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Islamic Studies Perspectives on Poverty alleviation: Evaluating Pareto Optimality Versus Islamic Economics in Indonesian Government Policy

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Abstract

The amount of social assistance from the government should be able to reduce the number of people suffering which is still quite high in Indonesia, because the social assistance program as a field of income for the poor is called sharing money. Social assistance programs are considered to distribute money which has created difficulties in the government's efforts to reduce poverty. The purpose of this paper, apart from looking at the impact of the benefits of social assistance programs, is also to analyze the role of stakeholders in alleviating poverty from an Islamic economic perspective. The data of this paper are primary data collected from interviews on the role of stakeholders and secondary data from BPS searches. The findings of this paper show that the Islamic economic solution is that the aid program process sees the needs and problems that cause them to be poor as well as the role of independent-oriented stakeholders so that it has become a force for changing the cultural mindset of the poor towards government assistance programs. Government assistance programs have the consequence of turning the poor into self-reliant and ignoring Pareto optimality, instead forcing participation in entrepreneurial activities. Conclusions/suggestions for Islamic economic solutions in government aid programs that are fardukifayah oriented to needs, so that they are not Pareto optimality oriented and the problem of poverty and the role of stakeholders will give birth to self-reliance which has become an important factor in the interpretation of a reality of life for the poor. Therefore advanced researchers need to expand research cases and add data sources to increase understanding of the impact of government social assistance programs on poverty reduction in depth and comprehensively

Keywoods: *Islamic Economics; Poverty; assistance programs; pareto optimality*

1. INTRODUCTION

There have been many government social assistance programs that are Pareto optimality oriented to reduce the poverty rate, but social assistance programs have increased the poverty rate in society. Some people perceive social assistance programs as a venue for distributing money and providing aid goods to parties close to policymakers. However, some other parties still see the social assistance program as reducing the poverty rate so that economic growth can still be achieved. Religious figures who are called the people who control government policies only play a role in the development of worship and theology alone (Mutiullah dan Moch Nur Ichwan (ed., 2015), (Iqbal, 2015), (Astutik et al., 2022). Just before the election, the poverty alleviation program is the flagship program. Leading programs should be implemented continuously even to the point that the poor turn out to be self-sufficient, self-sufficient in line with social assistance in an Islamic economy that is obligatory kifayah oriented and ignores Pareto optimality to be able to increase the human development index. Therefore social assistance programs are poverty alleviation in nature, as (Achmad & Fedryansyah, 2022) that poverty alleviation is the obligation of all levels of society to achieve national growth.

So far, the writing of social assistance and poverty programs tends to look at two things. First, the study of social assistance programs increases welfare and income (Maun, 2020), (Widyastuti & Nusantara, 2022), (Tahawa, 2021). Even Western thinkers state that Muslim-majority countries have

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not been able to eradicate poverty due to being shackled by backward Islamic doctrines (Ismail, 2020). The two studies on poverty alleviation explain that empowerment programs can change poor groups (Saharuddin & Syarifuddin, 2022), (Fuseini et al., 2019), (Khanna et al., 2015), (Nadim & Nurlukman, 2017), The two trends above show that poverty alleviation is seen as government assistance programs that can improve welfare and empowerment, even though many aspects of social assistance and poverty programs have not been carefully considered in existing studies. Poverty alleviation programs have involved policy issues or the distribution of goods that can generate profits in line with the nature of Pareto optimality and social assistance programs ignore entrepreneurial activities.

This paper aims to complement the shortcomings of previous studies that paid little attention to the diversity of dimensions associated with Pareto optimality-oriented social assistance policy programs and without involvement in the entrepreneurial activities of the poor themselves. In particular, this paper shows that poverty alleviation programs given social assistance programs are formally oriented and assistance is considered by the poor to share money, with many aid programs but still the poverty line in Indonesia is very worrying, this is a central dimension shown by community and data at BPS that the Poverty Line in September 2022 was recorded at IDR 535,547.00/capita/ month with a composition of the Food Poverty Line of IDR 397,125.00 (74.15 percent) and the Non-Food Poverty Line of IDR 138,422.00 (25.85 percent). In line with the three questions answered in this paper (a). how is the manifestation of the many social assistance programs that are Pareto optimality oriented in alleviating poverty by ignoring entrepreneurial involvement (b) What factors form the basis for Pareto optimality in poverty alleviation programs (c) how do Pareto optimality-oriented poverty assistance programs exist and ignore entrepreneurial activities just for sharing money, giving birth to implications in the life of economic independence. The answers to the three questions make it possible to understand the rationale used as the basis for the policy of the poverty alleviation program.

the large number of social assistance programs that are Pareto optimality oriented in alleviating poverty by ignoring entrepreneurial involvement is based on an argument that aid programs only share money and social assistance programs only provide involvement of parties close to policymakers because they provide benefits. Poverty alleviation programs without involvement and coercion in entrepreneurial activities for the poor are the reality that many poverty assistance programs have not been able to reduce poverty rates. The culture of a consumptive mindset for the poor has increased, so Pareto optimality and the non-involvement of productive activities for the poor are important factors that cause the birth of many social assistance programs and the poverty rate is increasing.

2. LITERATURE REVIEW

2.1. Islamic economics

Islamic economics is Islamic values that are implemented in meeting food and non-food needs. Islamic economics addresses the needs of both *daruriyah,hajiyah* and *tahsiniyyah*to achieve benefit and *falah*(Firdaus & Sahputra, 2022)(Muhammad, 2020). This definition means that food and non-food needs are also needed for the poor. Poor people in Islam are said to be sunnatullah(Muliansyah et al., 2022), there must be poverty in this world and some groups say that poverty cannot be eradicated. but Islamic economics advocates remaining able to change the conditions of his destiny. Islamic economics as a way of overcoming existing problems in life to achieve *falah* goals

Three forms of Islamic economics as the basis for solving poverty can be found: First, Islam is the values that are implemented in every activity to achieve welfare goals, Islam is not a backward religion, and even worse, poor people are God's destiny (Suprihatiningrum, 2023). Humans work and whatever endeavors, if that is God's destiny, humans cannot change the conditions of their destiny. The community group is pessimistic and dependent on other parties, and the optimistic group is that humans are obliged to pray and work hard to improve their welfare (Hendra et al., 2022). Second, ZISWAF is an instrument for zakat infaq, sodah, and waqf which can be used for eight asnab, namely the poor, poor, amil, converts, slaves, people in debt, fisabilillah, people in the journey of Allah (Ahmad Muqorobi, 2023). The existence of the ZISWAF Institute as a solution to overcoming poverty through the distribution of various productive and non-productive programs aimed at alleviating poverty. the third is empowerment as a solution to poverty alleviation. Empowerment is exploring the potential and interests of people (Novani et al., 2022), but empowerment through assistance programs is only a formality, so empowerment programs in the community are not very effective (Fidowaty, G D Pratama, 2023), it is proven that the poor are self-sufficient, but it makes them even more lazy to work, Islamic Economics teaches that people who are lazy to work will sin because they abuse their potential.

2.2. Poverty needs entrepreneurial activity

Poverty requires entrepreneurial activity which is poverty alleviation oriented towards hard work to meet primary needs, namely clothing and food. Poor people only do activities to meet their needs and their income is used up to meet their daily food needs, so the poor culture is more consumptive than productive (Dercon et al., 2009), (Kubalová, 2020). Poor people because their income is below the minimum wage are even exacerbated by their low education, it will impact that the wages they get are also cheap. According to fahim, written by Ali Murtadho, the poor are forced to be involved in entrepreneurial activities (Murtadho, 2016). The government also exacerbates every policy not to force the poor to be involved in entrepreneurship, the labor of the poor is needed by the private sector in return for the cheapest possible wages.

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Three forms of poverty ignore the first entrepreneurial activity's inability to meet primary needs is the size or minimum limit of poor people, limited assets owned (Morris & Tucker, 2021). Second, they do not have sufficient human resources to meet needs, for example in economic, psychological, social, and spiritual aspects (Olopade et al., 2019), (Achmad, 2023). Poor people not only don't have enough assets to meet their needs, poor people don't have access to power to find a budget to fulfill their life needs even spiritually poor people, it will be more complex for the poor. Third, the dependence of the poor on the government is an activity the so-called government divides the money given to the government through social assistance programs (Sengupta et al., 2023), poverty that depends on the government will only be oriented towards mere consumption and ignore the nature of productivity, so this is a very passive society towards the poor who are more consumptive in using government assistance.

2.3. Pareto optimality-oriented social assistance program

The Pareto optimality-oriented social assistance program is assistance to provide areas that must provide benefits (Abdul et al., 2023). This advantage is through being able to increase national income in an Indonesian region, Pareto optimality is a policy in distributing goods or services to see strategic and profitable places so that the social assistance program can be optimized.

Three forms: first, the social assistance program is formal/administrative oriented, meaning that the implementation of the assistance program is carried out based on applicable laws (Usla & Ikhwan, 2023), where the government forms a field team called field coordination before the implementation of the assistance program socialization is held for beneficiary families (KPM) to receive guidance on the purpose of this social assistance (Suriyani, 2023). This social activity carries out administrative rules so that government assistance program activities do not enter the realm of corruption. Budget absorption is carried out according to existing guidelines (Amellya et al., 2023), meaning that the government orders that the current year's budget be absorbed in activities to increase national income. All aid program activities can be accounted for and able to absorb the budget provided. The two aid programs are Pareto optimality oriented, meaning that government assistance programs involve close parties/people who are involved in the aid distribution process so that the program can be run and is safe when it is evaluated at the end of the activity. (Lailatul et al., 2023), (Wicaksono, 2022). Ironically, government assistance is corrupted, this is because policymakers are also involved in running aid programs so that Pareto optimality interests are achieved. the three social assistance programs to increase economic growth (Isiaka et al., 2023), meaning that the poor are an obstacle to economic achievement, even hindering increased economic growth, so the poor need to be assisted through assistance programs with various types of assistance programs, namely PKH, BPNT, BLT, KJS. All types of assistance aim to help fulfill basic needs so that the poor get welfare.

2.4. Pareto optimality

Pareto optimality is an economic condition, where economic actors aim to make a profit so that the distribution of goods looks for areas that can spend goods that have been thrown on the market (Abdul et al., 2023), of course, poor areas even though they need these goods are ignored because these areas do not provide benefits. Therefore, Pareto optimality only pursues material goals and approaches the number of profits. According to UmerChapra, Pareto optimality is ignored in public policy, because it will override other goals and lead to unbalanced goals (Umer Chapra, 2010). Pareto optimality is in favor of the capital owner so that the capital gets the desired profit, there must be other parties who are harmed. The Pareto principle is a principle that prioritizes the best use of assets because it will provide maximum return on profit for the producer.

Three forms of Pareto optimality. The first is the active participation of the observed person (Zhang et al., 2020), meaning that the parties involved in activities that provide social benefits will be actively involved in the planning up to the evaluation stage so that they remain safe without encountering risks. The second is setting goals precisely. Because the goals set are no longer possible to change the allocation of goods and services to increase profits (Nar, 2021). They will not allocate goods and services to areas with low national income. The three financial conditions are in the process of improvement (Wu et al., 2021), meaning that financial management which is used as capital for economic activity is always in the process of improving more quantitatively in the total money owned by the party concerned.

3. METHOD

3.1. The choice of cases is that there are many government assistance programs for poverty alleviation or are they only Pareto optimality oriented? It was chosen as the subject of discussion in this paper based on three considerations. First, government assistance programs for poverty alleviation and Pareto optimality are central topics for every developing country that have not received much attention in previous studies. Both the number of government assistance programs and Pareto optimality explain the existence of a causal relationship that requires a thorough understanding. Many government programs are considered to be distributing money and the amount of government assistance has not been able to reduce the poverty rate and even increase the poverty rate. third, the existence of many Pareto optimality-oriented government assistance programs is the basis for a series of consequences that occur in the condition of the poor. These consequences require mapping to develop strategic actions. The three reasons for

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choosing the issue of many aid programs for the poor are not achieving poverty alleviation goals as the subject of discussion of the paper, are expected to provide a comprehensive understanding and signal for problem-solving.

3.2. This research is qualitative and based on primary and secondary data sources. Primary data were obtained from field studies to observe directly and from mapping research aspects. The data needed consists of form data, factors, and implications. The form of many social assistance programs that are considered to be distributing money, concerns patterns of differences at the level of knowledge, values, and social practices. Various behaviors show differences in understanding the many government assistance programs for the poor in this study. Factors that cause many government assistance programs that have not been able to eradicate poverty can be mapped which relates to ideological factors, interest factors, and practically oriented operational factors. These practical reasons can be the basis for differences in interpreting the amount of government assistance. Data concerning the implications of the existence of many government assistance programs for poverty alleviation were also mapped, particularly regarding how many government assistance programs for poverty alleviation can create a consumptive culture and laziness to work and ultimately give birth to dependency on government assistance and low economic development.

3.3. This research involved three parties in data collection (a) informants consisting of elite groups as implementers of government policies such as Social Service employees (b) intellectual groups in society such as community leaders (c) the poor themselves. The three groups were involved to test how social groups have significance in interpretation and whether the capacity of elites influences the views and attitudes given, besides that, figures are also involved who can evaluate the accuracy or validity of this research.

3.4. The research process lasted almost a year starting with field observations, interviews, and focus group discussions. Before field research, secondary materials were collected, including online news, to map the number of government assistance programs to alleviate poverty that occurred at the text level. Observations were made in several meeting rooms where social services and beneficiary families could be observed directly, interviews took place in three social class categories for comparison purposes. Interviews were conducted at each informant's place after first obtaining approval.

3.5. Data analysis in this study takes the form of two things. First, data processing follows Huberman's stages (Adam & Fitriani, 2023). This stage begins with the reduction of observational data and interviews which are carried out in the form of a summary and synopsis based on the themes of field findings and data verification for the conclusion process. Second, the analysis used follows an interpretation technique that starts with a restatement of the data found both from observation and interviews followed by a description to find patterns or trends from the data, and ending with interpretation to reveal the meaning of the data that has been collected.

4. RESULTS,

There have been many government assistance programs for the poor. This assistance policy is so that the poor can meet their daily needs. The role of the government in the welfare of the poor is many programs budgeted for in the APBN.

4.1. How is the existence of many social assistance programs that are Pareto optimality oriented in alleviating poverty by ignoring entrepreneurial involvement.

a. The government assistance program is social assistance provided to the poor which is registered in integrated data in the social department in each region. The government assistance program aims to increase economic growth in each region (Monsalve et al., 2023). Increasing economic growth only revolves around groups that provide benefits called Pareto optimality, this assistance program is a government policy strategy (Buccella & Fanti, 2023), but it makes people lazy to work, even though in Islamic economics humans are obliged to change their fate and other parties only as partners working together in economic activities. even though the purpose of government assistance is to increase welfare, if welfare is achieved it illustrates that an increase in national income is also achieved. Therefore government assistance for poverty alleviation through empowerment programs (Effendy et al., 2021), but this empowerment has not been successful and the private sector employs the poor and there is no involvement in the entrepreneurship of the poor. , so that the employment opportunities for the poor are only for increased production and low wages.

b. Map the scale of the number of government assistance programs to alleviate poverty with the scale of poverty alleviation assistance programs to meet basic human needs (Utomo et al., 2023), to meet basic needs to get PKH BPNT assistance, BLT, and the second scale that assistance programs for empowerment, health, and education. (Ali Maksumi et al., 2021), PIP/Smart Indonesia Program, KIS/Healthy Indonesia Card, and various

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types of assistance for the poor that are budgeted by the APBN and APBD.

c. The intensity of the government's poverty alleviation assistance program will make it worse for the poor, the government's assistance programs are so numerous because the poverty rate is also quite high, in Indonesia the number of poor people is still quite high based on developments in the poverty rate.



Source: Indonesiabaik.id

Based on the table above, it explains that the development of the poverty rate has fluctuated. From 2021 to 2022 it will drop slightly from 27.54 million to 26.16 million poor people, even though President Jokowi has a nawacita priority with many poverty aid programs being used to reduce the poverty rate. The reduction in the poverty rate is not proportional to the size of the state budget issued by the government. So that the poverty assistance program needs to be evaluated by the government assistance program system to suit the talents, interests, or potential of the poor group (Hidayat et al., 2023) so that government assistance programs can be adapted to the needs and problems experienced by the poor. Government assistance programs are government obligations and not Pareto optimality oriented, where the owners of capital are trusted to distribute the assistance programs, even the private sector employs the poor at low wages and ignores entrepreneurial participation.

4.2. What factors are the basis for the occurrence of Pareto optimality in poverty alleviation programs

a. Can differences in understanding be the basis for Pareto optimality in poverty alleviation assistance programs? The understanding of poverty alleviation programs through government assistance programs is oriented toward national growth (Purnomo et al., 2023), if the poverty rate is still high it will hinder economic development as well as not achieving the goal of economic growth, profit-oriented economic activity, in line with the interview excerpt:

"The orientation of regional autonomy directs us to take initiatives originating from the region in the development process to create new job opportunities and stimulate increased economic activity. However, it is undeniable that they still depend on the provincial government for both budget and policy, the minimum number of participants in the procurement of MSME bazaars for reasons of loss" (interview with AP as the Coordinator of poverty reduction at Bappeda on March 1, 2022)

Economic growth only revolves around the distribution of goods and services aimed at profit. The factor underlying Pareto optimality in aid is because according to BPS the Gini ratio of land ownership is 0.68 meaning that 68% of land in Indonesia is controlled by 1% of the corporate ruling group, and the other 32% is contested by 99% of the community. 16 million households only control less than 0.5 ha of land. The distribution and disbursement of the budget only revolves around groups/communities that have close ties with the government, pareto optimality is implemented in a profit-oriented government assistance program desired by the government, namely pursuing an increase in national income. National income is an illustration that the level of welfare is also achieved as national income has been successfully achieved. However, seeing the reality that national income is used to measure people's welfare is biased. Because national income only involves middle and upper-class groups who are involved in economic activities and even throwing production goods only choose areas that provide benefits for producers. Even though in Islamic economics, economic activity must be oriented towards maqasidSyariah or provide benefits to people who need it, what is called mandatory khifayah means throwing production goods at people who need these goods, not communities/regions that provide benefits for producers. Besides Pareto optimality in the poverty alleviation assistance program, it also ignores entrepreneurial activities for the poor (Setyaningrum et al., 2023), so that any amount of assistance in spending the APBN budget will not be able to reduce the poverty rate in real terms. Therefore there must be a change in economic activity that is oriented towards the needs and problems of the community and the imposition of entrepreneurship activities on the poor so that economic activity does not only revolve around the upper middle class.

b. Can differences in interests (milai) be the basis for Pareto optimality in poverty alleviation assistance programs, pareto optimality is an effort to pursue profits for parties close to those in power due to the interest in obtaining benefits (Bintarto et al., 2022). In line with the interview excerpt

"The government is responsible for its people, especially like me, who is just a farm worker with an uncertain income. He wants to get government assistance. Social assistance is given to able people because they are close to village officials. They consider poverty to be a destiny from God. They are even invited to work. I want the reason to have been disbursed from the government" (interview W as Coordinator fending off December 13, 2022).

Poor people have an understanding that being poor is the responsibility of the government and that they are poor is the fate of God Almighty, everyone has been outlined whether they want to be rich, whether they want to be poor is destiny, even if they work hard they will not change to become rich if they are destined to be poor. This understanding is ultimately used by the owners of capital to take advantage of the condition of the poor by opening low-wage jobs and ignoring entrepreneurial activities.

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c. Can differences in habits/traditions be the basis for Pareto optimality in poverty alleviation assistance programs? Habits/traditions of disbursing government assistance programs through parties close to regional officials and safely able to be accountable, poverty relief programs are a source of the state budget, where there are demands from the central region to immediately absorb the poverty aid budget, apart from being absorbed it is also a tradition or habit safe and able to be held accountable and no acts of corruption according to interview excerpts

"*Government social assistance does not look at conditions and causes, what is important is by name and by address. Of course, this is right on target because KPM/families who receive social assistance are registered in the "Integrated Social Welfare Data (DTKS)" which is the main data that contains data on social welfare services, beneficiaries, and social empowerment, as well as potential and sources of social welfare. DTKS is used as reference data in programs for handling the poor and administering social welfare"* (interviews with T and E as Sub-Corrections for community self-help empowerment and micro-enterprise social services 13 December 2022).

The custom is also carried out in carrying out poverty alleviation assistance programs oriented by registered names in integrated data at the social department only called the Prosperous Family Integrated Data/DTKS, people who receive assistance if their names are registered in social service data without regard to the conditions and economic problems of the poor.

4.3. The poverty aid program is Pareto optimality oriented and ignores entrepreneurial activities just to distribute the money which has implications in life that there is no economic independence and a consumptive culture

a. That optimality and neglect of entrepreneurial involvement in poverty alleviation government assistance programs. The poverty assistance program is oriented towards national income, with the help of the poor in the area so that there is a circulation of money that occurs, this forms Pareto optimality. Moreover, the poor assistance program does not prioritize entrepreneurship for the poor, it will have an impact on increasing the poverty rate because the poor assistance program results in lazy work (Imam Sucipto et al., 2022), being lazy work impact the community misunderstood the aid program so that the poor can be independent. Poverty alleviation assistance programs have implications for community literacy knowledge, with low knowledge and low education of the poor responding to government assistance programs as giving money away, this is what needs to be clarified by the role of stakeholders In line with interview quotes:

"The problem of poverty is very complicated, because the poor themselves have a conventional mindset of thinking, besides that it is not only the government that is responsible but all parties involved should help and support them to get out of the poverty trap" (interview with AS as Head of Government and Human Development/ PPM Bappeda on 1 March 2022)

b. The large number of government assistance programs for poverty alleviation has implications for the poor, who do not have the enthusiasm to try hard because they see capital involved in economic activity, so the poor are not forced to be involved in economic activities, as quoted from an interview.

"*Sorry, we as implementing actors in distributing aid are based on the existing SOP law, so it cannot be interpreted as we like. Because aid is risky, so we distribute it as it is and can be accountable, economic growth is achieved which is mandated by the province, and whether or not the problems of the poor change or not are not our responsibility. The community should be self-aware that they are given assistance and the government's goal is just to help through the distribution of types of assistance "*(the result of an interview with NC as a Social Service Extension Officer on December 14, 2022)

The aid program has created a culture of being lazy to work and even a consumptive culture because the assistance program is oriented so that areas where aid has been disbursed will result in economic turnover and in these areas, there will be an increase in national income.

c. Many government assistance programs are Pareto optimality and ignore entrepreneurship, which has implications at the level of government which are only oriented towards implementing policies and absorbing the budget, while at the level of community leaders, they view that government assistance is the responsibility of the state, while at the level of the poor, social assistance is the distribution of money to groups. duafa. Social assistance is essentially helping the problems and problems of the economic needs of the poor (Seff, 2021), the government pursues national income and doesn't use the Pareto optimality approach, meaning that the economic cycle should not be for groups of large capital owners, but instead, the economic rotation prioritizes areas with small capital owners and the poor are forced to be involved in economic activities as well as in entrepreneurship, not involving stall owners who have large capital even those close to policymakers. Therefore, to overcome the difficulty of alleviating poverty and eliminating corrupt acts, it is necessary to have a conflict of interest law, this law is to limit the authorities as well as entrepreneurs/policymakers.

5. Discussion

5.1. This paper shows that there have been many government assistance programs for poverty alleviation that are Pareto optimality oriented and ignore

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entrepreneurial participation for the poor. There are three typologies of behavior in responding to government aid programs. First, the poor people think that the government assistance program is distributing money and the understanding of the poor considers that the condition of being poor is a destiny from Allah SWT, so that humans accept their fate, government assistance is Allah's destiny through the government. Second, the government hopes that with the assistance program for poverty alleviation, the poor can meet their needs and have a prosperous life (Rahmanto et al., 2023). The government carries out its duties administratively and formally disburses the existing budget and can account for the program. Assistance is provided so that there is an increase in national income with Pareto optimality in nature, whereas in Islamic economics according to UmerChapra, if policies do not use the Pareto optimality principle, it will fail the program. (Umer Chapra, 2010). Therefore, the assistance program is more oriented towards kifayah and according to the problems of the poor so that economic development is achieved through this assistance program. the campaign promises poverty alleviation, along with interview excerpts:

"I, as a religious figure in the community, am tasked with conveying matters of worship and ideology, if there is a message from a sponsor, I will carry it out, for example, aimed at the poor so that I can change the mindset of the community to be independent and motivate to provide public awareness to improve the work ethic and work really is a worship" (interview with SW as a community figure on December 13, 2022).

Development in Indonesia is considered successful, but based on the United Nations report, Indonesia has not described much progress, it is proven that the poverty rate is still quite high, while the world HDI / HDI shows that Indonesia ranks 114th out of 191 countries in the world, the list of countries according to the Human Development Index:

Pangkat		Bangsa	HDI	
Data 2021 (laporan 2022) [1][2]	Perubahan sejak 2015 [2][3]		Data 2021 (laporan 2022) [1][2]	Rata-rata pertumbuhan tahunan (2010–2021) [2][3]
	▼(1)	Santo Lucia		▼0,16%
108	▲(12)	Guyana	0,714	▲0,77%
109	▼(4)	Afrika Selatan	0,713	▲0,50%
110	▼(3)	Jamaika	0,709	▲0,06%
111	▼(6)	Samoa	0,707	▼0,08%
112	▲(2)	Gabon	0,706	▲0,56%
	▼(21)	Libanon		▼0,79%
114	▲(3)	Indonesia	0,705	▲0,55%
115	▲(5)	Vietnam	0,703	▲0,53%
116	—	Filipina	0,699	▲0,33%
117	▼(6)	Botswana	0,693	▲0,44%
118	—	Bolivia	0,692	▲0,40%
	—	Kyrgyzstan		▲0,38%

Source: List of Countries based on HDI

Based on the list of countries in the world, Indonesia ranks 114th out of a total of 191 countries in the world, based on a report from the UN that in 2021/2022 Indonesia achieved an HDI score of 0.705 which illustrates that Indonesia is at a high ranking level but this value does not describe Indonesia's progress. So government assistance programs must be poverty-alleviating in nature which rearranges all aspects of poverty alleviation policies.

5.2. Many government assistance programs to alleviate poverty, are misinterpreted by the understanding of the poor, that government assistance programs to alleviate poverty as a form of sharing money. the understanding of the poor thinks that he is poor is a destiny from Allah swt. the understanding of community leaders about the many aid programs is the government's obligation to improve the welfare of the poor so that the community, in general, is not able to control government policies, the government has an understanding that the poor are a limiting factor in achieving the national income target, therefore the poverty assistance program needs to be implemented, but the implementation The aid is Pareto optimality oriented, meaning that economic activity is only for the owners of capital who are involved in poverty assistance program activities, for example, the disbursement of assistance is for investors who are involved, providers of necessities because the owners of the capital provide benefits. This kind of understanding will have implications for program difficulties. poverty alleviation assistance to change the culture of the poor from consumptive to productive, the general public also ignores the conditions of the poor who receive government assistance or do not receive assistance. Such a view also has implications for the government's difficulty in alleviating poverty and will always interfere with achieving the national income target as a benchmark for the level of welfare, it will always be biased and any budget will not be able to complete the poverty rate.

The number of government assistance programs for Pareto optimality-oriented poverty alleviation and neglect of entrepreneurial participation has been caused by several interests. the various interests seen by the poor show differences in literacy levels in understanding poor problems and providing government assistance. The condition of being poor is considered God's destiny and the government's assistance program is the government's responsibility for the welfare of its people (Rina Maulidia1, 2019). Poor people and low knowledge literacy consider government assistance programs to be reciprocal, they feel that they have made presidents, governors, and the like it is appropriate for them to help the community. Meanwhile, the interests of community leaders, are still involved in economic activities in the assistance program, it is the interest of the general public to be able to enjoy what is programmed by the government. There is even compounded by the interest of the general public to be indifferent. Meanwhile, the government's interest is based on safety not entering the realm of corruption so that it is formally oriented and administration can be accounted for at the end of the aid program. This kind of view has implications for the difficulty of commitment to tackling poverty alleviation.

The large number of Pareto optimality-oriented poverty alleviation assistance programs and the neglect of entrepreneurial activities have been caused by differences in the way of looking at assistance and poor conditions, there are

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differences in knowledge literacy in understanding the fate of the poor and assistance programs. The assistance that is Pareto optimality and does not involve entrepreneurial activities is understood differently as a result of the context of implementing government assistance programs. Pareto optimality poor assistance programs and neglect of entrepreneurship have become historical narratives developed through various forms of discourse explaining that government assistance for alleviating poverty is only for increasing national income, assistance is not for empowerment but a place for sharing money. This kind of view has implications for the difficulty of poverty alleviation programs with large budgets, even though it is difficult to eradicate poverty.

5.3. The difference in understanding of the three stakeholders emphasizes the need for a public education process for poverty assistance programs that is Pareto optimality and neglect of entrepreneurial activities because public knowledge greatly influences the attitudes and actions that are manifested. Public education will affect the level of literacy and public acceptance of various assistance programs to deal with and reduce poverty. Three approaches can be taken to guarantee a process of public education. first, it is necessary to control community leaders through their roles, for example, religious leaders can provide motivation and use assistance programs for entrepreneurship activities and provide input to the government, not just a mere formality and administrative role, for example, religious leaders only invite chapters of faith, so it needs to be inserted to change people through hard work. The role of RT, RW, PKK also plays a role in controlling the poor by utilizing the assistance provided by the government. So that the role of stakeholders needs to cooperate in supervising public education for the poor and the use of social assistance. The two governments need to reorganize entrepreneurial involvement in every economic activity for the poor, the poor should be re-recorded according to the problems and needs of the poor and the disbursement of the budget is not only instantaneous absorption of the budget and seeking security from mere corruption but the participation of the poor should also be forced into activities entrepreneurship, not merely economic activities that are only Pareto optimality oriented, even the government is rearranging social assistance containers that overlap between each department and company CSR, it is necessary to study institutions that specifically handle social assistance, for example, social assistance banks. The three approaches to the poor are to awaken and force them to engage in entrepreneurial activities, in line with the solution to poverty alleviation in the Islamic economy, namely working hard is an action to change a poor person in Surah ArRa'du verse 11 which means that Allah will not change the condition of a people. before they change their situation, the three approaches are the active involvement of various stakeholders, both regional and public power centers who are right in understanding the many government assistance programs that make the poor independent in their welfare,

6. CONCLUSION

This study found that many government assistance programs are Pareto optimality and ignore entrepreneurial activities more due to the structural position of society. (Analytical) social class community leaders feel they have no responsibility for the condition of the poor, the social class of the poor has a consumptive habit if they get help ignoring the future, because the assistance runs out they will get other types of assistance, and so on the expectations of the poor so they are lazy to work. The group of government officials is only oriented towards finding the safety and pursuing mere absorption of the budget, the government class is only oriented towards national income, so it is oriented towards absorption of the budget towards government assistance programs for poverty alleviation. even though the view of Islamic economics is that public policy is oriented towards obligatory kifayah, not Pareto optimality, and forces the involvement of the poor in entrepreneurial activities in economic programs.

Many government assistance programs are Pareto optimality and ignore entrepreneurial activities which have made it possible to find two important things. first, that the poor and society, in general, are ignorant because of limited knowledge literacy, and different interests, the poor who have an interest in remaining poor can always get assistance programmed by the government, while the general public shows indifference to aid programs, parties involved in the activities of their assistance programs are close to the maker's policy. Second, aid policies need to be rearranged so that assistance is following the needs and problems faced by the poor and forced to involve entrepreneurial activities in every policy to increase national income.

This research is limited to the analysis of certain areas and at the level of views of informants. However, this analysis allows it to be used as a reference to explain on a broader scale. Likewise, the views of informants as a basis for concluding and understanding the amount of government assistance for poverty alleviation have not yet provided a comprehensive picture of the number of aid programs and poverty alleviation. Due to these limitations, it is necessary to carry out further research by paying attention to regional comparative aspects and based on more varied data. In this way, more appropriate policies can be formulated in the government's poverty alleviation assistance program.

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