

ABSTRACT

Poverty in this study is measured using the poverty headcount ratio at a threshold of US\$3.00 per day, while Islamic human development is represented by the I-HDI, which is based on the five dimensions of maqashid al-sharia. Member states of the Organization of Islamic Cooperation (OIC) still face varying levels of poverty, accompanied by disparities in human development achievements, labor market conditions, and government effectiveness. This study aims to analyze the effects of the Islamic Human Development Index (I-HDI), unemployment, and government effectiveness on poverty in 44 OIC member states during the 2013–2023 period. The study employs a quantitative approach using secondary panel data comprising 484 observations. The analysis was conducted using panel data regression with a Fixed Effects Model and cluster-robust standard errors. The results indicate that the I-HDI has a negative and significant effect on poverty, while unemployment has a positive but insignificant effect. Government Effectiveness has a negative and significant effect on poverty, and all three variables collectively have a significant effect. These findings indicate that poverty in OIC countries is not only related to economic aspects but is also influenced by the quality of human development grounded in the maqashid syariah values and the government's ability to translate development policies into tangible benefits for the community.

Keywords : Poverty; Islamic Human Development Index; Unemployment; Government Effectiveness; OIC.