International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR

The Influence of Zakat, Infaq and Shodaqoh, Human Development Index, and Poverty Level on Economic Growth in East Java

Debby Riam Larasati[1], Diah Wahyuningsih[2]*, Ris Yuwono Yudo Nugroho[3]

[1,2,3] Master of Economics, Faculty of Economics and Business,
Universitas Trunojoyo Madura

[2]*Corresponding Author: diah.wahyuningsih@trunojoyo.ac.id

Abstract

The large potential of the Muslim population in East Java makes zakat infaq and shodaqoh an instrument of economic empowerment. This study will examine the role of zakat, infaq and shodaqoh, poverty level and HDI on economic growth in East Java. This type of research uses a quantitative approach. The research sample focuses on 29 regencies / cities in East Java Province. The research method is panel data regression method. The results showed that the zakat variable had no effect on economic growth. Infaq and shodaqoh variables have a negative and significant effect on economic growth. This influence is due to the lack of public awareness of paying zakat, infaq and shodaqoh, or already paying zakat, infaq and shodaqoh but not through zakat institutions so that the acquisition of zakat, infaq and shodaqoh is not recorded. In addition, there is a lack of supervision and socialization from zakat institutions. The HDI variable has a positive and significant effect on economic growth. Meanwhile, the poverty rate variable has a negative and significant effect on economic growth.

Keywords: Zakat, Infaq and Shodaqoh, Poverty Level, HDI, Economic Growth

INTRODUCTION

Successful achievement of economic growth (*economic growth*) can be realized through development, both in the context of national government (*national state)* and local government (*local state*). Economic growth is essentially an increase in production

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

capacity in the long term as a country's ability to provide a wide choice of types of goods and services (Hasibuan et al., 2023; Mankiw et al., 1995). Ummah et.al. (2023) stated that the development of economic activities has triggered an increase in goods and services which is directly proportional to an increase in prosperity or social welfare. Based on this understanding, of course, economic growth is not only measured based on increasing output but how this output can be felt by the entire population and promote community welfare.

The level of economic growth can be considered as a benchmark for the development progress of a region (Wulandari dan Pratama, 2022). Product Domestic Regional Bruto (PDRB) is an indicator for measuring the economic performance of a region, which reflects the added value generated from all production activities in a region (Nadila, 2023). East Java's economic performance from 2016 to 2023, East Java's economic growth movement always grew above 5 percent, but experienced a contraction in 2020 to 2.33 percent. This economic turmoil was caused by hampered economic performance during the Covid-19 pandemic. The East Java Provincial government also promoted economic recovery until it managed to return positive in 2021 at 3.56 percent and continued until this period.

Economic growth in the social development scheme is also closely related to the Human Development Index (HDI). The human development index is an important indicator in improving social welfare (*social welfare*) and reducing poverty rates. Human Development Index (HDI) according to Safitri et. al. (2021) is a measurement by comparing life expectancy, literacy, education level and people's living standards.

The increasing Human Development Index (HDI) reflects the improvement in the quality of human resources in achieving better economic development (Yusuf et. al., 2022). Better education, guaranteed health and higher purchasing power make people more ready to work and produce added value. In the end, people's income increases and poverty decreases. This pattern will also influence economic growth and achieve comprehensive social welfare. This welfare not only includes material aspects, such as economics, but also non-material aspects such as spiritual, intellectual and social. These aspects are based on 5 (five) basic mashlahah, namely maintaining religion (*Hifdzu ad-Dien*), preserves the soul (*Hifdzu an-Nafs*), preserving Reason (*Hifdzu al-'Aql*), preserve the Descendants (*Hifdzu an-Nasl*), and preserve Property (*Hifdzu al-Maal*) as the main capital in order to achieve happiness in this world and the hereafter (Eris et. al., 2020). The Human Development Index (HDI) in East Java Province for the period 2016-2023 experienced fluctuating movements. The increase in HDI in 2023 is supported by an

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

increase in forming indicators such as life expectancy at birth (UHH), expected length of schooling (HLS), average length of schooling (RLS), adjusted real per capita expenditure per year (BPS East Java, 2023).

Regional development is an effective strategy to encourage inclusive economic growth, namely growth that is not only fast but also able to absorb a large workforce. By increasing employment opportunities, creating new jobs, and ensuring a fair distribution of income both among economic sectors and individuals, strong economic development can be an effective solution to overcome the problems of unemployment and poverty. Poverty in East Java is still a significant challenge in development. Poverty indicators in East Java are still below the national average, although they have decreased every year (Bappeda Jawa Timur, 2021). The poverty rate in East Java between 2016 and 2023 experienced fluctuations. The poverty rate decreased from 12.05 percent in 2016 to 10.37 percent in 2019. Then it increased again in 2020-2021, but the percentage of poor people managed to decrease in 2023 by 10.35 percent. This is clear evidence of the effectiveness of the strategy implemented by the East Java Provincial Government in an effort to reduce poverty.

Poverty alleviation policies will run on target and efficiently if there is a comprehensive understanding of various aspects of poverty, not only from an economic perspective, but also social and cultural. For example, the Gerdu-Taskin Program (Integrated Movement-Poverty Alleviation) to increase the capacity of poor communities in accessing economic resources and opportunities and the Special Program for the Acceleration of Poverty Reduction is focused on the locations of Disadvantaged Villages and Very Disadvantaged Villages (Bappeda Jawa Timur, 2021). Joint programs or initiatives involving the public and corporate sectors, as well as local communities, are an effort to reduce poverty levels (Wulandari dan Pratama, 2022).

A region is categorized as advanced if it is able to significantly improve the standard of living of all its citizens, supported by sustainable management of natural resources, increased productivity, and growth of economic supporting sectors and equal distribution of income can contribute to increasing national (Herry et. al., 2021; Riawan and Akbar, 2024). A supporting component that can also influence economic growth is Zakat. Zakat, as one of the pillars of Islam, has a very significant socio-economic dimension. Apart from being a form of worship, zakat also acts as an instrument to improve community welfare and economic growth (Al-Labiyah et. al., 2023). Plus, the portion of the Muslim population in East Java province reached 100 percent of the total

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

population recorded in 2022, which amounted to 40.35 million people (99.58 percent) (Kementrian Agama RI, 2022).

In Indonesia, zakat is not only regulated by religion, but is regulated in Law no. 23 of 2011 concerning Zakat Management. There is even a National Zakat Amil Agency (Baznas) which is tasked with managing and distributing zakat from the community. In society, you can also find zakat institutions (LAZ) that manage zakat in mosques. Zakat, infaq and shodaqoh (ZIS) are effective ways to improve social welfare. The main focus of the ZIS program is on five priority areas. Distribution of ZIS for East Java Province based on the 2023 program occurs in Humanity amounting to IDR 102,734,380,921 and followed by Operations IDR 40,520,063,130, Da'wah and Advocacy IDR 21,877,961,426, Education IDR 20,101,605,214, Economy IDR 10,712,426,737, and finally said Health Rp. 5,004,585,385. The humanitarian program is the largest realization of ZIS funds, especially to help disaster victims and people in need. ZIS funds are also used to support da'wah activities, capital assistance for MSMEs, and health service assistance for people in need. The distribution of ZIS based on the program is expected to help improve the quality of life of the community. The ZIS fund's impact on GDP and job creation is generally positive, indicating its potential as a valuable tool for fostering economic expansion (Zaman et al., 2024).

The perspective in the previous paragraph is the reason for this research to raise the context of problems related to "The Influence of Zakat, Infaq and Shodaqah, Human Development Index (HDI), and Poverty Level, on Economic Growth in East Java Province". This research will focus on economic conditions and characteristics in East Java. Apart from that, conducting a comprehensive analysis regarding the influence of the Zakat, Infaq and Shodaqah variables, Human Development Index (HDI), and Poverty Level on Economic Growth. This research provides significant contributions compared to previous research. Alghina et. al. (2019); Hamidi et. al. (2024) have made an important contribution in understanding the role of zakat, infaq and shodaqoh in Indonesia's economic growth. However, this research expands the scope of analysis by including HDI variables and poverty levels as independent variables. Apart from that, different from Gulcemal (2020) which focuses on developing countries, this research specifically analyzes the influence of HDI at the East Java provincial level on 29 regencies/cities in East Java Province.

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR

Economic growth

Economic growth is an indicator of the government's success in running and managing a country. Sukirno (2015) defines economic growth as the development of economic activity which results in an increase in the quantity and quality of production of goods and services. In an open economic system, Keynesian economic growth theory states that economic growth is built on public consumption, corporate investment, government spending and trade openness such as export and import activities. The factors that influence economic growth include (1) human resources, quality human resources will be the main driver in technological and industrial development, thus contributing to increasing social welfare, (2) Capital Formation, referring to the addition of capital stock in an economy.

Islamic Social Finance

Islamic Social Finance is a financial system that is oriented towards financial profits and social welfare. ISF involves Muslim communities in economic activities and uses resources to support projects that benefit the wider community. ISF can be a complementary component that improves market failures in conventional economic systems and government failures in managing a sustainable economy ((Pujiyono et al., 2024). ISF principles are based on faith, legal rules of fiqh (syariah), and the embodiment of noble morals (akhlakul karimah) with the main foundation of justice and benefit. This concept requires management of assets in accordance with sharia to provide maximum benefits for the people.

Zakat, Infaq and Shodaqoh (ZIS) are the main pillars of Islamic social finance which have significant potential in driving economic growth. ZIS is not only worship, but also an effective economic instrument in redistributing income, increasing people's purchasing power, and encouraging investment. In general, ZIS management is related to the needs of the afterlife of humans, namely (1) maintaining religion, (2) maintaining the soul, (3) maintaining the mind, (4) maintaining offspring, and (5) maintaining wealth (Patih & Hidayah, 2022). Through good management, ZIS can become a major economic force and contribute to the welfare of society.

Human Development Index (HDI)

The Human Development Index (HDI) is a comprehensive indicator for measuring progress in human development. HDI combines three main dimensions, namely long and healthy life, knowledge, and a decent standard of living. Countries that have a high HDI

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR

indicate success in improving the quality of life of their population, which in turn can encourage sustainable economic growth (B. F. Maulana et. al., 2022). Thus, HDI can be used to monitor the progress of human development in the long term (Sulistio, 2011).

Poverty

Poverty is a social phenomenon that is commonly found in various regions, including in developing countries such as Indonesia (A. Maulana et. al., 2022). Low income is the main factor causing poverty. The inability to fulfill basic needs such as food, clothing and shelter, as well as limited access to public services such as education and health, are characteristic of conditions of poverty (Putri and Yuliana, 2023). Poverty is a complex and multidimensional problem. According toSubandi (2016), poverty is not only a matter of material deprivation, but also involves social, psychological and political aspects. Poverty can be seen as a condition where individuals or groups of people experience dependency, isolation, helplessness and vulnerability. BAPPENAS (2020) defines poverty as a condition where individuals or groups are unable to fulfill their basic rights to a decent life. These basic rights include aspects of health, work, food, education and protection from violence.

RESEARCH METHOD

This research aims to determine the influence of zakat, infaq and shodaqoh, HDI, and poverty levels on economic growth in East Java Province in 2019-2023. The research population was limited to 29 districts/cities in East Java Province. The selection of 29 districts/cities in East Java as the research population was based on the availability of complete and consistent zakat, infaq and alms data in the annual National Zakat Report. Research data was obtained from statistical tables from the East Java Province Central Statistics Agency (BPS) and the National Zakat Report published by the National Zakat Agency (BAZNAS). To answer the research hypothesis for each independent variable, panel regression is used.

Panel data is a form of data that combines crosssection data and timeseries data, where the crosssection units are the same and only measured at different times. Panel data in this study uses data from 29 districts/cities in the research period with a time span of 5 years. The data obtained were analyzed using Eviews 12 software. The equation used:

$$LnPDRB_{it} = a + \beta_1 LnZ_{it} + \beta_2 LnIS_{it} + \beta_3 IPM_{it} - \beta_4 Pov_{it} + and \text{ ..... (1)}$$

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

Information:

LnPDRB	: Economic growth
LnZ	: Natural logarithm of Zakat
LnIS	: Natural logarithm of Infaq and shodaqah
IPM	: Human Development Index (HDI)
Pov	: Poverty Level
α	: Constant
i	: Regency/City 1,2,3,4.....29
t	: Year (2019-2023)
$\beta_1, \beta_2, \beta_3, \beta_4$	: Regression coefficient
and	: *Error term*

To select the best model to be used in research, several tests can be carried out, namely the Chow Test, Hausman Test, and Lagrange Multiplier Test. To ensure that the results of the panel data regression analysis in this study can be interpreted correctly, classical assumptions were tested. The classic assumption tests used in this research are the normality test, multicollinearity test, heteroscedasticity test, and autocorrelation test.

RESULT

Selection of the Best Model

In carrying out data analysis using static panel data regression. There are three types of models, namely common effect, fixed effect, and random effect. These three models will go through several stages of testing to be concluded as the best model to be used in research.

Uji Chow

The Chow test is aimed at choosing whether the best model is common effect or fixed effect. By looking at the probability values obtained, it can be determined which is the best model to choose.

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR

Table 1. Chow Test Results

Effect Test	Probability
Cross Section>f	0.0000

In table 1 the probability value is 0.00000 which is less than the alpha value of 5 percent (0.0000<α=5%). So based on that value. model *fixed effect* is the selected model. To strengthen the results of model selection, model testing can be continued through the Hausman test.

Hausman test

Testing via the Hausman test is aimed at choosing the best model *common effect* or *random effect*. It can be seen based on the test results in table 2

Table 2. Hausman Test Results

Chi2 (Hausman Statistic)	*Prob>chi2*
16.924547	0.0020

Amount of value *chi2 hausman statistic* is 16.92. Determining the selection of the best model using the Hausman test can be determined from the values *prob>chi2* with alpha value. Based on table 4.4. mark *prob>chi2* is 0.0020 which is smaller than the alpha value (0.0000<α=5%). Based on these results then *fixed effect* is the selected model. From the results of the Chow test and Hausman test it can be concluded that *fixed effect* model is the best model and can be used in research.

Classical Assumption Test

Normality Test

The normality test is carried out to check whether there is a deviation between the values predicted by the regression model and the actual values following a normal distribution. If residuals are not normally distributed. then the results of the regression analysis could be invalid.

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR

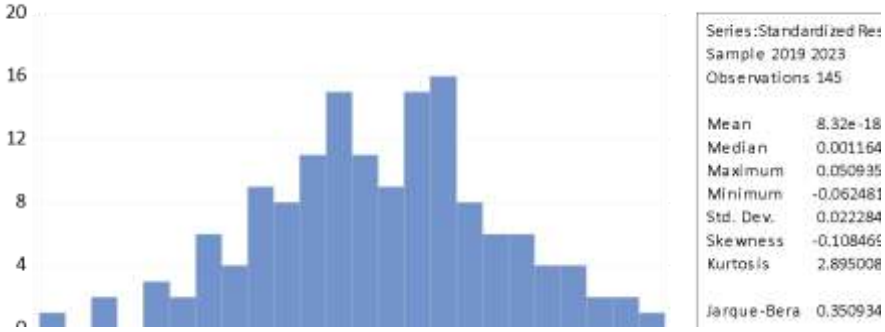


Figure 1. Normality Test Results

Based on Figure 1, the shape of the histogram graph is a bell and has a convexity pattern in the middle of the data which shows that the residual data is normally distributed. If we look at the probability value of 0.84, which is greater than the alpha value (0.84 > α=5%), it also strengthens the results that this research has a normal distribution.

Multicollinearity Test

Multicollinearity test to identify whether there is a very strong relationship between the independent variables in the regression model. This too strong relationship can cause problems in parameter estimation and model interpretation. One indicator of multicollinearity is the value of the coefficient of determination. The threshold for the coefficient value is more than 0.85 as an indicator of multicollinearity.

Table 3. Multicollinearity Test Results

Variable	LNZ	LNIS	IPM	POV
LNZ	1.000	0.358	0.086	-0.072
LNIS	0.358	1.000	0.069	-0.058
IPM	0.086	0.069	1.000	-0.727
POV	-0.072	-0.058	-0.727	1.000

Based on table 3, the independent variable used in the research is free from symptoms of multicollinearity towards other independent variables. Each variable is like LNZ. LNIS. HDI. and POV has a coefficient on other variables of less than 0.85 (coefficient <0.85).

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR

Heteroscedasticity Test

The heteroscedasticity test is used to check whether the "error" or difference between the actual value and the predicted value in the regression model has the same spread or not. One way to check this is with the Glejser test. This test compares the independent variable with the absolute value of the error. If there is no significant relationship between the two (p value more than 0.05), then it can be concluded that there is no heteroscedasticity problem.

Table 4. Heteroscedasticity Test Results

Variable	Fixed Effect
	Dependent Variable: ABS(RESID)
	Probability
C	0.1492
LNZ	0.8624
LNIS	0.0928
IPM	0.1238
POV	0.1801

Based on the results of the heteroscedasticity test presented in table 4, the independent variable used does not indicate heteroscedasticity symptoms. Each variable has a probability value greater than the alpha value (0.0000<α=5%). LNZ variable with a probability value of 0.86. The LNIS variable has a probability of 0.09. The HDI variable obtains a probability value of 0.12. and the POV variable has a probability value of 0.18.

Best Model Estimation

After going through several stages of testing starting from determining the best model and carrying out classical assumption tests to minimize biased estimation results on the best model and the selected model *fixed effect* that can be used in research. So the next step is to interpret the model *fixed effect* to find out the influence of zakat, Infaq and shodaqoh, HDI, and poverty levels on economic growth at the Regency/City Level in East Java Province in 2019-2023.

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR

Table 5 Hasil Model Fixed Effect

Variable	Fixed Effect			
	Dependent Variable: LnGRDP			
	Coefficient	Std. Error	t-Statistic	Probability
C	15.59216	0.186852	83.44643	0.0000*
LNZ	0.000760	0.003317	-4.140483	0.8192
LNIS	-0.006103	0.001474	-4.140483	0.0001*
IPM	0.026680	0.002470	10.80180	0.0000*
POV	-0.041635	0.005183	-8.033351	0.0000*
R-Squared	0.999552			
F. Statistics	7809.617			
Prob F. Statistics	0.000000*			

* significant at = 1%, ** significant at = 5%, *** significant at = 10%

In table 5 the LNZ variable has no effect on economic growth because it has a probability value of 0.81 which is greater than the alpha value (probability> α=1%, 5%, and 10%). So the direction (coefficient value) of the influence of the zakat variable on the economic growth variable is not explained further. The results of research on the LNIS variable show a negative and significant influence on economic growth with a probability value of 0.0001 (0.0001<α=5%). The coefficient value is -0.006, which means that when there is an increase in infaq and shodaqoh of 1 percent (1%) it will reduce economic growth by 0.006 percent.

The HDI variable has a positive and significant influence on economic growth. This significance is shown through a probability value of 0.0000 which is less than the alpha value (0.0000<α=5%). Meanwhile, the direction of the variable is shown through the coefficient value 0.027, meaning that an increase in the HDI variable of 1 percent will trigger economic growth of 0.03 percent. Furthermore, for the POV variable or poverty level, the research results show that the poverty level has a negative and significant influence on economic growth. The POV variable has a probability value of 0.0000 which is less than the alpha value (0.0000<α=5%). The coefficient value to determine the

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

direction of influence of the POV variable is -0.042, meaning that a 1 percent increase in poverty will reduce economic growth by 0.04 percent.

Hypothesis Testing

Coefficient of Determination (R^2)

The coefficient of determination (R-squared) is a measure that shows how much of the percentage of variation in the variable to be predicted (dependent variable) can be explained by the explanatory variables (independent variables) in the model. Based on table 7, the values obtained *r-squared* amounting to 0.999552. Mark *R-Squared* thus showing that the influence of all independent variables in the research model can explain the dependent variable by 99 percent, while the remaining 1 percent is explained by other independent variables outside the research model.

Statistics t

The t test is used to test the significance of the individual influence of each independent variable on the dependent variable. The research results show that the LNZ variable has no effect on the economic growth variable at the 5 percent significance level. The LNZ variable has a t-statistic of 0.23 and a probability value of 0.82. The LNIS variable has a negative and significant effect on the economic growth variable at a significance level of 5 percent. The LNIS variable has a t-statistic of -4.14 and a probability value of 0.0001. The HDI variable has a significant and positive effect on the economic growth variable at a significance level of 5 percent. The HDI variable has a t-statistic of 10.80 and a probability value of 0.0000. The POV variable has a negative and significant effect on the economic growth variable at a significance level of 5 percent. The POV variable has a t-statistic of -8.03 and a probability value of 0.0000.

Statistics F

The F statistic is used to measure suitability (*goodness of fit*) regression model. This research uses a significance of 5 percent and determines the significance value based on the f-statistical probability value. In table 7, the f-statistic probability value is 0.000000 (0.0000<α=5%), so that simultaneously (together) the research model can explain economic growth.

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR

DISCUSSION

The influence of Zakat on economic growth

The results of this research show that zakat does not have a significant influence on economic growth at the Regency/City level of East Java Province. Calculation of zakat, where zakat is generally divided into zakat fitrah (*zakat al-fitr*) and mall zakat. Zakat fitrah which is issued during the month of Ramadan and zakat mal consists of several types of zakat such as gold, money and securities, commerce, agriculture, mining, industry, income, even *thank you* (found items) (BAZNAS, 2025). So a complex understanding is needed to minimize errors in understanding the terms and conditions of zakat.

In terms of zakat distribution, there are still several parties who distribute zakat by issuing and giving zakat directly to needy people around them. This behavior means that the amount of zakat is not recorded at the zakat management institution optimally. The public's lack of understanding about zakat, distrust of zakat management institutions, and a preference for giving zakat directly are complex factors that cause zakat collection through official institutions to not be optimal (Hafidhuddin, 2008; Lazismu, 2018). The results of this study strengthen research from Hamidi et. al. (2024); Madania dan Mubarak (2023) who also state that zakat cannot yet be an effective instrument in supporting economic growth. The lack of public trust in zakat amil institutions is one of the main factors hindering the achievement of this goal.

The influence of Infaq and Sadaqoh on economic growth

The results of the analysis show that Infaq and Sadaqoh have a negative and significant effect on economic growth so they are not in accordance with the research hypothesis. The negative influence of infaq and shodaqoh on economic growth in the results of this research is due to the lack of accurate and comprehensive data regarding the flow of infaq and shodaqoh, as the availability of shodaqoh and infaq data according to the BAZNAS report in the general description section for several regions is zero (0) (BAZNAS. 2024b).. Apart from that, the success of infaq and shodaqoh in encouraging economic growth depends on the efficiency of fund management. Coordination between zakat amil institutions, the government and the private sector is also very important to maximize the impact of donations and shodaqoh in a positive direction.

BAZNAS (2020) research shows that many Indonesians still do not distribute their zakat through official institutions. This makes the actual potential for national zakat collection much greater and has not yet been achieved optimally. The research results are in line with research by Amelia et. al. (2023) that increasing the collection of infaq and

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

shodaqoh funds does contribute to social and religious aspects, but optimal management is more able to support the creation of economic growth. Satria and Ridlwan (2019) also stated that both Islamic service quality and effective promotion can increase someone's interest in making donations. This means that if the services provided by zakat institutions are good and the promotions are attractive, then people will be more motivated to donate.

The influence of HDI on economic growth

The results of the research model analysis show that HDI has a positive and significant effect on economic growth, so it is in accordance with the research hypothesis. Investments in human development, such as improving health, education, and access to basic services, are critical to driving long-term economic growth. HDI and economic growth are interrelated and influence each other. An increase in one will have a positive impact on the others.

Empirical research, such as that conducted by Suprapto (2022) also supports this finding and shows that investment in human development not only improves community welfare but also stimulates long-term economic growth. Elistia dan Syahzuni (2018); Gulcemal (2020) also provide strong evidence that there is a close relationship between human development and economic growth. Improving people's quality of life through increasing HDI can help a country to achieve higher and more sustainable economic growth.

The influence of poverty levels on economic growth

The results of the research model analysis show that the level of poverty has a negative and significant effect on economic growth, so it is in accordance with the research hypothesis. Poverty reduction is a social goal and also an investment to stimulate long-term economic growth. Efforts to reduce poverty must be carried out comprehensively, taking into account factors such as education, health and employment opportunities. Government policies must also be designed to reduce income inequality and increase the inclusiveness of economic growth. As research from Garza-Rodriguez (2018); Zhu et. al. (2022) shows that poverty and economic growth influence each other. If the poverty level is high, then economic growth tends to slow down. Conversely, efforts to reduce poverty can encourage economic growth.

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

CONCLUSION

Based on the research results, zakat has no influence on economic growth at the district/city level in East Java. Infaq and Shodaqoh have a significant negative influence on economic growth. The research results show that the negative influence is caused by the lack of availability of data regarding the flow of infaq and shodaqoh, as well as a lack of efficiency in fund management. People often give charity and almsgiving directly rather than through official institutions. HDI has a positive and significant influence on economic growth. The poverty level has a negative and significant influence on economic growth. The higher the poverty level, the slower economic growth. Thus, zakat management institutions need to increase public trust, transparency, accountability and the quality of programs funded by zakat. The government needs to focus on human development through improving the quality of education and health, as well as formulating more comprehensive poverty alleviation policies. Future research could consider other independent variables such as infrastructure conditions and political stability, as well as conduct longitudinal research to observe the long-term impact of various factors on economic growth.

REFERENCES

Al-Labiyah, A. T., Aulia, L. N., Annisa, N. A., & Sari, L. P. (2023). Peran ZIS Terhadap Peningkatan Kesejahteraan Sosial Di Indonesia. Islamic Economics and Business Review, 2(2), 168–185. https://doi.org/10.59580/iesbir.v2i2.6003

Alghina, N., Permata, P., & Aryo, B. (2019). The Impact of Zakat, Infaq, Shodaqoh (ZIS), Unemployment and Poverty on The Economic Growth in Indonesia (2011-2017). 1st International Conference on Islamic Economics and Business (ICONIES 2018), 101, 210–214. https://doi.org/10.2991/iconies-18.2019.40

Amelia, N., Lismawati, Khairi, R., & Asyyifa, Z. (2023). Urgensi ZISWAF dalam pengembangan perekonomian di Indonesia. SHARING: Journal of Islamic Economics, Management and Business, 2, 157–168.

Bappeda Jawa Timur. (2021). Rencana Penanggulangan Kemiskinan Daerah (RPKD) Provinsi Jawa Timur Tahun 2019-2024.

BAPPENAS. (2020). Modul Pengantar Aepakat: Sistem Perencanaan, Penganggaran, Pemantauan, Evaluasi dan Analisis Kemiskinan Terpadu (Maliki (ed.); 1st ed.). Direktorat Penanggulangan Kemiskinan dan Pemberdayaan Masyarakat.

BAZNAS. (2020). BAZNAS : Zakat Masyarakat yang Tak Tercatat Rp 61,25 Triliun.

BAZNAS. (2024). Laporan Pengelolaan Zakat Nasional tahun 2023.

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

BAZNAS. (2025). Zakat Maal (Zakat Harta).

Elistia, & Syahzuni, B. A. (2018). The correlation of the human development index (HDI) towards economic growth (GDP per capita) in 10 ASEAN member countries. Journal of Humanities and Social Studies, 02(02), 40–46. https://doi.org/10.33751/jhss.v2i2.949

Eris, M., Mulia, A., & Nila, N. (2020). Pengaruh penyaluran dana zakat infak dan terhadap pertumbuhan dan kemiskinan. Al-Mal: Jurnal AKuntasi Dan Keuangan Islam, 01(01), 25–38.

Garza-Rodriguez, J. (2018). Poverty and economic growth in Mexico. Social Sciences, 7(10), 1–9. https://doi.org/10.3390/socsci7100183

Gulcemal, T. (2020). Effect of human development index on GDP for developing countries : A panel data anaysis. Journal of Economics, Finance and Accounting, 7(4), 338–345. https://doi.org/10.17261/Pressacademia.2020.1307

Hafidhuddin, D. (2008). Panduan Praktis Tentang Zakat Infak Sedekah. Gema Insani.

Hamidi, I., Farhan, M., & Apriani, D. (2024). Investment, ZIS funds, mudharabah financing and economic growth in Indonesia. Islamic Economics Journal, 10(1), 45–60. https://doi.org/10.21111/iej.v10i1.11990

Hasibuan, P. M., Rahmani, N. A. B., & Dharma, B. (2023). Analisis pengaruh zakat, infaq dan sadaqah terhadap pertumbuhan ekonomi dengan indeks pembangunan manusia di Indonesia sebagai variabel intervening. Student Research Journal, 1(5), 357–379. https://doi.org/10.55606/srjyappi.v1i5.690

Herry, A., Adhi, P., & Drifanda, V. (2021). Peran sumber daya manusia bagi pertumbuhan daerah. Seminar Nasional Ke Indonesiaan VI, x(x), 848–858.

Kementrian Agama RI. (2022). Jumlah penduduk menurut agama. Dataset.

Lazismu. (2018). Outlook Zakat 2017.

Madania, S., & Mubarak, Z. (2023). Can economic growth, HDI, and ZIS contribute to poverty reduction in south kalimantan? Jurnal Ecodemica : Jurnal Ekonomi Manajemen Dan Bisnis, 7(1), 16–22. https://doi.org/10.31294/eco.v7i1.14412

Mankiw, N. G., Phelps, E. S., & Romer, P. M. (1995). The growth of nations. Brookings Papers on Economic Activitity, 1995(1), 275–326.

Maulana, A., Fasa, M. I., & Suharto, S. (2022). Pengaruh tingkat kemiskinan terhadap pertumbuhan ekonomi dalam perspektif islam. Jurnal Bina Bangsa Ekonomika, 15(1), 220–229. https://doi.org/10.46306/jbbe.v15i1.142

Maulana, B. F., Farhan, M., & Desnawan, D. (2022). Pengaruh indeks pembangunan manusia (IPM) terhadap pertumbuhan ekonomi di provinsi Banten tahun 2018 –

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

2022. Ebismen, 1(1), 123–134.

Nadila. (2023). Pengaruh tingkat pendidikan dan kemiskinan terhadap pertumbuhan ekonomi di Provinsi DKI Jakarta periode 2017-2021. Trending: Jurnal Manajemen Dan Ekonomi, 1(1), 8–19.

Patih, H., & Hidayah, K. (2022). Penerapan maslahah mursalah dalam pengeolaan zakat profesi pada BAZNAS Kabupaten Tuban. Jurnal Ilmiah Ekonomi Islam, 8(01), 770–780.

Pujiyono, A., Nurlia, Oanggiarti, E. K., Agusti, N., Ningsih, R., Fauzi, U., Sulistyowati, Nengsih, I., & Hastuti, E. W. (2024). Islamic Social Finance (A. Fikriyah (ed.)). Az-zahra Media Society. https://doi.org/10.1007/978-981-97-1410-0

Putri, R. H. N., & Yuliana, I. (2023). Pengaruh pertumbuhan ekonomi terhadap tingkat kemiskinan dengan pengangguran sebagai mediasi di Probolinggo. Jurnal Ilmiah Akuntansi Dan Keuangan, 5(6), 2691–2700. https://doi.org/10.32670/fairvalue.v5i6.2531

Riawan, W., & Akbar. (2024). Transformasi ekonomi daerah Kepulauan Riau yang inklusif dan berkelanjutan melalui triple konsep: Pariwisata, ekonomi biru, dan kerjasama Internasional Indonesia Malaysia Thailand-Growth Triangle (IMT-GT). Jurnal Archipelago, 3(01), 29–40. https://doi.org/10.69853/ja.v3i01.92

Safitri, W., Pratama, A. A. N., & Ratno, F. A. (2021). Pengaruh zakat infak sedekah, ekspor dan konsumsi rumah tangga terhadap pertumbuhan ekonomi Indonesia tahun 2015-2019. Jurnal Baabu Al-Ilmi, 6(2), 11–20.

Satria, N. P., & Ridlwan, A. A. (2019). Pengaruh kualitas leyanan dan promosi terhadap keputusan donatur membayar ZIS di Surabaya. Jurnal Ekonomi Islam, 2, 64–71.

Subandi. (2016). Ekonomi Pembangunan (4th ed.). Alfabeta.

Sulistio, D. (2011). Pengaruh kemiskinan, pertumbuhan ekonomi, dan belanja modal terhadap IPM Jawa Tengah. Jurnal Ekonomi Dan Kebijakan (JEJAK), 4(2), 102–113.

Suprapto, H. A. (2022). The influence of household consumption and the human development index on economic growth in West Java. Jurnal Ilmiah Multidisipline, 1(1), 211–216.

Ummah, I. R., Azizi, A. A., & Yasin, M. (2023). Pengaruh kemiskinan terhadap peningkatan pertumbuhan ekonomi khususnya inflasi dan engangguran di Kota Surabaya. Jurnal Manajemen Kreatif Dan Inovasi, 1(3), 21–34. https://doi.org/10.59581/jmki-widyakarya.v1i3.445

Wulandari, I., & Pratama, A. A. N. (2022). Analisis pengaruh dana ZIS (zakat, infak,

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

sedekah), pertumbuhan ekonomi, angka harapan hidup, rata-rata lama sekolah, dan pengeluaran perkapita terhadap tingkat kemiskinan di Indonesia periode 2010-2021. Jurnal Ilmiah Ekonomi Islam, 8(3), 3301. https://doi.org/10.29040/jiei.v8i3.6501

Yusuf, M. Z., Hidayati, N., Wibowo, M. G., & Khusniati, N. (2022). Pengaruh pendidikan dan IPM terhadap pertumbuhan ekonomi di Dearah Istimewa Yogyakarta. Jurnal Ekonomi Dan Pendidikan, 19(1), 25–38. https://doi.org/10.21831/jep.v19i1.47963

Zaman, M. H., Wahyuningsih, D., & Setiawan, H. (2024). Important role of Zakat , Infaq , and Shadaqoh (ZIS) in dynamic of economic and social : Simultaneous analysis in Indonesia. 1(1), 180–195.

Zhu, Y., Bashir, S., & Marie, M. (2022). Assessing the relationship between poverty and economic growth: Does sustainable development goal can be achieved? Environmental Science and Pollution Research, 29(19), 27613–27623. https://doi.org/10.1007/s11356-021-18240-5

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.