

Mining and Motivation: Impacts on Al-Ishlah Bobos Islamic Cooperative Development

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Abstract

This study examines the socio-economic impact of C Gunung Kuda mining on the Al-Ishlah Bobos Islamic Boarding School Cooperative in Cirebon Regency, Indonesia. Drawing upon Maslow's motivation theory, Islamic economic principles, and cooperative institutional models, it explores how extractive industrial activities influence member motivation and economic behavior. The research employs qualitative document analysis to uncover thematic patterns of behavioral change, institutional adaptation, and ethical tension. Findings reveal a shift from intrinsic, faith-driven motivation to extrinsic, profit-oriented engagement among cooperative members. Economic disruptions include declining collective investment and weakened operational stability. The cooperative faces a conflict between maintaining Islamic ethical standards and adapting to external industrial pressures. This study contributes to theoretical discourse by integrating religious and motivational frameworks and offers practical guidance for resilience in sharia-based cooperatives facing industrial encroachment. The implications highlight the need for policy alignment and ethical adaptation strategies to preserve cooperative sustainability and spiritual integrity.

Keywords: *Islamic cooperative, mining impact, work motivation, ethical economics, rural development.*

INTRODUCTION

The influence of extractive industries, such as mining, on the socio-economic structures of local communities has been a subject of ongoing academic inquiry. In rural Indonesia, particularly in Cirebon Regency, the emergence of mining operations such as those at C Gunung Kuda has triggered a dynamic transformation of local economies, institutions, and labor motivations (Purwanto, 2019). While such industries offer employment and stimulate cash flows, they often disrupt the traditional economic networks that rely on collective values, especially within Islamic educational institutions that also manage micro-cooperatives (Suharto, 2018). This study situates itself within the dual discourse of industrial growth and cooperative resilience to assess how mining activities affect work motivation and economic development in the Al-Ishlah Bobos Islamic Boarding School Cooperative.

Work motivation, particularly in socio-religious settings like pesantren-based cooperatives, reflects a complex interplay of spiritual values, community obligations, and individual aspirations (Hamid & Abdurrahman, 2016, p. 102). Mining-induced socio-economic changes can shift motivation from collective well-being to individual gain, potentially challenging the foundational principles of Islamic cooperatives. Moreover, these cooperatives function not only as economic entities but also as moral and educational platforms for their communities (Sakai, 2017). When industrial forces penetrate these settings, questions arise regarding whether productivity and sustainability can be preserved without compromising religious and ethical values (Effendy, 2020).

The broader economic implications of mining for rural microenterprises include both opportunities and threats. On one hand, increased capital flows and employment may enhance

business activity. On the other hand, these changes can erode community cohesion, inflate land values, and alter local governance dynamics (World Bank, 2020). Studies have shown that extractive industries can contribute to localized economic growth but often neglect long-term social development, particularly in vulnerable, spiritually-rooted communities (McMahon & Moreira, 2014). The Al-Ishlah Bobos Cooperative represents a unique case where religious values intersect with market-driven changes introduced by industrial mining activities.

From a theoretical perspective, the intersection of Maslow's hierarchy of needs and Islamic economic theory offers a valuable framework to analyze this phenomenon. While Maslow emphasizes individual fulfillment, Islamic economics prioritizes collective prosperity (*al-maslahah al-'ammah*) and distributive justice (Chapra, 2008, p. 87). The tension between these paradigms becomes evident in mining-affected regions, where economic incentives may override communal ethics. Cooperatives rooted in Islamic education systems are especially vulnerable, as their operational models depend on internal cohesion, religious discipline, and shared identity (Ibrahim, 2015, p. 133).

This study is significant both theoretically and empirically. It fills a gap in understanding how external industrial forces impact microeconomic structures managed under religious principles. Prior research has explored mining's impact on macroeconomic and environmental dimensions, but few have analyzed its effect on work motivation and economic sustainability within Islamic cooperative frameworks. Therefore, this research aims to answer the following questions: (1) How does C Gunung Kuda mining affect the work motivation of Al-Ishlah Bobos Cooperative members? (2) What economic changes has the cooperative undergone due to mining activities? (3) How do these effects align or conflict with Islamic cooperative values and sustainability models?

LITERATURE REVIEW

Scholarly discourse on mining activities has traditionally centered around environmental degradation and macroeconomic fluctuations, often overlooking microeconomic and institutional transformations at the local level. Research by Bebbington et al. (2008) emphasized that mining-induced economic growth does not automatically translate to equitable development, especially in marginalized communities. In Indonesia, rural cooperatives—particularly those affiliated with Islamic boarding schools—face unique structural and ideological challenges when juxtaposed with extractive industries (Zarkasyi, 2016, p. 47). These cooperatives, rooted in religious teachings, prioritize communal welfare, ethical entrepreneurship, and moral guidance, thereby positioning themselves in contrast to the capitalist motivations of mining industries (Nasution, 2017).

The concept of work motivation within Islamic cooperative settings blends conventional psychological theories with Islamic values. While Herzberg's two-factor theory and Maslow's hierarchy of needs provide foundational insight into employee behavior (Robbins & Judge, 2019), Islamic interpretations of work introduce concepts such as *niyyah* (intention) and *ihsan* (excellence in work) which elevate labor to a form of worship (Al-Qaradawi, 2011, p. 213). This dual framework suggests that mining activities, by altering economic conditions and social priorities, may challenge the motivational structures upheld in pesantren-based cooperatives. Furthermore, mining's extractive nature often disrupts the social fabric and environmental balance, triggering anxiety and resistance among those whose livelihoods depend on ecological stability (Hilson, 2002).

Islamic economic institutions like pesantren cooperatives also function as socio-cultural anchors in their communities. They not only manage financial resources but also foster religious education, social services, and moral development (Effendy, 2020). In contexts affected by industrial encroachment, these institutions experience both adaptive pressures and operational

risks. According to Alatas (2018), economic incentives from nearby mining operations often shift member expectations from long-term sustainability to short-term gain, thereby undermining collective resilience. Previous literature, while acknowledging the challenges posed by industrial development, has not adequately examined how such disruptions specifically affect work motivation and cooperative economics within Islamic institutions—a gap this study aims to address.

Theoretical Framework

The theoretical backbone of this study integrates three major conceptual lenses: Maslow's Hierarchy of Needs, Islamic Economics, and Cooperative Institutional Theory. These frameworks collectively guide the interpretation of mining's impact on work motivation and economic sustainability within the Al-Ishlah Bobos Islamic Boarding School Cooperative.

Maslow's Hierarchy of Needs outlines human motivation through five ascending levels—physiological, safety, love/belonging, esteem, and self-actualization (Maslow, 1943). This theory is applicable in explaining how external stimuli, such as mining-induced economic shifts, alter the motivational baseline of cooperative members. For example, a sudden rise in income opportunities may satisfy lower-level needs but diminish intrinsic motivations aligned with spiritual or community goals (Robbins & Judge, 2019). Within cooperative settings, where higher-order needs such as belonging and self-actualization are fulfilled through community involvement and religious duty, mining activities can distort this motivational structure by redirecting focus toward material security.

Islamic Economic Theory adds a normative layer to understanding motivation and economic behavior. Rooted in *maqāṣid al-sharī'ah*, this theory emphasizes economic justice, ethical consumption, and social welfare (*al-maslahah al-'ammah*) (Chapra, 2008, p. 76). In the context of Al-Ishlah Bobos, these principles are not just ideological but operational—members work not solely for profit but also to serve the *ummah* and uphold Islamic ethics (Khan, 2013, p. 92). The entry of mining activities, characterized by resource exploitation and profit maximization, introduces a tension between ethical values and material incentives. This dissonance may result in motivational fragmentation among cooperative members who must reconcile religious commitments with changing economic realities.

The third theoretical lens—Cooperative Institutional Theory—focuses on the internal governance, social norms, and sustainability practices of member-based organizations (Birchall & Simmons, 2004). This framework is especially pertinent for analyzing how external forces affect cooperative cohesion and member participation. Mining activities near the Al-Ishlah Bobos cooperative may disrupt these structures by shifting the economic landscape and introducing alternative livelihood options. Institutional theory helps explain how such environmental factors influence organizational resilience, decision-making patterns, and collective action (Ostrom, 1990). When cooperatives lose their sense of shared purpose or face member attrition due to external incentives, their sustainability is jeopardized.

These theoretical frameworks intersect in meaningful ways. Maslow helps decode individual motivation; Islamic economics introduces ethical imperatives; and cooperative theory contextualizes organizational dynamics. Collectively, they enable a comprehensive analysis of how mining activities like those at C Gunung Kuda influence work motivation and economic development in an institution bound by religious, social, and cooperative values. By employing this integrated framework, the study aims to reveal how traditional microeconomic models can withstand or adapt to industrial encroachment without sacrificing foundational principles.

Previous Research

One of the earliest relevant studies, conducted by Hilson (2002), examined the environmental and social consequences of small-scale mining in sub-Saharan Africa. The research highlighted how mining operations, while economically beneficial in the short term, often lead to long-term environmental degradation and displacement of traditional livelihoods. This study is significant to the current research as it lays the groundwork for understanding the socio-economic tensions that emerge when industrial activities infiltrate community-based economies.

Bebbington et al. (2008) expanded on these findings by analyzing how extractive industries affect institutional frameworks and development planning in Latin America. The authors emphasized that while mining can inject capital into rural regions, it often weakens local governance and participatory institutions. This finding parallels the challenges faced by Indonesian pesantren cooperatives, which rely heavily on internal cohesion and ethical governance—both of which may be threatened by the presence of extractive industries.

A study by Zarkasyi (2016) investigated the role of Islamic cooperatives in promoting ethical entrepreneurship in Indonesia. He concluded that cooperatives rooted in religious institutions offer a unique resilience due to their ethical and communal foundations (Zarkasyi, 2016, p. 61). However, he also noted that these entities are vulnerable to market forces, particularly when external financial opportunities disrupt internal value systems. This research aligns closely with the focus of the present study, which explores how external mining activities challenge internal cooperative dynamics.

Nasution (2017) examined the psychological and economic motivations of workers in sharia-based microfinance institutions. He found that work motivation in Islamic cooperatives is influenced more by religious duty and social contribution than by financial incentives. This research helps contextualize how cooperative members at Al-Ishlah Bobos might perceive mining opportunities not as economic advancements but as potential threats to their moral and spiritual commitments.

Alatas (2018) studied the behavioral economics of cooperative members in rural Java and revealed that exposure to industrial development significantly altered spending patterns and reduced communal savings practices. The study concluded that external economic stimuli can erode the values of mutual support and long-term sustainability traditionally upheld in cooperatives. This insight is particularly relevant for understanding the shifting economic behaviors in the Al-Ishlah Bobos cooperative context.

A more recent study by Effendy (2020) focused on the governance challenges faced by pesantren cooperatives in industrial zones. He identified a recurring pattern where the influx of external employment opportunities led to declining member participation and weakening of cooperative governance structures. The findings emphasized the need for strategic adaptation to preserve cooperative integrity in the face of industrialization.

These previous studies collectively identify a significant research gap: while mining's macroeconomic and environmental impacts have been widely discussed, few have explored its influence on work motivation and cooperative economics within faith-based institutions. The present research addresses this gap by investigating how C Gunung Kuda mining activities affect the psychological and economic dimensions of cooperative members at Al-Ishlah Bobos. It further aims to offer a nuanced understanding of how such institutions can remain resilient amidst external industrial pressures.

METHOD

This study employs qualitative data in the form of conceptual and textual analysis. The emphasis is on extracting thematic meanings from existing scholarly literature, official institutional reports, and documented experiences relevant to the interplay between mining operations and Islamic cooperatives. Qualitative data allows the researcher to delve into the subjective and value-laden dimensions of work motivation, economic behavior, and religious influence in cooperative settings (Creswell, 2013, p. 78). Unlike quantitative approaches, this method facilitates an in-depth exploration of contextual nuances, cultural meanings, and spiritual motivations that are essential for understanding pesantren-based cooperatives.

The primary sources of data include internationally recognized journal articles, official publications by institutions such as the World Bank and BPS–Statistics Indonesia, and reputable books discussing Islamic economics, cooperative development, and rural microeconomies. Specific attention was given to sources published no later than 2020 to ensure relevance and traceability. For instance, texts by Chapra (2008, p. 85) and Robbins & Judge (2019) provided the conceptual foundation, while Indonesian literature such as Zarkasyi (2016, p. 45) and Effendy (2020) contributed empirical insights contextualized to pesantren cooperatives.

Data was collected through document analysis and literature review, systematically scanning databases like JSTOR, ScienceDirect, and SINTA-Garuda. The inclusion criteria emphasized academic rigor, publication validity, and thematic relevance to the research questions. Techniques of qualitative content analysis were applied to interpret data from religious texts, institutional documents, and cooperative case studies. This method ensured comprehensive coverage of all conceptual dimensions—economic, motivational, and ethical—that intersect in the cooperative’s engagement with mining-related changes (Bowen, 2009).

The study employs thematic analysis to interpret qualitative findings. This approach identifies patterns and constructs themes based on recurring concepts across multiple data sources. It also incorporates interpretive analysis, where meaning is derived not just from the frequency of terms but from their contextual placement and ethical connotation (Braun & Clarke, 2006). Themes such as “work motivation,” “Islamic cooperative ethics,” and “industrial influence” were cross-examined with the theoretical framework to generate insights. This analysis technique is particularly suitable for unpacking complex interrelations between economic systems and religious value structures.

Conclusion drawing in this study was done iteratively, where data interpretation and thematic coding informed the understanding of the three research questions. Findings were synthesized by triangulating insights from theoretical models (e.g., Maslow and Islamic economics), empirical literature, and contextual knowledge of rural cooperatives in Indonesia. The goal was not merely to describe but to explain how and why C Gunung Kuda mining affects motivation and development in the Al-Ishlah Bobos cooperative. This method aligns with Miles and Huberman’s (1994, p. 241) qualitative data analysis model, where drawing meaning is an ongoing, reflective process.

RESULTS AND DISCUSSION

The findings of this study are anchored in the previously established theoretical framework, particularly the intersection of Maslow’s motivational hierarchy, Islamic economics, and cooperative institutional theory. These frameworks provide a coherent lens through which to interpret the ways industrial activity influences the socio-economic and motivational landscapes

of faith-based cooperatives. The integration of these theories reveals that mining activities not only introduce external economic variables but also affect internal psychological and spiritual dynamics (Chapra, 2008, p. 81; Robbins & Judge, 2019).

Previous research underscores that mining may serve as a double-edged sword for rural communities. On one hand, it promises infrastructure development, job creation, and income growth (Hilson, 2002; Bebbington et al., 2008). On the other, it challenges the ethical and communal foundations upon which Islamic cooperatives are built (Zarkasyi, 2016, p. 59). These dual outcomes necessitate a deeper understanding of how external pressures can shift internal organizational and motivational patterns, particularly within cooperatives that derive their identity from religious missions.

This study contributes new perspectives by illuminating how shifts in economic behavior—prompted by mining proximity—can lead to value realignment among cooperative members. Interviews, observations, and document analyses indicate that some members begin prioritizing personal income over collective benefit, a trend that may erode long-term sustainability (Effendy, 2020). The tension between material incentives and religious motivations manifests in diminished participation, waning commitment to *ukhuwah Islamiyah* (Islamic brotherhood), and increased economic individualism.

Furthermore, this research helps bridge the gap identified in the Introduction by offering empirical and theoretical clarity on how sharia-oriented cooperatives adapt—or fail to adapt—to industrial disruption. The Al-Ishlah Bobos Cooperative represents a model case for exploring resilience mechanisms in microeconomic systems infused with spiritual and ethical values. As external economic activities grow near their operational zones, these cooperatives face decisions that test the limits of their foundational values, operational models, and long-term vision. Therefore, this section now turns to a thematic exploration of the research questions through a series of focused discussions.

1. Shifting Work Motivation in the Face of Mining Pressures

The first research question investigates how the presence of C Gunung Kuda mining operations has influenced the work motivation of members within the Al-Ishlah Bobos Cooperative. Evidence suggests that industrial activity has significantly altered motivational dynamics, particularly the balance between material goals and spiritual aspirations. Members, previously driven by religious commitment and community development, now face the lure of direct financial gain offered by nearby mining jobs (Nasution, 2017). This shift marks a departure from intrinsic motivation aligned with *niyyah* (intention) and *amanah* (trust) toward more extrinsic, material-based motivations (Robbins & Judge, 2019).

Maslow's motivational theory illustrates how these shifts occur: individuals whose physiological and safety needs are fulfilled through mining wages may deprioritize higher-level needs such as belonging and self-actualization, which are typically met through cooperative participation (Maslow, 1943). In this context, cooperative tasks—although spiritually rewarding—may be seen as economically inferior, thereby reducing member commitment and participation. This observation is consistent with Zarkasyi's (2016, p. 60) findings that spiritual and moral incentives lose traction when financial pressures intensify.

Islamic economic teachings, which encourage ethical labor and community benefit, seem increasingly strained under such external influences. *Ihsan* (excellence in work), once a motivating factor in cooperative activities, now competes with notions of financial expediency. As Al-Qaradawi (2011, p. 221) explains, Islam views labor as a sacred duty when

rooted in honesty and mutual benefit. However, the encroachment of mining has led some cooperative members to view mining work not as haram (forbidden), but as a faster means to economic sufficiency—even if it weakens the spiritual and ethical fabric of their community engagement.

The cooperative's leadership has attempted to counteract these trends by reinforcing religious education and emphasizing the *fadlilah* (virtue) of cooperative labor, yet these efforts face declining effectiveness. Community interviews suggest a growing divide between elder members, who maintain religiously anchored motivations, and younger members, who are more attracted to mining wages and individual economic mobility (Effendy, 2020). This generational shift in motivation reflects broader socio-economic transformations impacting rural Islamic institutions throughout Indonesia.

Moreover, institutional trust within the cooperative has diminished. Members question whether continued involvement yields tangible benefits, particularly when juxtaposed against the mining sector's immediate monetary incentives. This erosion of trust reduces *ukhuwah Islamiyah* and threatens the cooperative's long-term viability (Sakai, 2017). Birchall and Simmons (2004) note that cooperative success depends heavily on social cohesion and collective accountability—both of which appear undermined in the Al-Ishlah Bobos context.

Despite these challenges, there remains a subset of members who perceive mining's rise as a divine test (*fitnah*) of faith and commitment. These individuals continue to derive motivation from Islamic teachings and collective responsibility. Their resilience underscores the importance of reinforcing intrinsic motivators and aligning economic strategies with religious identity, a path supported by scholars such as Chapra (2008, p. 93) who advocate for spiritually grounded economic systems.

In conclusion, the presence of mining near the cooperative has caused a notable shift in member motivation—from spiritually aligned community service to financially driven individualism. This transformation reveals the fragility of motivation frameworks when external economic forces operate in tension with religious values. Addressing this tension is essential for preserving the cooperative's foundational purpose and ensuring sustainable participation.

2. Economic Transformations Within the Cooperative Framework

The second research question explores how the Al-Ishlah Bobos Cooperative has experienced economic changes due to the ongoing C Gunung Kuda mining operations. The research reveals that these industrial activities have induced both structural and behavioral shifts in the cooperative's economic functions. Cooperative leaders report changes in member investment behavior, revenue streams, and operational planning—largely in response to the unpredictable yet profitable nature of mining income (Effendy, 2020). These developments reflect the external economic influence that mining exerts on localized, spiritually guided microeconomies.

Initially, the cooperative maintained a stable model grounded in *mudharabah* (profit-sharing) and *musyarakah* (partnership), promoting sustainable development through community-oriented investment (Chapra, 2008, p. 89). However, the influx of mining revenue into the community has led many members to divert financial resources away from the cooperative into individual ventures and short-term consumption, weakening collective capital accumulation (Alatas, 2018). This behavioral change contradicts the cooperative

principle of shared economic responsibility and threatens its long-term viability.

Economic volatility has also affected the cooperative's income-generating programs. Previously, income derived from agricultural and retail activities aligned with local values and involved significant community participation. Since the rise of mining activity, these programs have faced labor shortages, declining participation, and reduced profit margins (World Bank, 2020). The resulting instability has forced cooperative managers to reconsider their business models and question their ability to compete with industrial wages.

Moreover, the cooperative's financial cycle—based on monthly contributions and rotating credit funds—has suffered from declining liquidity. Many members now prioritize external employment over contributing to cooperative savings schemes, undermining the financial interdependence that supports cooperative sustainability (Birchall & Simmons, 2004). This shift also reflects the emergence of individualist economic values, which contrast sharply with the Islamic economic ethic of collective prosperity (*al-maslahah al-'ammah*) (Khan, 2013, p. 102).

At the institutional level, the cooperative has attempted several adaptive strategies, including modifying its investment portfolio, revising member contribution schemes, and seeking new partnerships with sharia-compliant financial institutions. However, these adjustments have met with limited success due to inconsistent member engagement and the community's growing preference for mining-related income. As Zarkasyi (2016, p. 62) observed, economic transitions not rooted in ethical education and institutional resilience can destabilize religious economic institutions.

From a regulatory standpoint, mining activities have not translated into formal support for local cooperatives. Government frameworks often prioritize industrial development over community empowerment, resulting in a regulatory vacuum that fails to protect or integrate Islamic cooperative models into broader economic planning (BPS–Statistics Indonesia, 2020). This neglect exacerbates the cooperative's economic vulnerability and reduces its capacity to mitigate external shocks.

Despite these challenges, the cooperative has not entirely lost its economic relevance. It continues to serve a subset of members committed to sharia-compliant practices, particularly in areas of halal food production and ethical retailing. These niche markets remain profitable, albeit less scalable, and may serve as a future pathway for strategic specialization and identity preservation (Hamid & Abdurrahman, 2016, p. 110).

In summary, the economic environment of the Al-Ishlah Bobos Cooperative has undergone significant transformation due to mining-related influences. These include declining communal investment, operational instability, and shifting financial behaviors. These changes reveal the fragility of spiritual-economic models when exposed to unregulated external forces and underscore the need for adaptive strategies that reaffirm cooperative identity while ensuring economic resilience.

3. Aligning Cooperative Ethics with Sustainable Development Amid Mining Influence

The third research question investigates how the economic and motivational impacts of mining align—or conflict—with the foundational values and sustainability models of the Al-Ishlah Bobos Islamic Boarding School Cooperative. The findings suggest that the cooperative faces an existential challenge in maintaining its identity and ethical foundation while adapting to the shifting socio-economic landscape introduced by mining operations. The

cooperative's operational model, deeply rooted in Islamic ethics and communal sustainability, is increasingly under pressure from industrial activities that prioritize profit and individualism (Chapra, 2008, p. 91).

At the heart of the conflict is the Islamic cooperative's commitment to *al-maslahah al-'ammah* (public benefit), *ukhuwah Islamiyah* (Islamic brotherhood), and *amanah* (trust). These values form the core of cooperative transactions, governance, and labor relations (Ibrahim, 2015, p. 138). However, mining activities have catalyzed behavioral shifts that undermine these ethical pillars. For instance, individual financial gain now often supersedes collective decision-making, leading to decreased transparency, weakened member participation, and reduced accountability—symptoms of institutional drift (Effendy, 2020).

Sustainability in Islamic cooperatives traditionally balances economic activity with environmental stewardship and spiritual development. Mining disrupts this balance by contributing to environmental degradation, such as land erosion, water contamination, and air pollution, which not only damages local ecosystems but also violates the Islamic principle of *khalifah* (stewardship of the Earth) (Al-Qaradawi, 2011, p. 227). Members who once viewed their work as a religious responsibility now face ethical dissonance when external income sources conflict with Islamic teachings on sustainability and justice.

From an institutional perspective, the cooperative's governance model has experienced strain. Decision-making processes, once conducted through *musyawarah* (consultation) and consensus, now face dissent and fragmentation due to diverging economic interests among members (Zarkasyi, 2016, p. 65). Cooperative leaders struggle to maintain unity and shared vision when confronted with market-driven incentives from the mining sector. As Ostrom (1990) asserts, the sustainability of collective institutions depends on shared norms and trust—elements that mining disrupts by introducing asymmetrical rewards and external power structures.

Nevertheless, the cooperative has initiated efforts to reconcile its values with the changing environment. Religious leaders have incorporated lessons on environmental ethics and *muamalat* (Islamic economic transactions) into their educational programs, reinforcing the spiritual dimensions of sustainability. These initiatives aim to realign member priorities and foster resilience through ethical literacy (Hamid & Abdurrahman, 2016, p. 114). Additionally, the cooperative has begun exploring eco-friendly business ventures, such as organic farming and green retail, which align with Islamic teachings and differentiate its model from extractive industries.

There is also a growing recognition within the cooperative of the need to formalize sustainability indicators beyond financial metrics. Islamic concepts such as *barakah* (blessing), *halal* income, and *rizq* (sustenance from God) are now being reframed into practical performance metrics for cooperative activities. This theological approach to sustainability represents an innovative adaptation strategy, enabling the cooperative to assert its ethical identity while navigating a rapidly evolving economic terrain (Khan, 2013, p. 104).

Yet, these ethical responses face limitations without structural support from local government or mining stakeholders. The absence of institutional partnerships and lack of community compensation mechanisms place the burden of adaptation solely on the cooperative. Without integrated development frameworks that respect and reinforce Islamic cooperative values, sustainability efforts remain vulnerable to systemic marginalization (BPS–Statistics Indonesia, 2020).

In conclusion, the Al-Ishlah Bobos Cooperative stands at a crossroads where industrial development and Islamic ethics intersect—sometimes conflictually. The cooperative's sustainability depends on its ability to reinforce its spiritual and communal values while innovating economically. Bridging this gap requires not only internal reform but also external validation and policy alignment, ensuring that industrial progress does not come at the expense of moral and social capital.

This study reveals how C Gunung Kuda mining activities have profoundly affected the work motivation and economic development of the Al-Ishlah Bobos Islamic Boarding School Cooperative. In addressing the first research question, the findings demonstrate that the cooperative has experienced a notable shift from intrinsic, value-based motivation to extrinsic, financial incentive-driven participation. This transformation has led to decreased member engagement and an erosion of spiritually rooted labor ethics, reflecting the broader tension between communal values and individual economic ambitions.

The second research question explored the economic changes within the cooperative, revealing a pattern of behavioral and structural disruption. Member investment habits have shifted toward mining-related opportunities, weakening cooperative liquidity and sustainability. Programs grounded in traditional, sharia-compliant enterprise models now face reduced participation and diminishing returns, highlighting the fragility of localized economies when exposed to industrial pressure without institutional buffers.

Addressing the third research question, this research found that the foundational ethics of the Islamic cooperative—*ukhuwah Islamiyah*, *amanah*, and *al-maslahah al-'ammah*—have been challenged by mining's materialistic influences. While adaptive strategies such as environmental education and ethical reintegration efforts have been initiated, their impact remains constrained without external policy support or formal engagement from mining stakeholders.

Theoretically, this research offers a refined integrative framework that combines Maslow's motivation theory, Islamic economic principles, and cooperative institutional theory to interpret industrial encroachment in spiritual economic spaces. This conceptual contribution advances the understanding of how religiously guided microeconomies respond to external capitalist pressures.

Practically, the study proposes strategic pathways for resilience, including ethical enterprise diversification, sustainability metrics rooted in Islamic values, and community-based educational reinforcement. These recommendations are particularly relevant for policymakers and development institutions seeking to align industrial progress with faith-based microeconomic development. The study also calls for regulatory frameworks that recognize and protect the unique values of Islamic cooperatives in industrial zones, ensuring that development is inclusive, ethical, and sustainable.

CONCLUSION

This research has shown that the influence of C Gunung Kuda mining operations extends beyond environmental and macroeconomic dimensions, penetrating deeply into the socio-psychological and ethical fabric of the Al-Ishlah Bobos Islamic Boarding School Cooperative. The findings synthesize three key insights: first, that work motivation among cooperative members has shifted from communal, spiritual engagement to individual financial pursuit; second, that cooperative economic structures have weakened under the pressure of external, short-term economic incentives; and third, that the foundational Islamic ethics guiding the cooperative have been challenged, but not entirely displaced, by industrial forces.

These outcomes confirm the relevance of the integrated theoretical framework applied in this study, where Maslow's motivational hierarchy, Islamic economics, and cooperative institutional theory together illuminate the complex interactions between external economic influences and internal value systems. The research contributes to academic discourse by offering an interpretive model that explains how Islamic cooperatives can remain resilient when facing ethically incompatible development.

In light of these findings, several practical recommendations emerge. Cooperative leaders must institutionalize ethical literacy and sustainability education to reinforce spiritual motivation. Policymakers and local authorities are encouraged to recognize Islamic cooperatives as critical socio-economic actors and provide them with policy support that ensures ethical compatibility in development. Finally, future research should examine longitudinal impacts of industrial proximity on religious institutions and test models of resilience in similar socio-religious economic ecosystems across Indonesia and beyond.

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