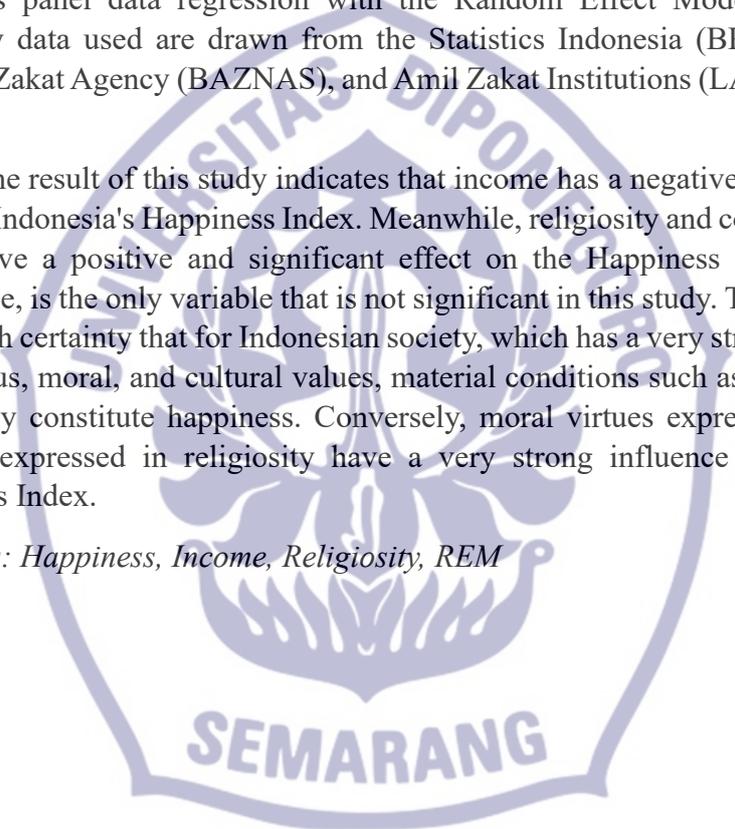


ABSTRACT

This issue is aimed at examining the effect of income, religiosity, poverty, and health complaints on the Indonesian Happiness Index. The proxy for income is provincial GDP, while religiosity is quantified through the distribution of Zakat, Infaq, and Sadaqah (ZIS), which portrays altruism in social life. The approach applied is panel data regression with the Random Effect Model (REM). The secondary data used are drawn from the Statistics Indonesia (BPS) reports, the National Zakat Agency (BAZNAS), and Amil Zakat Institutions (LAZ) in 2017 and 2021.

The result of this study indicates that income has a negative and significant effect on Indonesia's Happiness Index. Meanwhile, religiosity and complaints about health have a positive and significant effect on the Happiness Index. Poverty, meanwhile, is the only variable that is not significant in this study. Thus, it could be stated with certainty that for Indonesian society, which has a very strong foundation in religious, moral, and cultural values, material conditions such as income do not necessarily constitute happiness. Conversely, moral virtues expressed in selfless attitudes expressed in religiosity have a very strong influence on Indonesia's Happiness Index.

Keywords: Happiness, Income, Religiosity, REM



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