

BUILDING THE VILLAGE ECONOMY THROUGH THE ESTABLISHMENT OF SHARIA COOPERATIVES IN WEST NUSA TENGGARA

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Abstract

The research aims to provide a solution to improve the economy of villages in NTB in the agricultural sector which has difficulty obtaining capital, and avoid interest-bearing debt which is a huge burden on the community by using the sharia system, namely profit sharing (mudharabah). This research uses qualitative research methods in Rensing Bat village, West Sakra sub-district, West Nusa Tenggara. by interviewing several sources such as Sharia Cooperative expert informants, this research used a purposive sampling technique, and analysis and decision making were carried out using the SWOT matrix approach. The results of this research are that the existence of the Sharia Cooperative provides great benefits for the people of Rensing Bat Village. Sharia cooperatives help people to be free from the practice of usury. Apart from that, the existence of Sharia Cooperatives also provides opportunities for local governments, because they can provide the best facilities to the community to overcome their economic problems through collaboration with Sharia Cooperatives. Even though there are risks and weaknesses in the Sharia Cooperative established in Rensing Bat Village, the advantages and opportunities possessed by the Sharia Cooperative are much more valuable. Based on the SWOT analysis, it can be concluded that the formation of a sharia cooperative in Rensing Bat village is very important.

Keywords : *Sharia cooperatives, village economy, building.*

Abstrak

Penelitian bertujuan untuk memberikan solusi meningkatkan prekonomian desa yang berada di NTB di bidang pertanian yang kesulitan mendapatkan modal, dan menghindari dari hutang berbunga yang sangat membebani masyarakat dengan menggunakan system syariah yaitu bagi hasil (mudharabah). Penelitian ini menggunakan metode penelitian kualitatif di desa rensing bat , kecamatan sakra barat, nusa tenggara barat. dengan mewawancari beberapa narasumber seperti informan ahli Koperasi Syariah, Penelitian ini menggunakan teknik purposive sampling, dan dilakukan analisis dan penentuan keputusan menggunakan pendekatan matrik SWOT. Hasil dari penelitian ini adalah kehadiran Koperasi Syariah memberikan manfaat yang signifikan bagi masyarakat Desa Rensing Bat. Koperasi Syariah membantu warga untuk menghindari praktik riba, yang bertentangan dengan prinsip-prinsip syariah. Lebih dari itu, keberadaan Koperasi Syariah juga membuka peluang bagi pemerintah setempat, karena dapat memberikan layanan terbaik kepada warga dalam menangani persoalan ekonomi mereka melalui kerjasama dengan Koperasi Syariah. Meskipun ada risiko dan kelemahan yang terdapat pada Koperasi Syariah di Desa Rensing Bat, namun keunggulan dan peluang yang dimilikinya jauh lebih berharga. Berdasarkan analisis SWOT dapat disimpulkan bahwa pembentukan koperasi syariah di desa Rensing Bat sangat penting

Kata kunci: Koperasi syariah, perkonomian desa, membangun

INTRODUCTION

Indonesia is a developing country where the majority of the population lives in rural areas. If national development is aimed at improving people's welfare, then rural areas are prioritized as development areas. Evidence of this situation is the number of residents in these areas who are now accustomed to conditions of poverty (Sugianto et al., 2024) . Several aspects of development that require attention or improvement are the development of the economic sector, which will have a significant impact on the progress of the Indonesian nation and society, through the achievement of an independent national economy based on the principles of economic democracy. One economic development strategy is through cooperatives, which essentially represent the concept of cooperation (Malawat, 2022) .

Cooperation involving economic and social aspects and based on a spirit of mutual assistance, especially for the common good, based on a sense of family, is the essence of cooperatives. The term "cooperative" comes from the word "cooperation," which means cooperation. However, there are also differing views on the concept of cooperatives. Arifin Sitio and Holoman Tamba, in their book "Cooperative Theory and Practice," explain that Enriques defines cooperatives as a form of mutual assistance or mutual support . (Malawat, 2022) .

A crucial role that has a direct impact on services for the lower-middle class, based on sharia principles in Indonesia, is known as the Sharia Microfinance Institution (LKMS). Generally, LKMS includes BPRS (Sharia Rural Credit Bank), BMT (Baitul Mal wat Tanwil), and Sharia Cooperatives. These three institutions interact with other larger-scale Sharia financial institutions. The use of the term "Sharia Microfinance Institution" in Indonesia refers to two types of institutions: Microfinance Institutions supervised by the Financial Services Authority (OJK) as stipulated in Law Number 1 of 2013 concerning Microfinance Institutions, and Microfinance Institutions under the supervision of the Ministry of Cooperatives in accordance with Law Number 25 of 1992 on Cooperatives. These two types of microfinance institutions are an important starting point for the growth of microfinance institutions at the grassroots level and are the main pillars in supporting the small-to-medium scale economy in Indonesia, especially in efforts to empower communities to overcome poverty. (Setyaningsih & Asnawi, nd) .

This is also in accordance with the argument that microfinance institutions have an important role in encouraging business activities in society in general , therefore the position of microfinance institutions in the further development of the small and medium economic sector is very strategic. This does not only apply to traditional microfinance institutions, but also to the current trend towards the development of financial institutions that operate based on sharia principles and have proven their resilience (Hilmi Makhalul.SM, 2002) .

One relevant previous study is the results of community service activities conducted in Suka Jaya Village, Batubara Regency, which emphasized the importance

of collaboration between the village government, the cooperatives office, and academics, particularly those in the sharia field, in establishing a sharia-compliant fishermen's cooperative. This collaboration is considered a strategic step to strengthen the economy of fishing communities through an economic system that aligns with sharia principles (Chrisna et al., 2022) .

Furthermore, the success of the An-Naml Sharia Cooperative establishment program in Cianaga Village also demonstrates the importance of a participatory approach in developing Sharia-compliant financial institutions. The program involved five observations and outreach sessions conducted by the community service team. The results demonstrated increased community understanding of the prohibition of usury in Islam and a growing collective awareness of the need to provide sharia-compliant economic alternatives through cooperatives. The agreement to establish the cooperative was jointly ratified by the village government and community leaders, outlined in official minutes (Syahdan & Ibnu, 2021) .

West Nusa Tenggara (NTB) Province is an archipelago province comprising two main islands, Lombok and Sumbawa, and 378 other smaller islands. Over the past five years, the province has faced various obstacles and challenges in its efforts to increase its economic development. In 2018, NTB was tested by a natural disaster in the form of an earthquake that caused damage to buildings in the regencies of North Lombok, East Lombok, Sumbawa, and West Sumbawa. This situation created an emergency situation in development, requiring assistance from various parties. (NTB, 2023) .

West Nusa Tenggara's abundant natural resources, such as agriculture and plantations, influence the primary sector there. This sector contributes Rp 21,569,970,000 to the gross regional domestic product (GRDP), accounting for 22% of the GRDP. (Bappeda, 2022) . The natural resource potential inherent in the NTB region is difficult to change, often giving the region its identity. One example is the agricultural region that serves as a regional brand. Because the agricultural processing industry requires significant capital, this sector can be supported by financial institutions that provide services to lower-middle-class communities under sharia-compliant schemes, one of which is cooperatives (NTB, 2023) .

Village is one of the villages rich in natural resource potential, especially with large areas of rice fields and fields. The total area of this village reaches 195 hectares with 146.13 hectares of which are used for rice fields and plantations. Crops commonly grown in this village include tobacco, rice, tomatoes, chilies, beans, and others. Rensing Bat is also equipped with educational facilities such as 1 Madrasah Tsanawiyah, 1 Elementary School, 1 Kindergarten/RA, 1 mosque, 5 Mushalla, 10 Al-Quran education parks, 10 farmer groups, 1 Gapoktan (farmer group association), and 1 P3A. The name of the village is taken from the name of the Rensing Bat hamlet which is the main hamlet that became the center of the village formation. Rensing Bat is an abbreviation of "Rencana Pendek Batik Awis Tambah". This name means that the majority of the population of Rensing Bat village are farmers, and

they use these three tools as a means of earning a living in the rice fields (Pemdes, 2020) .

The economy of Rensing Bat Village has always been supported by agriculture/plantations, with farmers being the largest profession, reaching 382 farmers. (Village Government, 2024) borrowing from banks as capital for their businesses, even many people also borrow from loan sharks and other communities as capital with a mutual trust agreement for small and medium entrepreneurs, borrowing money from banks not only means having to pay high interest but also having to go through complicated procedures (Soenjoto, 2022) . Sharia cooperatives can be the right solution for business actors. Sharia cooperatives make it possible to provide capital to business actors without interest. They provide capital on the condition that the type of business does not conflict with Islamic teachings. The presence of sharia cooperatives can improve the welfare of people who run businesses or enterprises. When business actors have sufficient capital, they can further develop their businesses. In addition, sharia cooperatives also have a positive impact on a country's economy, because they are able to increase economic activity. (Village Government, 2020) .

This research was conducted to provide a solution to improve the village economy in West Nusa Tenggara (NTB), particularly in Rensing Bat Village, through a sharia-compliant approach to agriculture. The main challenges faced are the difficulty in obtaining business capital and the dependence on interest-bearing loans, which burden the community. Therefore, this research proposes an alternative, a profit-sharing system (*mudharabah*), that not only complies with sharia principles but also has the potential to promote sustainable economic independence for village communities.

LITERATURE REVIEW

1. Cooperative Theory

A cooperative is an economic organization formed by a group of people to meet shared needs and aspirations in the economic, social and cultural fields through a company that they jointly own and democratically control. *International Cooperative Alliance* (ICA) (Indonesia, 1997) . In the Indonesian context, the definition of cooperatives is regulated in Law No. 25 of 1992 , namely a business entity whose members are individuals or cooperative legal entities that base their activities on cooperative principles and as a people's economic movement based on the principle of family. (Indonesia, 1997) . Cooperatives are believed to be a crucial instrument for improving community welfare due to their spirit of mutual cooperation, openness, and fairness. Village cooperatives, or cooperatives based on local communities, are capable of driving the rural economy because they are managed and owned by the communities themselves (Firdausy, 2021) .

2. Sharia Economic Theory

Sharia economics is an economic system based on Islamic principles, which include justice, balance, mutual assistance (ta'awun), and the prohibition of riba, gharar, and maisir. In the context of cooperatives, the sharia system is implemented by avoiding transactions containing riba and speculative elements, and replacing them with profit-sharing systems such as *mudharabah* (a business partnership between capital owners and managers), *musyarakah* (a partnership between capital owners), and *murabahah* (a sale and purchase with an agreed-upon profit margin). (Afdhal et al., 2024) . Sharia cooperatives combine the cooperative concept with Islamic sharia principles, so they are not only oriented towards profit, but also towards blessings and welfare for all members (Akbar & Khasyi'in, 2023) . In the context of religious rural communities, sharia cooperatives have great potential for acceptance and development because they align with the values embraced by the community. (Setyaningsih & Asnawi, 2021) .

3. Theory of Community Economic Empowerment

Community economic empowerment is a process in which communities, especially poor communities, are given the ability to increase their economic and social capacity independently and sustainably. (Sugianto, 2023) . Empowerment includes efforts to increase access to economic resources, increase capacity through education and training, and develop local economic institutions such as cooperatives. (Pradana & Fitriyanti, 2019) . Sharia cooperatives, as community-based economic institutions, can serve as a medium for empowering rural communities economically by providing access to capital, business development, and a platform for inclusive economic participation. Through cooperatives, communities are directly involved in the decision-making process and joint business management. (Ilyas & Khairi, 2024) .

4. Village Economic Development Theory

Village economic development is an effort to improve the quality of life and economic level of rural communities through developing local potential. (Nurhidayanti et al., 2023) . According to (Blakely, 1996) , economic development in rural areas must be inclusive, based on local resources, and involve the community as the main actors in development. Sharia cooperatives, as a form of local economic institution, can play a role in promoting village economic development by accommodating community interests and addressing limited access to resources, such as capital and markets. The existence of Sharia cooperatives is expected to encourage the growth of new entrepreneurs, increase community incomes, and strengthen village economic structures. (Soemitra, 2017) .

5. Local Economic Concepts and Institutions

A local economy refers to an economic system that focuses on utilizing the potential and resources of a region and is controlled by the local community for the common good. One important pillar in local economic development is the existence of community-based economic institutions, such as cooperatives. (Subagiyo et al., 2017) . Local institutions such as Islamic cooperatives not only serve an economic function but also play a social role in strengthening relationships between residents and building economic solidarity. Strong institutions are key to maintaining the sustainability of community-based village economic programs (Perkasa et al., 2024) .

METHOD

This article uses a qualitative research method with a field research type. The research location is in Rensing Bat Village, West Sakra District, West Nusa Tenggara. The research sample consisted of informants from local village officials, Sharia Cooperative experts, and several residents of Rensing Bat Village using a purposive sampling technique based on certain criteria. The author grouped informants into three categories: core informants, main informants, and supporting informants. Data collection techniques include observation, interviews, and participatory observation. Analysis and decision-making were carried out using a SWOT matrix approach. The combination of SWOT components is used to initiate strategies for developing the object's potential, such as the Strengths-Opportunities (SO), Strengths-Threats (ST), Weaknesses-Opportunities (WO), and Weaknesses-Threats (WT) strategies. (Zuhrotun, 2004) .

RESULTS AND DISCUSSION

Rensing Bat Village is predominantly a farming village, with the agricultural sector being the dominant sector. The village's labor and agricultural management systems remain traditional. From an economic, social, and business perspective, establishing a sharia-compliant cooperative in Rensing Bat Village offers significant potential. This can be seen through the following SWOT analysis:

Table 1. SWOT Matrix

IFAS EFAS	Strengths (S) (determine 5-10 internal strength factors)	Weaknesses (W) Determine 5-10 Internal Weakness Factors
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Opportunities (O) Determine External Opportunity Factors.	Strategy (SO) Create a Strategy That Uses Strengths to Take Advantage of Opportunities	WO Strategy Create a Strategy that Minimizes Weaknesses to Take Advantage of Opportunities
Threats (T) Determine External Threat Factors	ST Strategy Create a Strategy That Uses Strengths to Overcome Threats	WT Strategy Create a Strategy that Minimizes Weaknesses and Avoids Threats

Source: Feddy Rangkuti

From the table, it can be explained that the SWOT analysis of the sharia cooperative in Rensing Bat Village is as follows :

Strengths : *The* Sharia Cooperative implements a financial system based on sharia principles, which can be implemented by the Rensing Bat Village community. This system is considered more profitable because it has no negative impacts and actually provides more benefits. In contrast, the interest-based system commonly implemented by conventional financial institutions can be detrimental to the community. Especially for agricultural businesses, which constitute the majority in Rensing Bat Village, sharia cooperatives are the right choice. Sharia cooperatives emphasize humanitarian principles and adhere to clear Islamic legal principles. This makes them reliable institutions in case of problems with the savings and loan system. Therefore, sharia cooperatives are considered more suitable and secure for agricultural businesses in this village.

Weakness : The Sharia Cooperative faces obstacles in its development in Rensing Bat Village because the community is still constrained by the use of the new system. The presence of the Sharia Cooperative, which did not exist before, means that the community must learn and become accustomed to this concept, *albeit* slowly. In addition, the lack of understanding from the cooperative management is also a significant obstacle. This causes the cooperative to not run optimally when it is already in place, due to the lack of knowledge and experience in managing a cooperative. In addition, the lack of interest from the community is also a weakness in the development of the cooperative. Many people still use the services of conventional banks and loan sharks, so they do not understand the benefits of Sharia cooperatives. This makes them reluctant to switch and reduces interest in Sharia cooperatives. Thus, efforts to develop Sharia cooperatives in Rensing Bat Village

need to pay attention to these factors so that they can be overcome and the cooperative can develop well .

Opportunities : *In this case, the local village government is ready to support the establishment of a sharia cooperative in Rensing Bat Village, this is a good opportunity. If the government is willing to help improve the community 's* economy, this is a good opportunity to develop sharia financial institutions such as Sharia Cooperatives. The absence of sharia financial institutions in Rensing Village also presents an opportunity to establish a Sharia Cooperative, because with this situation, Sharia Cooperatives in the village have few competitors. In addition, the Human Resources needed are not only limited to the residents of Rensing Bat Village, but can also be recruited from outside the village. Sharia Cooperatives do not involve elements of usury, so that in its implementation it does not cause losses or dangers for all parties. The highly religious community of Rensing Bat Village also presents an opportunity, by conducting direct socialization and involving religious leaders who are very influential and trusted by the community. The increasing number of residents in Rensing Bat Village can also be an opportunity, because with this increase, financial needs will also increase, and this is an opportunity for the Sharia Cooperative to expand its marketing.

Threats : *Tempting offers from conventional banks and loan sharks pose* a threat to the establishment of Sharia Cooperatives. The ease and speed of borrowing tempt people to overlook the potential harm that may arise. This poses a serious threat because it indicates a decline in religious awareness and Sharia principles among rural communities.

The following is a detailed explanation of the urgency of the Sharia Cooperative in Rensing Bat Village from a SWOT analysis perspective , namely:

1. Internal Factors

a. Strength

- 1) Having a clear vision and mission in establishing a sharia cooperative in Rensing Bat Village is very important, especially because there is no previous experience in operating a sharia cooperative in the village.
- 2) The availability of funds from BUMDes as support for the establishment of sharia cooperatives and financial contributions from the community who will become members of sharia cooperatives are key factors in starting cooperative operations .
- 3) Rensing Bat Village has a stable market and positive business opportunities. This has a positive impact on the development of sharia cooperatives, as there will be significant demand.
- 4) The strong community support and enthusiasm for the Sharia cooperative in Rensing Bat Village is a significant boost. Some residents recognize the economic benefits it can bring.
- 5) The importance of the Sharia Cooperative's decision to implement a sharia-based financial system is very significant, because this helps avoid usury and reduces risk. *harm* .

- 6) Sharia Cooperatives that have a variety of business products have a special attraction for the community, because they have a wider choice in utilizing cooperatives for their financial and economic needs .
- 7) Support from the Rensing Bat village government is essential for the advancement of Sharia Cooperatives, as the village government plays a crucial role in providing permits, facilities, and assistance necessary for the smooth operation of cooperatives.

b. Weakness

- 1) Lack of human resources, as well as minimal knowledge and experience of Sharia Cooperative managers.
- 2) The lack of socialization activities regarding Sharia Cooperatives carried out by the village to the community and Sharia Cooperative administrators .
- 3) The inadequate capacity of village governments in handling community debt problems with banks and loan sharks is an obstacle to the establishment of Sharia Cooperatives.
- 4) Previously, there was no Sharia Cooperative in Rensing Bat Village, and there was no structured system for managing it. Therefore, it was necessary to focus on developing an appropriate system.
- 5) The low level of public interest in Sharia Cooperatives is caused by the practice of borrowing from banks, loan sharks and the surrounding environment.
- 6) Limited funds as initial capital to establish a Sharia Cooperative.

2. External Factors

a. Opportunity

- 1) Effective in socializing about Sharia Cooperatives to the people of Rensing Bat Village .
- 2) The potential of the Sharia Cooperative as a business facility and socialization institution that provides significant benefits to the economy of the Rensing Bat Village community.
- 3) Sharia Cooperatives have the potential to become one of the largest sharia financing sectors in Rensing Bat Village .
- 4) Support from the Rensing Bat Village government can expedite the process of establishing a Sharia Cooperative.
- 5) The presence of a few Islamic financial institutions in West Sakra District provides an opportunity for Rensing Bat Village to establish a large Islamic financial institution.
- 6) Sharia Cooperatives are free from usury practices, creating bright prospects for the future development of Sharia Cooperatives.
- 7) The annual population growth is a great opportunity to expand the market share of Sharia Cooperatives.
- 8) Many of the residents of Rensing Bat village are involved in agricultural businesses .

b. Threat

- 1) The ongoing practice of borrowing from banks and loan sharks can be an obstacle in the process of establishing a Sharia Cooperative .
- 2) Some people are still less enthusiastic about the presence of Sharia Cooperatives .
- 3) Perceptions of Rensing Bat village government officials regarding limited opportunities in establishing Sharia Cooperatives .
- 4) There are still people who rely on services from banks and loan sharks .
- 5) Lack of focus on aspects of good business orientation in Sharia Cooperatives .

After categorizing various opportunities based on internal factors (strengths and weaknesses) and external factors (opportunities and threats), a SWOT matrix is used. This matrix explains how external opportunities can be aligned with internal strengths and weaknesses. Four alternative strategies can be generated from this matrix , as follows:

Table 2. Results of Analysis with SWOT Matrix

Internal Factors	STRENGTH (S)	WEAKNESS (W)
	1) Have a clear vision and mission in establishing a sharia cooperative. 2) Funds must be sufficient for the establishment of a sharia cooperative. 3) stable market and positive business prospects for the future progress of Sharia Cooperatives. 4) The cooperative uses a sharia system. 5) There is support from the Rensing Bat village government apparatus.	1) Poor human resources. 2) Lack of socialization activities regarding Sharia Cooperatives to the community 3) The village government has not been able to overcome the community's habit of borrowing from banks and loan sharks. 4) There has not been a good system for operating Sharia Cooperatives, 5) Lack of community enthusiasm in establishing Sharia Cooperatives, 6) Limited funds as initial capital to establish a Sharia Cooperative.
External factors	OPPORTUNITY (O)	THREAT (T)
	1) The government has succeeded in socializing Sharia Cooperatives to the community . 2) The Sharia Cooperative is capable of being a business facility and socialization institution that is beneficial for the economy of the Rensing Bat Village community .	1) There are still activities of borrowing from banks and loan sharks. 2) There are still some people who are less enthusiastic about the presence of Sharia Cooperatives . 3) Perceptions of Rensing Bat

	3) Becoming one of the large sharia financing sectors in Rensing Bat Village . 4) There is support from the government in the establishment of Sharia Cooperatives. 5) The presence of few Islamic financial institutions in West Sakra District . 6) Many of the residents of Rensing Bat village are involved in agricultural businesses .	village government officials regarding limited opportunities in establishing Sharia Cooperatives . 4) There are still people who rely on services from banks and loan sharks . 5) Lack of focus on aspects of good business orientation in Sharia Cooperatives .
OPPORTUNITIES (O) 1) Effective in socializing about Sharia Cooperatives to the people of Rensing Bat Village . 2) The potential of the Sharia Cooperative as a business facility and socialization institution that is beneficial for the economy of the Rensing Village community . 3) Becoming one of the large sharia financing sectors in Rensing Bat Village . 4) The support from the Rensing Bat	SO STRATEGY 1. Formulate an appropriate Vision and Mission as a direction for the progress of Sharia Cooperatives . 2. Manage available funds effectively and efficiently . 3. Utilizing existing and potential market share to develop the prospects of Sharia Cooperatives . 4. Deepen understanding of the sharia system to be applied in the operations of Sharia Cooperatives . 5. Maximize the use of facilities provided by the village government properly .	WO STRATEGY 1. Conduct training and improve the work ethic of Human Resources 2. Conducting outreach to the community regarding Sharia Cooperatives. 3. Village governments must formulate strategies to address banking and loan shark practices. 4. Building a good and effective system for the process of establishing a Sharia Cooperative. 5. Looking for investment opportunities in distributing initial funds for establishing Sharia Cooperatives.

village government can facilitate the process of establishing a Sharia Cooperative. 5) The presence of a few Islamic financial institutions in West Sakra District provides an opportunity for Rensing Bat Village to establish a large Islamic financial institution. 6) Sharia Cooperatives are free from usury practices, creating bright prospects for the future development of Sharia Cooperatives . 7) The annual population growth is a great opportunity to expand the market share of Sharia Cooperatives. 8) Many of the residents of		
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Rensing Bat village are involved in agricultural businesses .		
THREATS (T)	ST STRATEGY	WT STRATEGY
1) The ongoing practice of borrowing from banks and loan sharks can be an obstacle in the process of establishing a Sharia Cooperative . 2) Some people are still less enthusiastic about the presence of Sharia Cooperatives . 3) Perceptions of Rensing Bat village government officials regarding limited opportunities in establishing Sharia Cooperatives . 4) There are still people who rely on services from banks and loan sharks . 5) Lack of focus on aspects of good business	1. Establish official regulations from the Village officials to limit loan shark activities and dangerous lending practices in the surrounding area . 2. Educating the public about the risks of loan shark loans and their impact on the surrounding environment. 3. Village governments can utilize facilities provided by district or sub-district governments to support Sharia Cooperatives. 4. Designing a system that is capable of making Sharia Cooperatives a sustainable and profitable business entity .	1. Finding solutions to reduce the practice of loan sharks and banks in the surrounding community and providing outreach to the community about the benefits of the existence of Sharia Cooperatives in the Village.

orientation in Sharia Cooperatives .		
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CONCLUSION

Based on the above description, it can be concluded that the presence of the Sharia Cooperative provides significant benefits for the people of Rensing Bat Village. The Sharia Cooperative helps residents avoid the practice of usury, which is contrary to sharia principles. Moreover, the existence of the Sharia Cooperative also opens opportunities for the local government, because it can provide the best service to residents in addressing their economic problems through collaboration with the Sharia Cooperative. Although there are risks and weaknesses in the Sharia Cooperative in Rensing Bat Village, the advantages and opportunities it offers are far more valuable. Based on the SWOT analysis, it can be concluded that the establishment of a Sharia cooperative in Rensing Bat Village is very important .

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