



## Analysis Of Poverty Reduction Concepts And Strategies From An Islamic Economic Perspective

Widia Sukra, Meisy Melani, Iiz Izmuddin

Universitas Islam Negeri Sjach M. Djamil Djambek Bukittinggi

<sup>1</sup>[Sukrawidia@gmail.com](mailto:Sukrawidia@gmail.com)<sup>2</sup>[Melanimeisy05@gmail.com](mailto:Melanimeisy05@gmail.com)<sup>3</sup>[iizmuddin@gmail.com](mailto:iizmuddin@gmail.com)

Alamat : Jl. Gurun Aua, Kubang Putih, Kec. Banuhampu, Kota Bukittinggi, Sumatera Barat 26181

Email korespodensi : [Sukrawidia@gmail.com](mailto:Sukrawidia@gmail.com)

### Abstract

*Poverty is a common problem for developing countries, especially to improve the welfare of their citizens. With various programs and policies being pursued with the aim of reducing poverty. Islam really wants its people to have a decent life and receive blessings in life and the afterlife. This means that Islam really wants its people to achieve prosperity. In this paper, the method used is descriptive qualitative which aims to describe regularly and factually. This research comes from literature such as books, journals and articles related to research. The findings of this research are that Islam views poverty not only as a social problem, but also as having spiritual and religious implications. One of the efforts to overcome poverty is environmental empowerment and entrepreneurial empowerment. The strategy for alleviating poverty that can be carried out from an Islamic economic perspective is by developing an economy based on zakat, cooperatives, education, health and transportation.*

**Keywords:** Poverty Concept, Poverty Alleviation, Islamic Economics

## INTRODUCTION

Poverty is a very common problem faced by developing countries. Poverty is one of the problems that is a fundamental benchmark for the country's development. Poverty is also a problem related to various aspects of life such as economics, social culture and politics. Indonesia, which is one of the developing countries in the world, is also trying to solve the problem of poverty for its citizens. One concrete way to do this is through the issuance of government policies through legal and regulatory documents that support poverty alleviation which are then translated into poverty alleviation programs.(Murdiyana & Mulyana, 2017).

In reality, poverty alleviation programs have not been able to satisfy the poverty rate. Poverty is evidence of loss of well-being (world bank, 2000). The loss of well-being can lead to other problems such as hunger, health problems, crime and sanitation. Such problems need serious attention in efforts to eradicate them. This means that not everyone is able to struggle in the economic arena, because some of them are poor and poor.(Yaasin & , Nisa Uswatun Hasanah, Dhiene Ghalyanisa Ianovsky, 2022). There are many policy models that have been taken by the government to overcome poverty. The World Bank stated that at least ten steps have been taken to conquer poverty, improving rural roads and electricity facilities, improving health and better sanitation levels, eliminating the ban on rice imports, limiting regional taxes and fees that harm

local entrepreneurs and the poor, building financial institutions. micro-scale benefits to poor people, improvements in the quality of education reduce maternal mortality rates during childbirth, provide more funds for poor areas, design social protection that is more targeted (World Bank, 2010)(Asyari, 2017).

The Indonesian government realizes that the level of poverty is not an easy problem to overcome, but it is not difficult to achieve. The problem of poverty is a social problem that is always relevant to be studied continuously. This condition is a problem that contains many dimensions in problem solving(Arief Purnama Ajie et al., 2024). As stated in the 1945 Constitution, article 34, that "the poor and neglected children are cared for by the state", therefore the Indonesian government, from the Old Order era until now, has always tried to ensure that Indonesian people who are below the poverty line can decrease at any time. . If viewed from a sharia perspective, Islam really wants its people to have a decent life and receive blessings in life and the afterlife. This means that Islam really wants its people to prosper. The condition that is opposite to prosperity is poverty.

Poverty alleviation is a major problem that must be resolved throughout the world. Poverty can be defined as an inability to meet the needs of life. Based on a World Bank report entitled "Riding the waves: The East Asian Miracle in the 21st century." In this report by the World Bank, the poor from various countries are categorized into several groups. Each country is grouped into poverty groups, namely extreme poor, moderate poor, vulnerable, secure and middle class. The results for Indonesia appear to raise concerns. Because compared to countries in the ASEAN region, Indonesia has a high level of poverty(Andina & Wahyudi, 2024).

Several previous studies, Murdiyana and Mulyana (2017) revealed that the poverty alleviation strategy in Indonesia was going quite well, marked by the government's efforts to issue several policies that were included in legislation.(Murdiyana & Mulyana, 2017). Nana Darna and Wiwin Setianingsih (2019) also stated that efforts to reduce poverty through guidance programs for underprivileged communities(Nana Darna, 2021). Nurul Rahmawati (2020) stated that improving farmers' welfare will be effective in reducing rural poverty levels if accompanied by equal distribution of income.(Rahmawati, 2020). Melya Husna, Hesi Eka Puteri, and Winarno (2019) revealed that BMT is one of the instruments that can be used in alleviating poverty in religious districts.(Husna et al., 2019). Lisnawati Sopiah, and Ria Haryatiningsih (2023) stated that

the characteristics of poverty lie in income patterns, consumption expenditure and meeting food needs.(Lisnawati Sopiah & Ria Haryatiningsih, 2023).

This research aims to analyze the concepts and strategies for poverty alleviation from an Islamic economic perspective. This article is to help provide information about what was found or revealed from various previous research results according to the topic discussed.

## **RESEARCH METHODS**

To be able to produce work in the form of journals or articles, good research results need to be supported by good research methods. Good research methods are an important input variable for producing quality academic publications. For this reason, the method is crucial and important to be well mastered by every academic, researcher and writer in the publication of research articles or academic articles(Dr. H. Asyari, S.Ag., M.Sc., CSS., 2021). The analysis in this research starts from the concept of poverty from an Islamic economic perspective, poverty alleviation strategies are then continued withPoverty alleviation strategy from an Islamic economic perspective.

## **RESULTS AND DISCUSSION**

In the Oxford dictionary, poverty, which in English is used the word poverty, has the meaning, the state of existing in amounts that are too small; lack, the state of being inferior. According to Sen (1981) poverty is a state of deprivation (a measure of deprivation). The state of deficiencies in the economic dimension is the main one. According to Usman (1994), poverty is a condition that is commonly used to describe deprivation(Asyari, 2017).Poverty can be interpreted as an inability to meet life's needs. Poverty is a scourge that haunts every country, because the higher the level of poverty in a country, the lower the level of welfare of that country. According to BPS (Central Statistics Agency) poverty is a condition where population expenditure cannot meet basic economic needs in the form of food and non-food.(Nugraha, 2020).Poverty is conceptually differentiated into relative poverty and absolute poverty, where the difference lies in the assessment standards. The relative poverty assessment standard is a standard of living that is determined and determined subjectively by the local community and is local in nature and those who fall below this assessment standard are categorized as relatively poor. Meanwhile, the absolute poverty assessment standard is the minimum standard of living required to meet the basic

needs required, both food and non-food. The minimum standard of living to meet basic needs is called the poverty line (Kuncoro, 2004)(Triani et al., 2020)

The problem of poverty is a very crucial problem compared to other problems, so to prevent the occurrence of poverty or reduce the amount of poverty, serious efforts are needed so that a country does not experience backwardness.(Andina & Wahyudi, 2024). Underdevelopment of a country due to high levels of poverty, less than optimal use of natural resources due to the low quality of human resources will make a country easily controlled and colonized by more developed countries. One of the causes of poverty is the low quality of human resources(Pentury, 2023). Many efforts have been made by various parties to alleviate poverty in order to improve the lives of the people of a country, both from the formal and non-formal sectors.(Andina & Wahyudi, 2024). Poverty alleviation from an Islamic Economics perspective has several concepts and strategies that are different from conventional economic approaches. In Islam, poverty is not only considered a social problem, but also has spiritual and religious implications. The following are several concepts and strategies used in poverty alleviation from an Islamic Economics perspective:

#### 1. Poverty Concept from Islamic Economic Perspective

Poverty is broad and multi-dimensional because it is not only related to the ability to meet material needs, but is also closely related to other dimensions of human life.(Asyari, 2019). Poverty is a social problem that always exists in developing countries. Poverty always attracts the attention of various groups, both academics and practitioners. Various theories, concepts and approaches continue to be developed to uncover the mystery of poverty. In Indonesia, the problem of poverty is a social problem that is always relevant to be studied continuously(Rizki & So seeni, 2022). In the Islamic view, poverty is considered as a disruption to the realization of social welfare, or at least makes it difficult to realize welfare, because the Islamic economic perspective views the natural potential bestowed by Allah in terms of its adequacy rather than in terms of its deficiency or scarcity.(QUELMANTIA, 2023). Islam views empowerment of society as an important thing so that empowerment in the Islamic view has a holistic and strategic paradigm. Empowerment in the context of Islamic community development is a lesson for the community so that they can independently make efforts to improve the quality of life which concerns the welfare and safety of this world and the hereafter.

Poverty in Islam must be seen as an integral concept involving moral (cultural and spiritual) and material aspects. This means that poverty is not only considered a material problem, but also

has spiritual and religious implications. The causes of poverty in Islam involve various factors, including economic, political and spiritual factors. These factors can include economic crises, political instability, and the inability of society to explore available natural resources. The concept of poverty from an Islamic economic perspective has several aspects that are different from conventional economic approaches. In Islam, poverty is not only considered a social problem, but also has spiritual and religious implications. The following are several concepts related to poverty from an Islamic Economics perspective:

a. *Ukhuwah Islamiyah*: This concept emphasizes the importance of solidarity and social awareness in alleviating poverty. In Islam, poverty must be overcome in a way that is based on *ukhuwah Islamiyah*, which means that efforts to eradicate poverty must be carried out in a way that is based on social awareness and solidarity.

b. *Spiritual*: Poverty alleviation in Islam must go hand in hand with spiritual efforts, which means that efforts to eradicate poverty must be carried out in a way that pays attention to spiritual and religious aspects. In Islam, poverty has significant spiritual implications and must be addressed in a way that takes into account the spiritual needs of the poor (Ismail, 2020).

## 2. Poverty Alleviation Strategy

Poverty is defined as the income gap compared to the minimum needs of a household. BAPPENAS defines poverty as a condition where a person or group of people, men and women, are unable to fulfill their basic rights to maintain and develop a dignified life. These basic rights include the fulfillment of food, health, education, employment, housing, clean water, land, natural resources and the environment, a sense of security from treatment or threats of violence and the right to participate in socio-political life. (Asyari, 1967) Various strategies and programs have been implemented to reduce poverty. These programs include the Family Hope Program (PKH), Rice for the Poor (Raskin), the Presidential Instruction Program for Disadvantaged Villages (IDT), People's Farming Credit (KUR), and Community Health Insurance (JAMKESMAS) which have not provided optimal results. (Belantika et al., 2023). Facts show that Indonesia also suffers from poverty problems. Because the efforts formulated and implemented have proven to be ineffective or misguided, there is a gap between policy implementation and results (Nurjati, 2021). One of the efforts to overcome poverty is through empowerment, for example environmental empowerment and entrepreneurial empowerment. According to the National Development Program, there are two main strategies to eradicate poverty, including: (Anggraini et al., 2023):

a. Make various efforts to meet basic needs and protect families and community groups who experience temporary poverty due to the negative impacts of the economic crisis and structural poverty

b. Carrying out various efforts to help people who experience structural poverty, including empowering them to have high ability to run a business, and preventing new poverty from occurring

Poverty reduction is pursued with a primary strategy of community empowerment which places the community as the main actor in development which is pursued through four strategic approaches, namely (Sudipa & Nurjani, 2021):

a. Increasing the income of poor people through increasing productivity, where poor people can manage, get opportunities, support, and facilitate access to financing for micro-scale productive economic enterprises.

b. Reducing the expenditure burden on the poor through providing and fulfilling basic needs, such as education, health and environmental infrastructure, facilitating and supporting socio-economic activities.

c. Develop and ensure the sustainability of Micro, Small and Medium Enterprises (MSMEs).

d. Synergize poverty reduction policies and programs.

### 3. Poverty Alleviation Strategy from an Islamic Economic Perspective

Islam really wants its people to live in good condition and get blessings in the afterlife to achieve *falah*. This means that Islam wants its people to achieve prosperity. The opposite condition to prosperity is poverty. Poverty alleviation is a major problem that must be resolved in all parts of the world (Husna et al., 2019). The poverty alleviation strategy from an Islamic Economics perspective involves various aspects, including *ukhuwah Islamiyah*, spirituality, zakat-based economic development, cooperatives, education, health and transportation. In Islam, poverty is not only considered a social problem, but also has spiritual and religious implications. The following are several strategies used in poverty alleviation from an Islamic Economics perspective:

a. Zakat-Based Economic Development: Zakat, which means "giving" in Islam, is one of the main instruments in alleviating poverty. Zakat is expected to help alleviate poverty by collecting funds from rich people and giving them to poor people.

b. **Cooperative-Based Economic Development:** Islam also emphasizes the importance of cooperatives in alleviating poverty. Cooperatives can help alleviate poverty by helping poor people to have a more stable source of livelihood and increasing their ability to meet life's needs.

c. **Education-Based Economic Development:** Education is also considered an effective strategy in alleviating poverty. Education can help improve the ability of poor people to have a more stable source of livelihood and increase their ability to meet life's needs.

d. **Health-Based Economic Development:** Health is also considered an effective strategy in alleviating poverty. Health can help improve the ability of poor people to have a more stable source of livelihood and increase their ability to meet life's needs.

e. **Transportation-Based Economic Development:** Transportation is also considered an effective strategy in alleviating poverty. Transportation can help improve the ability of poor people to have a more stable source of livelihood and increase their ability to make ends meet (Ismail, 2020).

The welfare of the people is the desire of every nation. Independence does not mean freedom from colonialism, but the realization of a people based on justice and prosperity. To get out of the poverty gap, it is stated in the 1945 Constitution (Susanto, 2023). In synthesis, the poverty alleviation strategy from an Islamic Economics perspective involves various aspects, including *ukhuwah Islamiyah*, spirituality, zakat-based economic development, cooperatives, education, health and transportation. Thus, this strategy can help alleviate poverty in a way that is based on social, spiritual and religious awareness, as well as increasing the ability of poor people to have a more stable source of livelihood and meet life's needs. Development can increase economic growth and improve welfare for society. Each country places this goal as the focus and barometer of the success of the head of state's leadership. Therefore, all resources owned are processed optimally and allocated to achieve and realize economic growth and prosperity for society (Dr. H. Asyari, S.Ag., M.Si., CSS., nd).

## **CONCLUSION**

Poverty or poverty is a condition where a person cannot fulfill the basic needs of life starting from the most basic needs, namely the need for clothing, food, shelter, education and so on. This inability makes people's lives less prosperous, so efforts to eradicate poverty are needed to create a prosperous society carried out by various parties to create prosperity for all groups. Islam is a set

of rules that comprehensively regulate all aspects of human life, starting from matters of worship to muamalah. Islamic economics is Islam's way (specifically) of providing divine answers to economic problems (poverty) both in terms of personal life and state life. However, in practice, dealing with poverty in Muslim-majority countries does not build a paradigm based on Islamic economics. In Islam there are five main principles in alleviating poverty, namely Islam encouraging economic growth that provides broad benefits for society, the creation of a state budget that favors the interests of the community at large, infrastructure development that provides broad benefits for society, basic public provisions, policies for equal distribution and income distribution. favor the poor.

## **BIBLIOGRAPHY**

- Andina, W., & Wahyudi, A. (2024). Efforts to eradicate poverty in realizing Islamic social welfare. *Jes.Stie-Sak.Ac.Id*, 12(01), 339–350. <https://doi.org/10.37366/jespb.v9i01.1066>
- Anggraini, D., Fasa, MI, & Suharto, S. (2023). The Influence of Unemployment on Poverty Viewed from an Islamic Economics Perspective. *Tirtayasa Ekonomika*, 18(1), 123. <https://doi.org/10.35448/jte.v18i1.13613>
- Arief Purnama Ajie, Putu Ayu Thania Santosa, & Andin Rusmini. (2024). Legal Policy Analysis of the Economic Empowerment and Poverty Alleviation Program in Central Lombok Regency. *Mutiara: Indonesian Multidisciplinary Scientific Journal*, 2(1), 11–25. <https://doi.org/10.61404/jimi.v2i1.97>
- Ashari. (1967). POVERTY AND GOVERNMENT POLICY (Literature Review of Various Poverty Alleviation Policies). *Angewandte Chemie International Edition*, 6(11), 951–952., 5–24.
- Ashari. (2019). REALITY ISLAM: Journal of Islamic & Social Studies Vol. 5, no. 1, January-June 2019. *Journal of Islamic & Social Studies*, 5(1), 52–69.
- Asyari, A. (2017). Poor Household Survival Strategy Model (A Literature Review). *Islamic Reality: Journal of Islamic & Social Studies*, 2(2), 153. [https://doi.org/10.30983/islam\\_realasan.v2i2.186](https://doi.org/10.30983/islam_realasan.v2i2.186)
- Belantika, BT, Rohmad, B., Arandita, HDN, Hutasoit, DR, & Kartiasih, F. (2023). Factors affecting poverty using a geographically weighted regression approach (case study of Java Island, 2020). *Optimum: Journal of Economics and Development*, 13(2), 141–154. <https://doi.org/10.12928/optimum.v13i2.7993>
- Dr. H. Asyari, S.Ag., M.Sc., CSS., C. (nd). *Development Economics, CHAPTER 3: Determining Factors of Welfare*.



- Dr. H. Asyari, S.Ag., M.Si., CSS., C. (2021). *TECHNIQUES FOR CREATING LITERATURE REVIEWS IN THE FIELD OF ECONOMIC STUDIES*. CV BUDI UTAMA Publishing Group.
- Husna, M., Puteri, HE, & Winarno, W. (2019). Determinants of Sustainability of Sharia Microfinance Institutions and Poverty Alleviation Efforts in Agam Regency. *SHARIA ECONOMICS: Journal of Economic Studies*, 3(2), 61. <https://doi.org/10.30983/es.v3i2.2556>
- Ismail. (2020). Poverty from an Islamic Economic Perspective. *Journal of Islamic Economics*, 3(1), 110–134.
- KUELMANTIA, A. (2023). ANALYSIS OF VILLAGE DEVELOPMENT PROGRAM STRATEGIES IN POVERTY ALLEVIATION FROM A COMMUNITY ECONOMIC PERSPECTIVE (Case Study .... 01(1), 105–119. <http://digilib.ikipgriptk.ac.id/id/eprint/1611/>
- Lisnawati Sopiah, & Ria Haryatiningsih. (2023). Characteristics of the Poor Population and Causes of Poverty in Sukagalih Village. *Journal of Research in Economics and Business*, 69–74. <https://doi.org/10.29313/jrieb.v3i1.1977>
- Murdiyana, M., & Mulyana, M. (2017). Analysis of Poverty Alleviation Policy in Indonesia. *Journal of Dharma Praja Government Politics*, 10(1), 73–96. <https://doi.org/10.33701/jppdp.v10i1.384>
- Nana Darna, WS (2021). EFFORTS TO REDUCE POVERTY RATES THROUGH GUIDANCE PROGRAMS FOR PRE-PROSPEROUS COMMUNITIES. *Abdimas Galuh*, 3(1), 32–38.
- Nugraha, Dian's son. (2020). Poverty in the City of Bengkulu, What is the Cause? *Jeep*, 20(1), 31–37.
- Nurjati, E. (2021). The Socioeconomic Determinants of Poverty Dynamics in Indonesia. *MIMBAR: Social and Development Journal*, 37(2), 345–354. <https://doi.org/10.29313/mimbar.v37i2.8024>
- Pentury, M.A. (2023). The determinants of poverty in the West Papua province. *Journal of Economics & Development Studies*, 24(2), 285–296. <https://doi.org/10.18196/jesp.v24i2.18428>
- Rahmawati, N. (2020). The Influence of Farmer Welfare on Poverty in Rural Areas. *Journal of Economics and Development*, 20(1), 38–44. <https://jurnal.uns.ac.id/jiep/article/view/35518/26925>
- Rizki, M., & So seeni, KD (2022). The Impact of Corruption, Inflation, and Unemployment Towards Poverty in Indonesia. *Journal of Business Administration Economics & Entrepreneurship*, 4(1), 47–56.

- Sudipa, N., & Nurjani, PS (2021). Strategy for Accelerating Poverty Reduction in Klungkung Regency, Bali. *Journal of Civil Development*, 13, 41–51. <https://doi.org/10.21787/jbp.13.2021.41-51>
- Susanto, W. (2023). FAMILY HOPE PROGRAM IN MANAGEMENT Introduction. 149–166.
- Triani, Y., Panorama, M., & Sumantri, R. (2020). Analysis of Poverty Alleviation in Palembang City. *Al-Infaq: Journal of Islamic Economics*, 11(2), 158. <https://doi.org/10.32507/ajei.v11i2.635>
- Yaasin, MS, & , Nisa Uswatun Hasanah, Dhiene Ghalyanisa Ianovsky, FF (2022). Comparative Study: Poverty Alleviation through ZIS and Cash Waqf. 1(1), 115–121.