

Effect of Economic Growth, Population to ZIS with Poverty in Aceh Province

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ABSTRACT

This study aims to determine the effect of economic growth and population on ZIS and poverty in Aceh Province in 2011–2020. This type of research is a quantitative study that uses secondary data obtained from BPS Aceh, namely data on economic growth, population, and poverty. and also taken from ZIS Aceh data (2011–2020). The data processor uses EViews 10. The results of this study indicate that there is no significant effect of the variables of economic growth and population on poverty. Economic growth has a significant influence on ZIS. There is no significant effect of population on zakat, infaq, and alms (ZIS).

INTRODUCTION

One source of income in Islam is zakat, infaq and alms. The way to reduce poverty is to support people who are able to donate their wealth to those who need it more. However, some people still discourage giving zakat even though zakat plays an important role in reducing poverty in Indonesia. Poverty is one of Indonesia's biggest problems, even in 1997 Indonesia experienced a financial crisis, as a result the poverty rate in Indonesia increased. This is one of the consequences of closing many companies, which can lead to an increase in unemployment. Poverty is a serious and very important problem in all countries including Indonesia. Therefore, poverty alleviation is a policy that must be implemented through concrete implementation steps. Likewise the results of the National Susenas BPS Aceh Province in March 2022 reported that the number of poor people in Aceh decreased to 14.64 percent (806,820 people) in March 2022, compared to 15.53 percent (850,260 people) in September 2021).

BPS suspects that the decline in the number of poor people in Aceh is one of the supporting factors as seen from rice production in March. According to the results of the Aceh Area Sampling Framework (KSA), which increased to 249,190 tonnes or 63.66 percent compared to September 2021 of 152,260 tonnes. The impact of this increase in production increased the farmer exchange rate (NTP) by 3.88 percent from 103.26 percent to 103.88 percent. Zakat has no reciprocal relationship other than only expecting the blessing of Allah SWT. Zakat is an obligation imposed on a servant to fulfill it, that the obligation of zakat is the same as the obligation to perform prayer.

One of the goals of zakat is to improve the welfare of the people, zakat is paid by people who are able and achieve results in accordance with the nisab determined by Islamic law. This zakat is usually distributed through an entity called Amil Zakat and distributed to those who are entitled to receive it (Mustahiq). There are two administrations of zakat distribution in Indonesia, namely consumption and productive distribution. The management of productive zakat given to Mustahiq has the effect of increasing the economy when utilized, because productive zakat in principle must be planned and implemented properly and correctly.

LITERATURE REVIEW

Definition of Economic Growth

Economic growth is a process in which economic conditions in a country continuously change to become conditions that are perceived to be better within a certain period of time. Economic growth means the development of economic functions that lead to increased goods and services produced by society and increased social welfare. To determine the achieved economic growth, it is necessary to calculate real national income at constant prices, namely the price of the selected base year. Therefore, economic growth measures the achievement of economic development (Sukimo 1991).

Economic growth is the development of economic activity that causes the growth of goods and services produced by society and the growth of people's wealth. Thus, to determine the level of economic growth that can be achieved, it is necessary to calculate real national income at constant prices, that is, at

certain prices. Therefore, economic growth measures the achievement of economic development (Sukirno, 1991).

Definition of Total Population

Total population is the number of people who live and settle in a place or area and have a permanent livelihood in the area and are registered based on the laws and regulations in force in the area. Population in the economic development of a region is a fundamental problem, because uncontrolled population growth can result in not achieving economic development goals, namely human welfare and poverty alleviation cannot be achieved (Whisnu Adhi Saputra, 2011). According to BPS (2010) the population consists of all people who have lived in the area for one month or more, as well as people who have lived for less than six months but are trying to settle down.

Definition of Zakat, Infaq, Alms (ZIS)

Zakat is an important instrument in Islam, which is one of the pillars of Islam. Zakat is a way of distributing wealth to create wealth for people. Welfare can be seen in terms of basic human needs such as clothing, food and shelter, which indirectly play a role in fulfilling the basic needs of the people in that country. When an individual can no longer fulfill his basic needs, human needs such as the security, health and education of the state play a direct role.

According to research by Tatik Marianti and Akhmad Affandi Mahfudzi (2016), entitled *Dynamic Circular Causation Model Inntvertialleviation: Empirical evidence from Indonesia* shows that zis can strengthen the economy and reduce poverty. (Tatik Marianti, Akhmad Affandi 2016) and research by Faizah Qudys, the zis variable has a significant effect on the poverty of the provinces of West Java and Aceh (Qudys 2019).

Definition of Poverty

Poverty is often understood as a state of not having money and goods to survive. According to BPS 2012, poverty is defined as a financial inability to meet basic needs and other needs, measured from the expenditure side. According to Ravallian (2001) in Arsyad (2010) poverty is hunger, lack of housing, no money for medical treatment when sick. Furthermore, the Asian Development Bank (2006) defines poverty as the loss of resources and opportunities that are the right of every person. Everyone should have access to basic education and health care.

METHODOLOGY

This type of research is a quantitative study that explains the independent effect on the dependent variable and also looks at the indirect effect of the independent variable on the dependent variable. And studied include economic growth, population, zis (zakat, infaq and alms) and poverty. From the province of Aceh using data for the period 2011-2020.

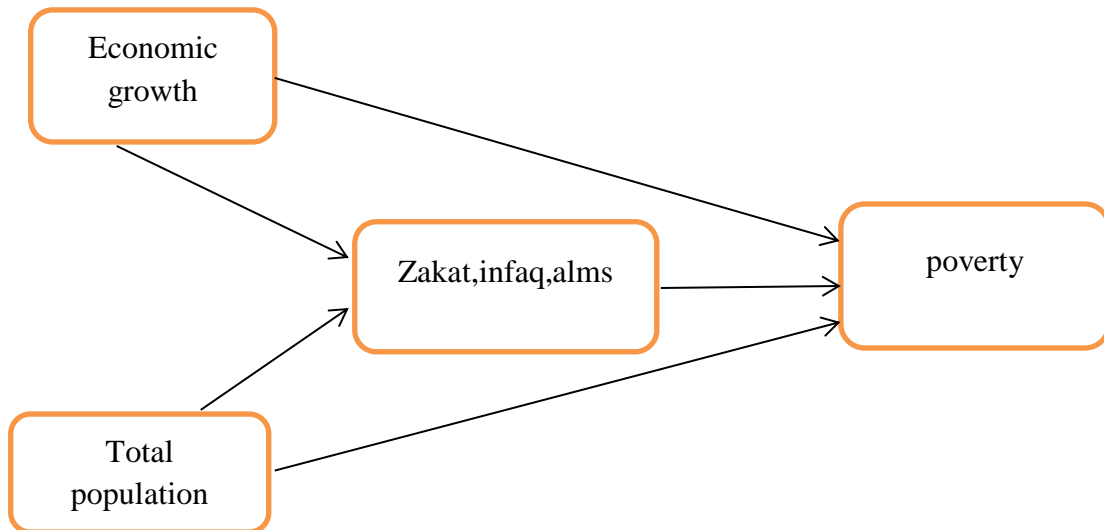


Figure 1. Path Diagram Method

THE RESULT AND DISCUSSION

The following is the result of multiple linear regression to see the effect of the independent variables (economic growth, population) on the dependent variable (zis). Can be seen in the table below:

Table 1. Variables of Economic Growth and Population towards ZIS

Dependent Variable: Y1
 Method: Least Squares
 Date: 11/02/22 Time: 13:10
 Sample: 2011 2020
 Included observations: 10

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	106.2899	102.0810	1.041231	0.3324
X1	-23.75712	3.336540	-7.120286	0.0002
X2	-7.28E-07	1.91E-05	-0.038037	0.9707
R-squared	0.898318	Mean dependent var	16.48670	
Adjusted R-squared	0.869267	S.D. dependent var	37.08613	
S.E. of regression	13.40926	Akaike info criterion	8.273093	
Sum squared resid	1258.658	Schwarz criterion	8.363869	
Log likelihood	-38.36547	Hannan-Quinn criter.	8.173513	
F-statistic	30.92120	Durbin-Watson stat	1.049495	
Prob(F-statistic)	0.000335			

Source: Data processed, 2022

Based on the regression results above, the regression equation in the study can be made as follows:

$$Y = 106.289 - 23.757 X1 - 7.280 X2 + e$$

The following is a table of multiple linear regression results that can be used to see the effect of the variables on economic growth, population and zis on poverty

Table 2. Variables X1 (Economic Growth), X2 (Population) and Y1 (ZIS) to Y2 (Poverty)

Dependent Variable: Y2
 Method: Least Squares
 Date: 11/02/22 Time: 13:21
 Sample: 2011 2020
 Included observations: 10

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	1160.741	150.7724	7.698631	0.0003
X1	6.863182	13.16552	0.521300	0.6208
X2	-6.68E-05	2.63E-05	-2.538945	0.0441
Y1	0.229695	0.519469	0.442173	0.6739
R-squared	0.601902	Mean dependent var	853.6310	
Adjusted R-squared	0.402853	S.D. dependent var	23.84913	
S.E. of regression	18.42949	Akaike info criterion	8.954955	
Sum squared resid	2037.876	Schwarz criterion	9.075990	
Log likelihood	-40.77478	Hannan-Quinn criter.	8.822181	
F-statistic	3.023888	Durbin-Watson stat	1.483322	
Prob(F-statistic)	0.115419			

Source: Data processed, 2022

Seeing the results of the regression above, the equation in this study can be used as follows:

$$Y = 1160.741 + 6.863 X1 - 6.680 X2 + 0.229 + e$$

Table 3. Direct and Indirect Effects between Variables

Variable relationship	Influence		Total
	Live	indirect	
X ₁ → Y ₁	-23,757		-23,757
X ₂ → Y ₁	-7,280		-7,280
X ₁ → Y ₂	6,863	-5,440	1,423
X ₂ → Y ₂	-6,680	-1,667	-8,347
Y ₁ → Y ₂	0,229		0,229

a. Direct Influence

- 1) The influence of economic growth variables on Zakat, Infaq and Alms (ZIS) is -23.757
- 2) The effect of the variable population on Zakat, Infaq and Alms (ZIS) is -7,280

- 3) The influence of economic growth variables on poverty is 6.863
- 4) The effect of the variable population on poverty is -6.680
- 5) The influence of Zakat, Infaq and Alms (ZIS) variables on poverty is 0.229

b. Indirect Influence

- 1) The influence of economic growth variables on poverty variables through Zakat, Infaq and Alms (ZIS) is $-23.757 \times 0.229 = -5.440$
- 2) The effect of the variable population on poverty through Zakat, Infaq and Alms (ZIS) is $-7.280 \times 0.229 = -1.667$

c. Total Impact

- 1) The effect of economic growth variables on poverty variables through Zakat, Infaq and Alms (ZIS) is $6.863 + (-5.440) = 1.423$
- 2) The effect of the variable population on poverty through Zakat, Infaq and Alms (ZIS) is $-6.680 + (-1.667) = -8.347$

The Effect of Economic Growth on ZIS (Zakat, Infaq and Alms)

The results of the structure I study show that economic growth directly has a significant effect on zakat, infaq and alms (ZIS) is 0.0002 with a significant level of 0.05 (5%) indicating that the value of a significant probability of 0.002 is smaller than 0.05. The coefficient of the economic growth rate of this study is to give a negative influence on the value of the coefficient constant which is -23.757. Can show that if there is an increase in economic growth it will affect the decrease in Zakat, Infaq and Alms (ZIS) in Aceh province.

The Effect of Total Population on ZIS (Zakat, Infaq and Alms)

The results of the first structure study show that the number of inhabitants has no significant effect on ZIS of 0.970 at a significant limit of 0.05 (5%) which indicates that the value at probability is not significant at 0.970 or greater than 0.05. The coefficient of the population in this study is that it can have a negative influence on the value of the coefficient constant which is -7.280. This indicates that if there is an increase in population it will affect the decrease in Zakat, Infaq and alms (ZIS) in Aceh Province. This research is in accordance with Mahmudah, Mahmudah (2022) that the partial population has no effect on the ZIS variable, with a probability value of $0.6599 > 0.05$. And the positive correlation coefficient is 1.898809.

The Effect of Economic Growth on Poverty

The value of economic growth on poverty is 0.6208 which has no significant effect on poverty with a significant limit of 0.05 indicating that the value at probability 0.6208 is greater than 0.05. The coefficient of economic growth rate in this study is a positive effect on poverty with a constant value of the coefficient is 106.2899. This means that if there is an increase in economic growth, it will have an impact on reducing poverty. This research is in accordance with Ismi Wulandari and Abdul Aziz Nugraha Pratama (2022), economic growth variables show a positive but insignificant effect on poverty.

And this research is not in accordance with Wyanet Putri Alisha, Yulhendri (2021) economic growth variables have a negative and significant influence on poverty variables. In Nadia Ika Purnama's research (2017) it is also not in accordance with the research conducted that the economic growth variable has a negative and significant influence on the poverty variable.

The Influence of Total Population on Poverty

The value of population to poverty is 0.0441, therefore population has a significant effect on poverty. The coefficient of the population in this study has a negative effect on the value of the coefficient β , which is -6.68, this means that if the population increases, it will have an impact on increasing the poverty rate. According to research according to Mar'atus Sholikhah, Niniek Imaningsih, Riko Setya Wijaya (2021), the population has a negative and significant effect on poverty 0.000 < 0.05 with a t count value of -6.074 from a t table of 2.262. According to Lili Salfina, Fatria Destika (2021), population also has a negative and significant effect on the poverty variable of 0.016 < 0.05 with a calculated t-score of -3.146 < t table 2,364. This research is in line with Elda Wahyu Azizah, Sudarti, Hendra Kusuma (2018) that population size has a significant effect on poverty, but in this study population size has a positive impact on poverty.

The Effect of Zakat, Infaq and Alms (ZIS) on Poverty

The estimated results of the variable coefficients of zakat, infaq and alms (Y1) are 0.229 and are not significant at a probability of 0.673 > 0.05. The coefficient of the level of zakat, infaq and alms (ZIS) in this study is a positive influence with a coefficient value of 0.229. This shows that if there is an increase in zakat, infaq and alms (ZIS) there will be a decrease in the poverty level. This research is not in accordance with research conducted by Ayu Sindi Widia Astuti and Kosasih (2021), from the test results it is said that ZIS (Zakat, Infaq, Alms) does not have a significant effect on poverty levels. The calculated t value of -2.537 is in the range of negative influence. Therefore, it can be interpreted that when ZIS increases or decreases, it does not affect some of the poverty line, but ZIS has a negative trend towards the poverty line. This study also contradicts the research of Eko Gondo Saputro (2022) that ZIS has a negative and significant direct effect on poverty in Aceh Province, where the original sample/coefficient is (0.178) and is significant at a lower probability value. of 5% (0.040).). And this study also contradicts the research of Afa Rosfalita Nur Alifa (2020) that if the ZIS distribution variable has a significant effect on the poverty rate at a probability level of 0.00, it means that the ZIS distribution has an effect on the poverty rate. In addition, the ZIS distribution has a negative direction with a coefficient value of -0.005 meaning an increase in the distribution of ZIS by 1% results in a reduction in poverty of 0.005%, and vice versa.

CONCLUSIONS AND RECOMMENDATIONS

The conclusion that can be drawn in this study is that there is a significant influence on the economic growth variable on the ZIS variable, with a

probability level of $0.0002 < \alpha = 0.05$. While the population variable has no significant effect on the ZIS variable, with a probability value of $0.9707 > \alpha = 0.05$. The influence of the economic growth variable on the poverty variable has no significant effect with a probability of $0.6208 > \alpha = 0.05$. While the population variable has a significant effect on the poverty variable with a probability of $0.0441 < \alpha = 0.05$. The effect of the ZIS variable on the poverty variable has no significant effect with a probability of $0.6739 > \alpha = 0.05$.

Suggestions in this study are expected for the government to pay more attention to the economic conditions in Aceh Province and to residents to be more open about their intentions and intentions to give zakat.

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