

ABSTRACT

Poverty is one of the global socio-economic problems faced by all countries, including Indonesia. The Sustainable Development Agenda or SDGs sets its first goal to end poverty in all forms everywhere. One of the efforts to reduce poverty is through economic growth and wage increases, which are economic indicators to see the level of community welfare. In the Islamic perspective, poverty must also be seen from the perspective of human development through maqasid sharia. Therefore, an indicator is needed that can measure human development, namely the Islamic Human Development Index.

This study aims to analyze the effect of economic growth, Islamic Human Development Index (IHDI), and minimum wage simultaneously and partially on poverty reduction in West Java Province. This research is motivated by high poverty in West Java and is ranked second in the number of poor people in Indonesia. The type of data source used is secondary data obtained from the West Java Central Bureau of Statistics from 2017-2022. The research method used is descriptive analysis and panel data regression with the selected model estimation Fixed Effect Model. The population in this study were all districts / cities in West Java with a total sample size of 22 samples.

The results of the regression analysis show that economic growth, IHDI, and minimum wage simultaneously and partially have a significant effect on poverty reduction in West Java Province with a negative direction of influence. This research provides theoretical and practical contributions in developing the IHDI concept as an alternative measurement of Islamic human development and provides policy recommendations to alleviate poverty in West Java.

Keywords: *Poverty, Economic Growth, Islamic Human Development Index, Minimum Wage*