into account social and religious values of justice, making it more relevant to the needs of local farmers and supporting mutual prosperity. The *Ijtihad*-based NFI approach integrates humanitarian dimensions, such as the values of sincerity and honesty, into the

income calculation formula. This not only reflects financial benefits, but also spiritual and social well-being, as explained by [11]. The concept of NFI based on *Ijtihad* can be used to formulate more equitable and sustainable agricultural policies. By taking local values into account, this concept is able to create a balance between economic, social, and environmental interests. Criticism of the international NFI concept shows that this approach is not entirely relevant in the local Indonesian context. Therefore, the adoption of an *Ijtihad*-based formula that prioritizes social justice, spiritual values, and local wisdom is an important step towards creating a more inclusive and sustainable agricultural accounting system.

### **NFI *Ijtihad***

Farmers' perspectives on accounting practices vary. Salt farmers in the study by [4] interpret the NFI approach as simple manual recording on paper. In addition, the salt farmers in this study also rely on memory as a record to calculate their costs and harvests. This reflects the farmers' adaptation to accounting practices based on experience and convenience in line with their daily activities.

According to research conducted by [8], sugar farmers interpret NFI by considering the dimensions of religiosity and locality, namely by introducing a new NFI formula that involves *Ijtihad* (sincerity), God's blessings, togetherness, and gratitude. This formula is a fundamental change from the NFI concept, which is limited by capitalism and materialism.

This formula introduces elements of religiosity, such as *Ijtihad*, which reflects the ethics of sincerity with the aim of achieving equitable prosperity for farmers.

Research conducted by [19] found that tobacco farmers interpret NFI as NFI Berkeadilan (Fair NFI), which is similar to NFI *Ijtihad*, particularly in integrating social justice values, religious aspects, and local wisdom into the calculation of farmers' income. Although the term "NFI *Ijtihad*" is not mentioned directly in the study, NFI Berkeadilan can be viewed as equivalent to this concept when considered from several aspects. First, in terms of sustainability and social justice, NFI Berkeadilan emphasizes the importance of balancing economic profits and social justice for farmers, similar to the principle of *Ijtihad* which highlights hard work, justice, and social responsibility. Second, in the context of religiosity and respect for local wisdom, NFI Berkeadilan pays great attention to local culture and religious values, which is in line with the spirit of *Ijtihad* to work diligently based on religious principles. Therefore, NFI Berkeadilan can be considered a form of implementation of NFI *Ijtihad*, which adds dimensions of justice and spirituality in the management of farmers' income.

Based on previous research, the concept of NFI *Ijtihad* plays an important role in supporting farmers' welfare. This supports our research in the agricultural sector (rice farmers). Through *Ijtihad*, the agricultural accounting approach will increasingly prioritize human values and uphold the principles of civility in its practice [19]. Despite the feelings of helplessness that often arise among farmers in response to their current conditions, it is evident that their determination to meet their families' needs remains strong.

*"Actually, if you calculate it, this harvest is not that much. But the proof is that it can meet our basic needs. Young people nowadays rarely want to work in the fields, so who else will continue farming? Anyway, we have to do what we can to survive, thank God."*

The farmers interviewed demonstrated a comprehensive understanding of their role as heads of households, emphasizing their responsibility to provide for their families. This sincerity serves as an important asset in pursuing their agricultural profession. According to [8], the construction of farmer welfare in the NFI must consider both material and non-material aspects. This approach is an important aspect in the agricultural sector, which is not only oriented towards results but also towards mutual care among farmers and spiritual improvement.

Spiritual values have become an integral part of agricultural practices and have been passed down from generation to generation. Spirituality in agriculture arises from the influence of religion and culture, which create certain values that can provide mystical, religious, or spiritual experiences. According to [20], spirituality in a person can be triggered not only by religion but also by various other things, including customs, social relationships between individuals, and even relationships between humans and nature. Therefore, spirituality in agriculture is everything related to life. giving life or making life. From the results of interviews with farmers in Klampok village conducted by researchers:

*"Farming rice fields does not necessarily mean earning a lot of money, as long as we can meet our needs and plant crops, Alhamdulillah. The point is to be grateful. Unlike farmers who plant polowijo, we can earn many times more. For farmers who plant rice, the point is to be grateful and remain thankful."*

From this quote, it can be concluded that farmers in Klampok Village do not engage in agricultural activities solely for financial gain. For them, farming is an effort to survive and meet their daily needs, not merely to generate profits. The profits obtained after the harvest are not the main focus, but rather how the results are sufficient for their daily needs.

*"If farmers don't have money, it's because they eat most of their rice and only sell a little to cover their expenses, so the profit is minimal."*

*"It's not much if taken for operational costs because we have land, so the consequence is that we have to work like that. We don't calculate how much profit we make, ma'am."*

From the informants' statements, it can be seen that the farmers' goal in farming is not to maximize profits or enrich themselves, but rather to meet their daily needs. In material terms, their profits are indeed small, sometimes even just enough to cover their costs. In fact, they do not enjoy their harvests alone, but also share them with neighbors who may have been affected by the harvest season.

*"Yes, 2.5% of the harvest goes to those who help me work and take care of the fields."*

*"Yes. It's like this. I use people who help me, my laborers. They dig. They manage. Every harvest, I give them something. I share with them. I pay them. They earn a living. I give them rice, something like that."*

From the informant's statement, it is clear that this attitude reflects a strong sense of mutual cooperation and solidarity among them, where collective welfare is prioritized over personal gain. This practice of sharing shows that in the agricultural culture of the Klampok Village community, social and spiritual aspects are prioritized, creating close relationships between farmers and the surrounding community.

The value of togetherness can be seen as a manifestation of awareness of the essence and purpose of being servants of God who bring prosperity to all of humanity and nature [8]. The spirit of togetherness, which is still well preserved, shows that the results achieved must be distributed, not only enjoyed by farmers. This is very different from the principles of accounting, which prioritize the accumulation of profits and are only intended for owners and creditors.

*"Farmers here are grouped into various farming groups. There are rice farmers (specializing in rice) and there are also farmers who cultivate other crops such as corn, chili peppers, and vegetables. So sometimes we have meetings when subsidies are about to be distributed, and we collect everyone's names. Then later it will be distributed."*

The spirit of togetherness in agricultural activities is clearly illustrated in the above quote. The farmers still maintain solidarity and togetherness through farmer groups facilitated by the Klampok village government in the Farmers Group Association (GAPOKTAN). From interviews with farmers in Klampok village conducted by the researcher, the following quote was also obtained:

*"Usually, when we work, we share cigarettes during meals. When our neighbors' fields are ready for harvest, we share rice sincerely, so that they can celebrate."*

From this statement, it can also be seen that despite their very minimal profits, farmers still find time to share with their neighbors and farm workers. This means that agricultural

profits are not only interpreted as material profits. If all farmers thought from a capitalist perspective that prioritized materialistic elements, there would be no warmth and harmony through the activity of sharing with neighbors. Farmers would be busy enriching themselves by collecting as much profit as possible for themselves.

Based on the statements and quotes from the interviews with informants, there are many interesting things to be found. Farmers involve God and increase their gratitude for what God has given them during the harvest season. Even with a modest harvest, they still take the time to share with others.

**Table 1.** Dimensions and Indicators of NFI Welfare

Dimensions	Quantitative Indicators	Qualitative Indicators
<i>Ijtihad</i>	The number of months farmers spend cultivating the land and waiting for the harvest	Commitment to maintaining sustainability through agricultural products amidst economic challenges
God's consent	Percentage of harvest income used for zakat and charity	The awareness that the harvest is accepted wholeheartedly as part of God's destiny
Togetherness	The amount of the harvest that is shared with the surrounding neighbors as a form of gratitude	Expression of farmers' satisfaction with the harvest results amidst the limitations they are experiencing
Gratitude	Proportion of farmers who are members of GAPOKTAN and share information and resources related to agricultural subsidies	The level of participation and mutual cooperation of farmers in GAPOKTAN

Based on Table 1, we identify and describe the dimensions of locality and religiosity held by rice farmers in the research location. These dimensions include *Ijtihad*, *Ridho Allah*, Togetherness, and Gratitude. These dimensions are considered as the main basis in building a new construction for the NFI *Ijtihad* concept in rice farmers. The specific indicators of the new NFI construction are explained in detail in Table 1. The following is an explanation of each indicator. First, *Ijtihad*. The time spent by farmers in managing the land and waiting for the harvest reflects their determination and commitment. This confirms that farmers' efforts are not solely oriented towards financial gain, but also aim to ensure the sustainability of life and the economic resilience of their families, even though they have to face various economic challenges.

Second, Allah's pleasure. Income obtained from the harvest and the obligation to share with others, such as through zakat and alms, as a form of recognition of the blessings

received. In the context of Net Farm Income, this illustrates how much percentage of net income is allocated for religious obligations, such as zakat and alms. This awareness shows that the harvest or income obtained is not only the result of human effort, but also part of God's destiny that must be accepted with an open heart. In this case, blessings from Allah are considered very important and must be shared with others as a form of gratitude and moral obligation in Islamic teachings. Third, Togetherness. Togetherness is one of the social values that is very inherent in the lives of farmers, especially in agrarian communities that prioritize solidarity and mutual assistance. The tradition of sharing the harvest with neighbors is not only a form of gratitude to the Creator, but also strengthens social relations between farmers. The tradition of sharing the harvest and farmers' gratitude shows that the rural economy is not only driven by material aspects, but also by cultural values that influence social balance. These sharing practices help reduce social inequalities at the local level, create informal social safety nets, and strengthen social ties amidst modern economic pressures.

Lastly, Gratitude. Farmers' gratitude is not only manifested through individual actions, but also through collective efforts facilitated by organizations such as the Farmers' Group Association (GAPOKTAN). GAPOKTAN is a forum for farmers to share information, experiences, and resources, including in accessing government subsidies, technological assistance, or training. By joining GAPOKTAN, farmers feel more empowered because they can face challenges together, such as price fluctuations, climate change, or access to subsidized fertilizers and seeds. Gratitude encourages farmers to continue to be active in GAPOKTAN, either through contributions of energy, time, or ideas. This collaboration is proof that gratitude is not only manifested in the form of words, but also in real actions that are beneficial to the wider community.

Other findings based on NPA involving local values and the spirit of independence improve the formulation of NFI welfare. In Krajan Hamlet, Klampok Village, Singosari District, Malang Regency, it was found that farmers who are members of Gapoktan use their own seeds in the planting process. This is an indicator of independence. Other findings indicate the use of local resources or locality, namely by using manure. The third finding is in the harvest process, one of the farmers, namely Mr. Edi Riono and Mrs. Elo, assisted by twenty workers are still doing gebyok activities, namely separating rice grains from their stalks. This shows cooperation and solidarity. These workers' assistants are paid with "friendly" wages - mutual sincerity, and are also given a share of the harvest. The fourth finding concerns efforts to respect nature where Mr. Edi avoids the use of pesticides as much

as possible. The fifth finding shows that Mrs. Jundovi as a farmer also tries not to use a plowing machine but a buffalo, on the grounds that the land contour does not allow it.

Therefore, the construction of the farmer welfare formulation, in this case the NFI, must consider material and non-material aspects as well as quantitative and qualitative indicators. By including the dimensions of the Table into the construction, it shows that welfare is not only measured by material improvements, but also includes increased religiosity and solidarity between farmers, so that the construction of the advanced welfare NFI produces the following formulation:

$$\text{Net Farm Income} = (\text{Material income} - \text{Material burden} - \text{Zakat}) + (\text{Culture of Togetherness} + \text{Culture of Independence}) \times (\text{Ijtihad} + \text{Gratitude} + \text{Allah's Pleasure})$$

The formula reflects a contradiction to the concept of Net Farm Income (NFI) which has been trapped in the paradigm of materialism and capitalism. This equation also pays special attention to the fate of farmers who are often neglected and marginalized in a capitalist system that prioritizes profit alone, without considering their welfare. In this context, a more humane and fair approach is needed to provide space for farmers who have been marginalized.

With an approach based on *Ijtihad* and gratitude, we believe that the paradigm of agricultural accounting can undergo significant changes. Agricultural accounting will not only focus on numbers, but also on moral and social aspects that uphold human values. This approach will create a more civilized system, where agricultural operations are not only seen in terms of financial profit, but also from its contribution to the welfare of farmers, the environment, and society as a whole. In the long run, this will bring about positive changes that are more inclusive and sustainable for the agricultural sector.

Indonesian farmers should return to the message conveyed by KH Hasyim Asy'ari, namely:

*"The farmer is the helper of the country when the need requires it and at a time when people are looking for help. The farmer is the helper of the country who can be trusted to carry out all the needs of the country even when people are turning to him (he is helping the country; and the farmer is also the foundation on which the country is based.)"*

Indonesian agriculture and farmers cannot only base their activities on economic activities but also on religious and cultural values [21].

#### 4. Conclusion

This study has successfully further developed the welfare-oriented NFI from Islamic Accounting Anthropology (IAA) and developed it using the Nusantara Participatory Approach under the umbrella of the Nusantara Paradigm based on empirical studies in Gapoktan and among farmers in Krajan Hamlet, Klampok Village, Singosari District, Malang Regency.

The previous NFI formula for prosperity, Net Farm Income = (*Ijtihad* + *Ridho Allah*) x (Kebersamaan + Syukur), has been refined to Net Farm Income Nusantara = (Material income - Material expenses - zakat) + (Culture of Togetherness + Culture of Independence) x (*Ijtihad* + Gratitude + *Ridho Allah*). The use of NFI Nusantara can be the antithesis of the NFI currently in use, which actually reinforces the inequality between large and small farmers, which will ultimately backfire on agriculture in Indonesia. The existence of NFI Nusantara will strengthen farmers materially and preserve the values of Nusantara that have existed throughout history.

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