

The background of the book cover is a complex, repeating geometric pattern. It features interlocking stars and polygons in shades of blue, green, and yellow, creating a rich, textured effect. The pattern is reminiscent of traditional Islamic art.

ECONOMIC CONCEPTS *of* IBN TAIMĪYAH



Abdul Azim Islahi

THE ISLAMIC FOUNDATION

Islamic Economics Series-12

Economic Concepts of Ibn Taimīyah

ABDUL AZIM ISLAHI

The Islamic Foundation

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ISBN (hard case) 0 86037 181 6

ISBN (paperback) 0 86037 182 4

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Cover design by Rashid Rahman

Published by
The Islamic Foundation,
Markfield Dawah Centre,
Ratby Lane, Markfield,
Leicester LE67 9RN,
United Kingdom

Quran House,
P.O. Box 30611,
Nairobi,
Kenya

PMB 3193,
Kano,
Nigeria

Islahi, Abdul Azim
Economic concepts of Ibn Taimīyah.—
(Islamic economics series; 12).
1. Taymiyyah, Ahmad ibn 'Abd al-Halīm—
Contributions in economics 2. Economics—
Religious aspects—Islam 3. Islam—
Doctrines—History
I. Title II. Islamic Foundation
III. Series
330.15'12 BP80.129

ISBN 0-86037-181-6

ISBN 0-86037-182-4 Pbk

Printed and bound in Great Britain by
CPI Antony Rowe, Chippenham and Eastbourne



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Acknowledgements

I wish to express my sincere and deep gratitude to my supervisor, Dr. Muhammad Nejatullah Siddiqi, Professor of Economics, King Abdul Aziz University, Jeddah, for expert guidance, constant encouragement, and for his kindness and generosity.

I am also grateful to Dr. Fazlur Rahman Faridi, Chairman of Socio-Technical Studies, for his comments on some of the chapters. I benefited likewise from the comments of Dr. Sabahuddin Zaim, Professor of Economics, University of Istanbul, and from those of Dr. Muhammad Anas Zarqa of the Centre for Research in Islamic Economics, Jeddah.

My thanks are due to Dr. S. Fareed Ahmad, my senior colleague, Dr. Hamidullah of the English Department, AMU, Aligarh, and Dr. Syed Z. Abidin, Editor, *Journal of Muslim Minority Affairs*. Through their careful reading of the manuscript – in whole or in part – they contributed to its literary improvement, objectivity of viewpoint and precision and quality of presentation (such faults as remain are my own).

My thanks are also due to the Director and research staff of the Centre for Research in Islamic Economics, King Abdul Aziz University, who have, by accepting various research projects, enabled me to continue my research on Ibn Taimīyah and other Muslim thinkers. I want to thank also all my colleagues in general and those from whom I received encouragement and co-operation at different stages of this work.

The Librarian and staff of Maulana Azad Library, the West Asian Studies Library of the Aligarh Muslim University, where I commenced this work; the Librarian and the staff of the King Abdul Aziz University Library, where I completed this work; the London University Library, Library

of the School of Oriental and African Studies, and the British Museum Library, London, where I obtained some valuable references – all deserve my sincere appreciation and gratitude.

I owe a deep debt of gratitude to Dr. Abdullah Omar Naseef, ex-President King Abdul Aziz University, and now the Secretary General of the Muslim World League, who took a keen personal interest in my research and arranged for my stay in the Kingdom with a view to providing me access to scholars and books available here. I am also grateful to Dr. Muhammad M. O. Jamjoom, formerly the Dean, College of Engineering, and now the Secretary General, King Abdul Aziz University, whose patronage enabled me to devote myself to research along with teaching in the Department of Socio-Technical Studies.

Finally, I am grateful to the Islamic Foundation for publishing this work.

One who is not grateful to human beings,
will not be grateful to Allah.

Preface

The primary aim of this book is to study the economic concepts of Ibn Taimīyah and, in doing so, to relate his concepts and theories to his times and to establish their relevance now.

Ibn Taimīyah was deeply involved in public life. His views on many social problems of his age reflect a pragmatic orientation, and in consequence his impact on succeeding generations has been profound. Adequate attention has not been paid to the contribution Muslim thinkers have made to economic thought. In the case of Ibn Taimīyah, though there are some studies of his life and works, they have failed to focus adequately on his economic concepts and theories.

This study should prove useful to economists in general and to students of the Islamic economic system in particular. It should help us understand how one of the most brilliant Islamic scholars of the past handled such issues as property right, prices, money, interest, partnership and other economic organizations, wages, taxation, state regulation of economic activities, etc., in the context of securing justice for all in the light of the relevant teachings of Islam.

This work is a revised version of a doctoral dissertation in Economics submitted at the Aligarh Muslim University in 1981. For transliteration of Arabic terms into the Roman script I have followed the Library of Congress system, except in the case of a few words already established in English. All dates, unless otherwise indicated, are given in the Gregorian calendar.

King Abdul Aziz University,
Jeddah
12 Rabī' al-Awwal 1406
24 November 1985

A. A. Islahi

Introduction

I

It is quite natural, in the context of our present endeavour to Islamize our economies, to turn to some of the best brains of the past for inspiration and guidance. To me, the choice of Ibn Taimīyah seems to be very appropriate indeed. Standing midway between us and the age of revelation – he lived in the last third of the seventh and first quarter of the eighth century after *Hijra* – Ibn Taimīyah had a firm grasp of the achievements of Islamic scholarship that preceded him. Though largely treading in the footsteps of Aḥmad ibn Hanbal, the last of the founders of the four main schools of Islamic law, he had enough independence of mind and catholicity of vision to draw upon the other schools and scholars to arrive at his own opinion on a matter. This gave him a stature way above almost all scholars and jurists who followed him. Though a parallel may be recognized in the unique contributions of Shāh Waliullāh of Delhi, who lived in the twelfth century after *Hijra*, Ibn Taimīyah remains unsurpassed in the comprehensiveness of his works and clarity of his vision on what constitutes Islamic living.

Basically a teacher, circumstances forced Ibn Taimīyah to put on a soldier's uniform as they also pushed him into the vortex of controversy and polemics. As the historically-rich first chapter of Dr. Islahi's book brings out so well, Ibn Taimīyah was born in an age of turmoil. The decay in Islamic society had already set in with all that it implied by way of stultification of creative thinking on law and society. As his voluminous *Fatāwā* reflect, the intermingling of races and cultures and the fast changing political conditions were creating a new scenario in trade and commerce, agriculture and industry. Men were entering into new types of contracts

and social relations were becoming increasingly more complex. With his intellectual roots secure in *Shari'ah*, Ibn Taimiyah answered the many queries emanating from these complex situations with rare understanding and sympathy. Here are some examples:

If a person hires what (gives its) benefits through being hired out to other people, e.g. (public) bath, hotel, barracks and the like and then this conventional benefit decreases, for example, because of migration of the people living in the vicinity and the (number of) customers declines due to fear or decay, or because the political authority shifts them (elsewhere), or (due to) some similar reasons, then the rent due from the person hiring (the premises) will be decreased in proportion to the decrease in the conventionally (expected) benefits (*Fatāwā*,* Vol. 30, p. 311).

The borrower is obliged to repay the lender in the country in which he contracted the loan. He should not place the burden of travelling (to realize the loan) and transporting (what was lent) on the lender. If he says, 'I will not repay you except in a different country', he would be liable to defray, according to conventional standards, any cost incurred by the lender (in travelling and transporting) (*Fatāwā*, Vol. 29, p. 530).

He was asked about a man lending some dirhams to another man to be repaid to him in another country; is it permissible for him to do so or not? He replied '... the correct (answer) is that it is permissible, because the lender seeks the benefit of security in transporting his dirhams to that country and the borrower too, would have been benefited from repaying it in that country, being saved from the risks involved in the passage. Hence there are benefits to both of them in this (mode of) borrowing. The Law-giver does not prohibit what benefits them all. He prohibits only what hurts them' (*Fatāwā*, Vol. 29, pp. 530–1).

*For bibliographical details, see the Bibliography at the end of the book. Words within parentheses, in this quotation and those following, have been added to make the meaning of Ibn Taimiyah's Arabic text clear.

He was asked about *fulūs* (i.e. copper coins) bought for cash paid on the spot and sold for credit at a higher price; is it permissible to do so or not? He replied: 'All praise be to Allah, on this matter – of exchange of current copper coins with dirhams (of silver) – there is a well-known controversy among the scholars . . .

The more authentic (opinion) is to prohibit it as the copper coins, when they have gained currency, take on the same position as the money proper and become a standard of value for people's wealth' (*Fatāwā*, Vol. 29, pp. 468–9).

As a matter of fact, what contemporary Islam needs most with respect to the economy is a clear vision of what is desired and how it can be brought about. A perusal of the book will demonstrate how clear Ibn Taimīyah was on both these points. We need a well provisioned society from which poverty is banished and welfare is ensured for all. The way to realize this objective is freedom of enterprise and property, constrained by moral laws and supervised by a just state enforcing the divine laws – the *Sharī'ah*. Those who seek a just regime must enforce the *Sharī'ah* – the whole of it. In doing so they will be frequently called upon to apply the *Sharī'ah* principles to new issues arising from changing circumstances, especially in economic affairs. This is where the jurist faces the real challenge: not to lose sight of the real purpose of law – justice and human felicity – while applying his legal principles to new situations. As this book exemplifies, Ibn Taimīyah met this challenge with rare competence, and therein lies his message to the present generation of Muslim jurists and economists.

II

Ibn Taimīyah's vision of economic affairs is very clear. All economic activities are permissible except those prohibited by the *Sharī'ah*. Within the limits set by the *Sharī'ah*-prohibitions, men know better what is good for them and they are free to make transactions, enter into contracts and conduct

their worldly affairs in a just and fair manner, observing the standards of fairness set by ‘*urf* and ‘*ādah*, i.e. conventions and custom. The *Shari‘ah* intervenes only to ensure justice in human relations and to direct individual action to what is good for all. It seeks to eliminate *ẓulm*, i.e. injustice and oppression from social relations. With this purpose in view it has prohibited *ribā* and *qimār*. The essence of the former is unilateral gain, i.e. ‘taking an increment without a *quid pro quo*’ (*Fatāwā*, Vol. 20, p. 341). The essence of the latter is ‘acquisition of another person’s property while it is uncertain whether that person would get the recompense (to his property) or not’ (*Fatāwā*, Vol. 19, p. 283). Justice in transactions requires mutual reciprocity of benefits. This is ensured only when all contracts are based on the willing agreement of the contracting parties. To be meaningful, this willingness should be based on adequate knowledge of what is involved in the contract. There should be no coercion, no deception, no taking advantage of dire circumstances or ignorance of a contracting party, etc. When the contracting parties adhere to these rules, the resulting market prices are just and fair, provided there is no withholding of supplies with a view to raising prices. Normally there would be no intervention in the market – prices, profits, wages, etc. being left to be determined by the forces of supply and demand. But an intervention is called for when some of the above conditions are violated. When the public authority does intervene, it should be guided by expert advice and should seek to approximate to the price of similar goods or services determined in fair circumstances (see Chapter III, sections B and C of this book).

As to the mode of men coming together in the conduct of their economic affairs, Ibn Taimīyah, while recognizing freedom of contract, regards co-operation to be the right spirit which should infuse social relations. He would, therefore, not tolerate the type of competition that violates the spirit of co-operation. Note, for example, the following:

(Ibn Taimīyah) was asked about a man who offers, for a house, a rent higher than the (one paid by its present) occupant; does he incur a sin by doing so? Must he be punished for doing so?

He replied, it is reported in the two correct compilations (of *ḥadīth*, i.e. *Bukhārī* and *Muslim*) that the Prophet (peace be upon him), said: 'A Muslim is not permitted to bid against the bid of his brother; also he should not propose (to a woman) against the proposal of his brother.' (It follows from this *ḥadīth* that) if the owner is inclined to renting to a particular person, it is not permissible for another person to offer a higher rent. Then, how (can it be permissible to do so) when that particular person is already living in that house. Hence, whosoever does so deserves punishment, and Allah knows better (*Fatāwā*, Vol. 30, pp. 160–1).

Following the same logic, Ibn Taimīyah regards sharing in its various forms (*muḍārabah*, share cropping, etc.) to be more just than the hire contract. 'Because there is some risk in hiring too, the one who hires may or may not get the benefit (he expected). Whereas in *musāqāt* and *muzāra'ah* (i.e. share cropping) both of them share the profits or the losses (as the case may be), so it does not involve a risk for one of the two parties only, as is the case in hire (contract)' (*Fatāwā*, Vol. 20, p. 356).

Looking at social life as a co-operative venture to seek the pleasure of Allah through living in accordance with His *Sharī'ah*, Ibn Taimīyah emphasizes the essential status of worldly possessions as means, not ends in themselves. This is also true of all worldly activities, they are means to a higher moral purpose. This being so, one needs always to be conscious of his obligations towards others. These obligations are flexible, one's own capacity and the others' needs being the two determinants of the obligation. Like all Islamic thinkers Ibn Taimīyah recognized inequality in worldly possessions but thought it did not imply social inequality which was to be banished from the Islamic society which was based on universal brotherhood in submission to Allah. To him this followed directly from the central Islamic doctrine of *tawḥīd* and its necessary corollary, justice. He writes:

Justice is related to *tawḥīd* as *tawḥīd* is the foundation of justice. The will to superiority relates to corruption as it is the foundation of injustice . . .

The person who seeks superiority over another person of his kind is an oppressor with respect to him, a transgressor. As the two of you belong to the same (human) kind, you are no more entitled to being superior to him than he is entitled to being superior to you. Justice and equilibrium require that men be brothers (to one another) as Allah has described the believers to be (brothers to one another) (*Fatāwā*, Vol. 18, p. 165).

Ibn Taimīyah was not a believer in an invisible hand taking care of the society. There were needs to be fulfilled and goals to be achieved. The relevant vocations and industries were regarded as socially obligatory duties (*furūd kifāyah*), which in normal circumstances got done by being prompted by motives ingrained in the nature of man. But the social authority could oblige performance, should circumstances so require. As the author argues in Chapter VII, section D of this book, Ibn Taimīyah envisaged a big economic role for the Islamic state, aiming at eradication of poverty, ensuring fair practices in the market, securing monetary stability, and planning for economic development.

According to Ibn Taimīyah, it is crucial, for the state to be able to play this role, that those appointed to public office observe the *Sharī'ah*. Only the God-fearing and the competent should be entrusted with public office, as required in the Qur'ānic verse: 'Allah bids you to deliver all that you have been entrusted with unto those who are entitled thereto, and whenever you judge between people, to judge with justice' (4: 58). Opening with this 'verse relating to the rulers' his advice to the ruler of his day, which is his treatise entitled 'Sharī'ah Policies Relating to the Ruler and the Ruled' (*al-Siyāsah al-Shar'īyah fī aḥwāl al-Rā'i wa'l Ra'īyah*), he goes to great lengths to emphasize that the 'trust' (*amānah*) mentioned in the above verse related to the dispensation of power and wealth. A just society would be one in which political power and material wealth are properly distributed.

The state plays a very active role in Ibn Taimīyah's economy, being the custodian of public interest and the chief

instrument for ensuring justice through enforcement of *Shari'ah*. It manages money but is itself barred from making a profit out of it (*Fatawā*, Vol. 29, p. 469). It administers public property in the public interest, supervises the management of all *waqf* properties, and sees to it that private ownership rights are not exercised to the detriment of public interest. Through the institution of the *muhtasib*, it makes all economic agents fulfil their obligations towards one another, adhere to commonly-recognized norms of behaviour and scrupulously observe the relevant rules of *Shari'ah*. In this context, he comes down very heavily on those employing various kinds of tricks or legal ruses to circumvent the rules relating to barter or to currency exchange. These tricks are worse than outright *ribā* in his opinion. As a general rule, he regards not the form but the real purpose of and intent behind an act to be decisive regarding its validity. The strictures of Ibn Taimīyah against tricks leading to *ribā* and other unfair practices reflect the currency of many corrupt practices in the market during his days.

A similar situation prevailed in the realm of public finances. A number of extra-*Shari'ah* levies were being collected from the people and public expenditure, in many cases, was unjustifiable on grounds of public interest. Some of his contemporaries and predecessors had reacted to this situation by declaring *all* extra-*Shari'ah* taxes as illegitimate. While in some cases these levies were decidedly illegitimate, the public authority, faced with external aggression, did sometimes need additional funds to finance a war. It could also happen that the normal resources of the public treasury fell short of ensuring universal need fulfilment, which Ibn Taimīyah regarded as an inalienable duty of the Islamic state. He wrote: 'It is a common consensus that those who are unable to earn sufficiently will be aided with money that suffices them . . .' (*Fatawā*, Vol. 29, p. 570). As elaborated in this book, toward the end of the eighth chapter, Ibn Taimīyah argued that an individual's financial obligations towards society extended beyond the *zakāt* payments and the Islamic state could levy additional taxation if and when the *Shari'ah* levies did not suffice for fulfilling its duties

relating to defence and need fulfilment. But he strongly criticized the unjust and irresponsible manner in which public money was being squandered. The first thing to do, therefore, was to confine public expenditure within legitimate limits. He came out very heavily against the numerous levies imposed by the rulers during his times, in Egypt and Syria. But he did not condone tax evasion in any case. He also exhorted the rulers to ensure vertical as well as horizontal equity, even in illegitimate taxation, as inequality and discrimination would destroy the social fabric. All this has been ably brought out by Dr. Islahi who has also reported that Ibn Taimiyah's protestations had some impact on the ruler, Sultan Nāṣir Muḥammad bin Qalāwūn and resulted in some needed tax reforms.

Like every social thinker, Ibn Taimīyah had to take the existing socio-economic and political realities fully into consideration before he pronounced on any issue. This is exemplified by his stand on additional taxation as noted above. It is also exemplified by his opinion on land grants or *iqṭā'*. As the author notes in Chapter VI, section D: 'Ibn Taimīyah accepts *iqṭā'* system as a social necessity, as *iqṭā'* was granted to men of the army in lieu of salary. If *iqṭā'* was abolished, paying them would have become difficult in a period when monetary payment was not convenient or feasible.'

III

Ibn Taimīyah's economics is mostly normative. He is concerned with how economic agents should behave and what economic policies should be adopted by the state. But positive analysis – how it works – does come up on a number of occasions, sometimes in a context quite unfamiliar to students of modern economics. Thus, price fluctuations are discussed in a chapter on *qaḍā wa qadar* (divine predestination) (*Fatāwā*, Vol. 8, pp. 520, 523).

Ibn Taimīyah distinguishes between man-made scarcities and natural scarcities and says that only the former justify state intervention. His discussion shows an awareness of the

role supply and demand play in determining prices, as demonstrated by the author of the present work, who has also reported Ibn Taimīyah's comprehensive discussion on price regulation in his treatise on *al-Ḥisbah* (supervision of the market).

While discussing the un-Islamic levies imposed on traders during his times, Ibn Taimīyah also looked into the incidence of these indirect taxes. The discussion shows his awareness of the shifting of the tax burden from the sellers, who pay the taxes, to the buyers who had to pay a higher price for the merchandise taxed (*Fatāwā*, Vol. 29, p. 253).

A similar excursion into the realm of positive analysis occurs during Ibn Taimīyah's discussion on money, its origins, its functions and the changes in its value, reported by Dr. Islahi in Chapter V, section D of this book. Here is an example:

The conditions of immediate payment and reciprocal possession in it (i.e. in the exchange of currency for currency) ensures the purpose of exchange; that it is a means to securing what is desired. This can obtain only through possession (of the currency in exchange) not through (mere) obligation to pay, when it is money from both sides. Therefore, the Law-giver prohibited sale of money for money with deferred payment (*Fatāwā*, Vol. 29, p. 479).

IV

It has been a pleasure to be associated with the progress of this work, which started as a Ph.D dissertation at the Aligarh Muslim University, from where the author has graduated after having gone through courses in *Shari'ah* sciences at the *Madrasatul Islāh*, a noted seat of Islamic learning in India. His stay in Jeddah during the final stages of this work enabled him to cover all the available works of Ibn Taimīyah as also the numerous works on Ibn Taimīyah. Readers will be impressed, I am sure, by the author's diligence as well as his enthusiasm in comparing Ibn Taimīyah with some of the famous names in medieval (Western)

scholarship. The proper evaluation of an Islamic thinker's economic contributions can be made, however, only on the basis of his analytical insights and policy recommendations in the context of the objectives of *Shari'ah* with respect to social relations. It is Ibn Taimīyah's concern with protection of individuals from tyranny and with ensuring need fulfillment, equity, social equality and justice in transactions while guaranteeing freedom of enterprise and property that projects him as an Islamic economist of stature. The reader will find in Dr. Islahi's book ample demonstration of these features of Ibn Taimīyah's works.

With the exception of an unpublished thesis on Ibn Khaldūn, I am not aware of any book-length treatment of the economic concepts of any Islamic scholar, in the English language. This makes the publication of Dr. Islahi's work on the economics of Ibn Taimīyah a singular event for Islamic economics – an actuality which is also a pointer to the many potentialities awaiting scholars like Islahi. I urge them to come forward, now that the path has been broken. May Allah guide us to His ways.

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Islamic Economics, Jeddah
18 Jumādā 1, 1407
18 January, 1987

CHAPTER I

The Age of Ibn Taimīyah

A. Political background

The age of Ibn Taimīyah (1263–1328) was characterized by massive social and political upheavals. Barely five years before his birth, the centuries-old Abbasid caliphate at Baghdad had been destroyed by the Mongols. And only three years before his birth, Tatars entered Damascus and Aleppo as conquerors. Tatars attacked and plundered Ḥarrān,¹ the birthplace of Ibn Taimīyah, when he was about seven years old. Many of the inhabitants of that area were forced to migrate to Syria and Egypt. The family and household of Ibn Taimīyah moved to Damascus to seek refuge and, since they were learned people, to continue their academic pursuits.²

Thirteen years before the birth of Ibn Taimīyah, the Mamluk dynasty had established itself in Syria and Egypt. The Arabic word *mamlūk* means slave, and these Mamluks had originally been settled by their owners, the Ayyubid sultans, on an island in the Nile, whence their other common name, *Bahrites* (from *bahr* meaning river). The rulers in the first Mamluk dynasty (1260–1382 AD) were drawn from this group and so known as the *Bahrīte Mamluks*.³ Since their rule coincides with the life-time of Ibn Taimīyah (1263–1328), spent mostly in Damascus but also partly in Cairo, it seems appropriate to outline here the political, social and economic conditions of Egypt and Syria in this period.

1. The Mamluks capture power

The influence of the Mamluks had been growing steadily

during the Ayyubid Sultanate of Egypt. In 1250, the Ayyubid Sultan Tūrān (1249–50) was slain by Bahrite Mamluks who seized power. The amir Aibak (1250–57), a slave of Tūrān, became the head of the administration, and later proclaimed himself as the Sultan. Aibak was himself assassinated in 1257 and his minor son was raised to the titular Sultanate, while Qutuz (1259–60) a distinguished Mamluk assumed the post of vicegerent. After two years Qutuz took power directly in his own name. He gave, for the first time, a crushing defeat to the Mongols. Despite the victory however, he was stabbed to death the very next year by another slave, Baibars (1260–77), who became Sultan of Egypt. Baibars, through wise administration, succeeded in securing his power and popularity. He reduced the taxes that had made his predecessors' rule unpopular, and fostered public works, improved canals, harbours and fortifications.

(a) *Re-establishment of the Abbasid caliphate*

After capturing the Egyptian throne, Baibars conceived the idea of re-establishing the Abbasid Caliphate which, two or three years previously, had been swept away and the whole Abbasid house destroyed, by Hūlāgū (1256–65) at Baghdad. Having heard that an Abbasid had survived the Mongol massacre, Baibars had him brought from Syria to Cairo, and there installed him as caliph. Baibars and officers of state swore fealty to him, while he in turn conferred on Baibars the sovereign title.⁴ Thus, with this religious approval from the caliph, Baibars strengthened his rule.

During the Mamluk rule, the position of the Abbasid caliph varied little under the different sultans: his office remained but a shadow and a name. He was brought out on important state occasions, such as every fresh succession to the sultanate, as the religious head, to grant his recognition of the title, and then put back again. Nevertheless, largely owing to the presence of the Abbasid caliph in Cairo, Egypt became the focus of the then Islamic world. 'Ulamā', jurists and scholars were attracted to Cairo and their residence in it made Egypt the centre of learning in the Islamic world.

(b) *Sultan Nāṣir Muḥammad bin Qalāwūn*

After Baibars' death, in a period of thirty-three years (from 1277 to 1309) nine sultans came to the throne, but none was able to survive long except Qalāwūn (1279–90) who proved a wise and strong monarch. During his twelve-year reign, he defeated all his enemies and opponents, and left Egypt politically and economically stronger.

In 1309, Nāṣir Muḥammad bin Qalāwūn (1293–94, 1298–1308, 1309–41) came to power for the third time and ruled for the next thirty-two years, a period considered to be the golden age of the Mamluk dynasty. He introduced a number of political and economic reforms,⁵ and extended diplomatic relations with the neighbouring countries. He respected the '*ulamā*' and the learned men.

Ibn Taimīyah's great achievements in the academic, political and economic fields belong in this age. Nāṣir gave him the highest rank among the '*ulamā*', though he had him put in prison in his last years on account of misunderstandings created by rival jurists against him and his ideas.⁶

Nāṣir died in 1341. The Bahrite Mamluk dynasty lasted to 1382 but, though many sultans came to the throne, they were not as successful and strong as their predecessors.

(c) *Foreign policy*

There were very close ties between the Egyptian sultans and the Indian kings. Sultan Muḥammad Tughluq and after him Fīrūz Shāh obtained their titles of sovereignty from the Abbasid caliph in Egypt.⁷ They sent their envoys to Egypt to request help against their common enemy – the Mongols.⁸ Trade was another important factor that helped sustain relations between Egypt and India. Egypt was the meeting point between East and West, Alexandria being one of the few great harbours of the world at that time.⁹

The greatest danger to the Mamluk dynasty in its early days was from the Mongols of Transoxania who extended their dominion to Iraq and had attacked Syria several times. It was the Mamluk Sultans who broke their pride of invincibility. Although the Mamluks were sometimes obliged to retreat, Nāṣir gave the Mongol governor such a crushing

defeat in 1302 that no Mongol ever again dared to look toward Egypt. In 1304, Uljāitū Khudābanda (1304–16), son of Arghūn (1284–91), succeeded Ghāzān (1295–1304); he established diplomatic relations with Nāṣir but earned his enmity when he tried to enlist the help of European kings against him. His successor, Abū Sa‘īd II-Khan (1316–35), was more trustworthy and to some extent afraid of Nāṣir. He did nothing to oppose the Egyptian Sultan.¹⁰

The other Mongol kingdom of that period was that of Chingīz Khān’s dynasty. Their king was the Khan of the ‘Golden Horde’, Altin Ordu, whose rule extended over Siberia and the southern part of Russia. The two Mongol kings were long-standing rivals. The King of the ‘Golden Horde’ offered the hand of friendship to the Sultan of Egypt so that he might be an ally against their enemy of the Hūlāgū dynasty.¹¹

During the Mamluk rule, Armenia was repeatedly attacked by Egyptian troops who captured many Armenian fortresses. The Armenians agreed a compromise on the payment of *jizyah* to the Egyptian Sultan, but very soon reneged and helped the Mongols against the Sultan. Ultimately, the Armenians were defeated and consented to pay taxes.¹²

Political relations between the Sultan of Egypt and most of the European kings were good. The court of Nāṣir developed into a place which diplomats and ambassadors from different countries visited frequently with presents and letters from their kings and rulers. The European kings and bishops, disappointed after their crusades, offered Nāṣir friendship, requesting him to treat Christians with generosity and make various concessions to them. Pope John XXII sent a letter to Nāṣir in 1327, asking him to treat the Christians of the East with benevolence and care. Nāṣir agreed to his request.¹³

A similar letter was sent in the same year by Charles IV (1322–28), the King of France, about the welfare of the Christians residing in his sultanate.¹⁴

A treaty was concluded between the Emperor of Constantinople and Sultan Nāṣir to defend their territories from the Ottoman Turks who were an ever-growing menace at that time in Asia Minor.¹⁵

In the first years of Mamluk rule, the danger of Christian and Mongol invasion threatened the stability and safety of their kingdom. But after defeating their enemies in many battles, the Mamluks were able to establish a strong kingdom and turn their attention to more constructive tasks.

2. Administration in Egypt and Syria under the Mamluks

The Sultan as head of state was assisted by different *Nā'ib al-Salṭānah* or viceroys, below whom was the vizier, a traditional post, inherited from the Abbasid caliphate. This post lost its importance in the Mamluk period, the vizier's duties consisting, for all practical purposes, in executing the orders of the Sultan and his *nā'ibs*. Indeed, in 1327, Sultan Nāṣir abolished the post, though it was re-established by his successor in 1343.¹⁶ Among the high ranking officials, there were a number of governors. Egypt was divided into different provinces and each province was looked after by a *wālī* or governor (pl. *wulāt*), the most important such official being the *wālī* of Cairo. Only Alexandria, due to its strategic importance, was governed by a *nā'ib al-salṭānah*.¹⁷

Syria was divided into seven provinces, namely, Aleppo, Hamah, Damascus, Safad, Kark, Gaza and Tripoli, each with a *nā'ib al-salṭānah*. The *nā'ib* of Damascus was so important that he was sometimes called *nā'ib al-Shām*, i.e. the viceroy of Syria.¹⁸

(a) The army

The army had a very important role in this age. The regular force was divided into three categories: (a) the Royal *Mamlūks*, who were freedmen of the reigning sultan or of his predecessor; (b) the Amir's *Mamlūks*; (c) *Ajnād al-Ḥalqah* – a corps of free, i.e. non-Mamluk, cavalry. The strength of the army in the whole Mamluk kingdom was as follows: the Royal Mamluks 10,000; the Amir's Mamluks 8,000; *Ajnād al-Ḥalqah* 24,000.¹⁹

Apart from this regular force, there were auxiliary troops of natives, e.g. Turkoman and Kurdish shepherds; Bedouin tribes; Syrio-Palestinian and Lebanese tribes.²⁰

(b) *Justice*

The Mamluk sultans paid great attention to the institution of justice, and organized it in many departments. There were public courts to which four *qādīs* (judges) were appointed, representing the four schools of jurisprudence. All civil and criminal cases where witnesses were needed were dealt with in these courts. A similar structure existed in most Muslim states of the time.

For the army, there were separate *qādīs* or *quḍāt al-‘askar* (judges of army). They dealt with cases within the army and with those between the military and civilian sectors.

There was another court, the *maḥkamah al-maẓālim* or court for grievances, where the Sultan himself presided. Its principal function seems to have been that of a court of appeal, but disputes between officials and public were also decided in this court. Court sessions were held every Monday and Thursday, all four *qādīs* being present to assist the Sultan.²¹ Nāṣir began this practice, and himself conducted the open sessions.²²

Petty disputes were mostly decided by the *muḥtasib* (inspector-general), especially cases of a very urgent nature and where not much investigation was needed.²³ A basic difference between the roles of *qāḍī* and *muḥtasib* was that the former issued a decree when a person filed suit in his court, whereas the *muḥtasib* or his assistant patrolled the streets and took note of any objectionable incident, which he usually decided on the spot.

(c) *Internal political condition*

The general internal state of the Mamluk Sultanate was one of instability. This had been brought about by the Mongol invasion, which had led to a sort of anarchy, and the many changes of sultan. Since there was no accepted rule or system of succession, after the death of every sultan a number of ambitious Mamluks and Amirs struggled for power and new disturbances took place.²⁴ Only Baibars, Qalāwūn and, during his rule from 1309 to 1341 Nāṣir, were able to provide stable governments. Mainly for this reason their reigns witnessed academic and economic progress.

B. Social background

1. Structure of society

The Mamluk society was stratified into many classes: first, there were the Mamluks themselves who now assumed that they were born to rule and whose chief preoccupation was government and wars. They looked with contempt upon those who worked the land and hardly mixed with them, always preferring to marry in their own social class. There was thus a gulf between the rulers and the rest.

Besides the Mamluks, there was another class of people called *ahl al-'imāmah* or 'turban men', employed in different offices, like secretaries, jurists, '*ulamā*' and men of letters. This group provided the link between the ruling Mamluks and their subjects. The Mamluks respected the '*ulamā*', since they learned religion from them, and sometimes they feared them because of their influence with the public.²⁵ These '*ulamā*' were never sparing of their criticism when they saw a breach of clear religious injunction.²⁶

The third class was that of traders and merchants. Due to intense trading activity in this period, these were very rich, though at the same time a prey to different taxes and also, sometimes, to confiscation.

Apart from these upper classes, all large towns of the period had many labourers, craftsmen, small shopkeepers, and poor people. The *fallāḥīn* (farmers or landtillers) were in the majority, but their condition was the worst, as they were subject to multiple taxes.²⁷ A collective tax imposed on a village irrespective of income level, was called by Ibn Taimīyah *al-maẓālīm al-mushtarakah*, i.e. joint or common injustice.²⁸

(a) *Guilds*²⁹

Generally, craftsmen of one and the same trade lived in the same quarters: in Cairo, there were many quarters occupied by particular groups of craftsmen.³⁰ But there were no guilds in the Western sense of a corporative monopoly that could fix the price of their products to their own satisfaction, as was the case in Europe. Lapidus, who has

presented a well-documented study of Syrian and Egyptian towns in the Mamluk period, has denied the existence of any guilds in the Muslim cities of that time.³¹

(b) *Towns*

Among important towns of the Mamluk period were Cairo, Alexandria, Damietta, Aswan, Aidhab, Gaza, Damascus, Aleppo, Baalbak and Tripoli. The famous traveller, Ibn Baṭṭūṭah (d. 1377) has given a fine description of their economic and social conditions, indicating their importance, in his book *Tuḥfah al-Nuẓẓār*.³² He also mentions the doctors and scholars whom he visited in these cities. He reports having listened to Ibn Taimīyah delivering the Friday sermon in the mosque of Damascus,³³ though some writers reject this on the ground that he was never known to deliver the Friday sermon; moreover, at the time Ibn Baṭṭūṭah visited Damascus in 1326, Ibn Taimīyah was imprisoned in the Damascus fort.³⁴

(c) *Impact of the crusades*

The crusades deeply influenced the social and intellectual life of Muslims and Christians. Herbert Heaton writes in his book *Economic History of Europe* that 'the crusades came as a heaven-sent opportunity to establish firmer footholds in the meeting place of East and West'.³⁵ As the period of peace was longer than that of war, Muslims and Christians mixed freely on social, economic and academic levels, to their mutual advantage.

2. Intellectual and educational background

Egypt and Syria became the centres of learning during the Mamluk period. A number of educational institutes (*mad-rasahs*) were established by the Sultan in different cities of the kingdom.³⁶ There were specialized teachers for each subject, who awarded certificates to their students on completion of their studies. The value of these certificates depended on the personal fame of the teacher himself.³⁷ The Mamluk

Sultans took a lively interest in the collection of books and establishment of libraries. Almost every *madrasah* and mosque had a valuable library, and there were also private libraries. Sultan Qalāwūn enriched his collection with many books of commentary on the Qur'ān, traditions of the Prophet, jurisprudence, language, medicine, literature, and poetry.³⁸

Speaking of the intellectual climate of the age, P. K. Hitti remarks: 'Viewed intellectually the entire Ayyubid-Mamluk period was one of compilation rather than of origination. Nevertheless, Damascus and Cairo, especially after the destruction of Baghdad and the disintegration of Moslem Spain, remained the educational and intellectual centres of the Arab world. The schools founded and richly endowed in these two cities served to conserve and transmit Arab science and learning.'³⁹

Translation of Greek ideas and philosophy in the earlier phases of Islamic civilization generated a struggle among original Muslim thinkers that was to endure for centuries. The struggle between the rationalist tendency of Greek philosophy and the comprehensive, unitive and intuitive quality of Islamic thought continued in the Mamluk period. In Sufism and philosophy certain significant developments took place. Aleppo was the centre of the doctrine of illumination (*ishrāq*). The famous saint Ibn 'Arabī (1164–1240) spent his last days in Syria. Saint worship became a common practice during these times, and Ibn Taimīyah wrote many volumes condemning it. He also criticized Greek philosophy and logic.

In the field of geography, a number of valuable books were written in this period, the most important being *Taqwīm al-Buldān* (Tables of the Countries) by Abu'l Fidā' (1237–1332) in which he argues that the earth is round and that, if a person travels around it he will experience a gain or loss of one day. In the words of P. K. Hitti, 'this Syrian author was perhaps to be considered the greatest historiographer of the period irrespective of nationality or religion.'⁴⁰ Another contemporary of Abu'l Fidā', Shams al-Dīn Dimashqī (d. 1326) produced a cosmographical treatise, *Nukhbah al-Dahr fī 'Ajā'ib al-Barr wa'l-Baḥr* (Selections

from All Times Relating the Marvels of Land and Sea), which is not so good as *Taqwīm* from the mathematical point of view, but richer in its physical, mineral and ethnic information. Yāqūt's (d. 1229) *Mu'jam al-Buldān* is a geographical dictionary, a supplement to which was written by Ṣafḍī (1296-1363).

Biographical books written in this period are of great importance even today. The foremost among all Muslim biographers, Ibn Khallikān (d. 1282), lived in Syria. He published the first dictionary of national biography in Arabic, *Wafayāt al-A'yān wa Anbā' ahl al-Zamān* (Obituary of Eminent Men and Sketches of Leading Contemporaries). Al-Kutubī (d. 1363) of Aleppo produced the supplement to this book under the title *Fawāt al-Wafayāt*.

Closely related to biography is history. Among the outstanding historians of the period are Abu'l Fidā' (d. 1332), Nuwairī (d. 1332), al-Jazarī (d. 1339), al-Yūnīnī (d. 1326), and Ibn al-Fawaṭī (d. 1323). Abu'l Fidā's work on history is a condensation and continuation of the voluminous history of Ibn al-Athīr (d. 1234). So popular was his history that it was continued, summarized and abridged by later writers.⁴¹ Ibn Kathīr's (d. 1373) *al-Bidāyah wa'l Nihāyah* is a valuable reference work on Islamic history. Its fourteenth volume relates to the period we are concerned with. Ibn Kathīr is famed also for his commentary on the Qur'ān. Nuwairī (1279-1332), who held many posts in the Mamluk Sultanate, wrote *Nihāyah al-Arab fī funūn al-Adab* in thirty volumes. Part of it is connected with administrative activities, especially the eighth volume, which is important for any research on the financial system of Egypt in that period.

Muḥammad bin Ibrāhīm al-Jazarī (1339), author of *Tārīkh al-Jazarī*; Mūsā bin Muḥammad al-Yūnīnī, author of *Dhail Mir'āt al-Zamān* in two volumes; 'Abd al-Razzāq bin Aḥmad Ibn al-Fawaṭī (d. 1323), author of *al-Hawāḍith al-Jāmi'ah*, are also representative of this period. The prolific writer Maqrīzī (1364-1442), whose valuable book *al-Khiṭaṭ* is repeatedly quoted in the following pages, belonged to the last years of the Mamluk Sultanate.

In the fields of language and theological literature too, this period made a distinguished contribution. The most

authentic and the greatest Arabic dictionary, *Lisān al-‘Arab*, in twenty huge volumes, was prepared by Ibn Manẓūr (1311). The famous Arabic grammarian, Abū Ḥayyān al-Tawḥīdī lived in this age. Theological experts like al-Dhahabī, al-Nawawī, ‘Izz al-Dīn bin ‘Abd al-Salām, al-Subkī and Ibn al-Qayyim all belong to this period.

C. Economic life

Commenting on the economic life of the period, Lane-Poole observes: ‘It was an age of extraordinary brilliance in almost every aspect. In spite of the occasional records of scarcity and high prices, the wealth of the country, whether from its fertile soil or from the ever-increasing trade with Europe and the East, was immense, if the fortunes of individuals are any test.’⁴²

The Mamluks knew that the stability and the success of their rule depended on the strength of the economy, alongside the strength of the army. Indeed, the latter’s strength was based on the former. It was for this reason that they tried to exploit fully the sources of wealth, and develop agriculture, trade and industry to enrich the country and the government.

1. Agriculture

Agriculture received first priority in that age, as it was considered the main source of wealth. It was well understood that the living of the inhabitants depended on agricultural produce. Industry and trade were also tied to the extent of agricultural production.

The Mamluks ordered the measurement of the Nile and survey of land; and redistribution of land was carried out by the two Mamluk Sultans Ḥusām al-Dīn Lājīn and Nāṣir Muḥammad bin Qalāwūn.⁴³ In the time of Nāṣir, a number of big and small dams were erected and many sizeable canals dug.⁴⁴ Arrangements were also made for the supply of better quality seeds.⁴⁵ Since, in most cases, production exceeded the country’s needs, the Sultan helped Syria and Ḥijāz with huge quantities of grain.⁴⁶ There were granaries in Egypt

where surplus produce was stocked, for use only in times of famine.⁴⁷

Among the variety of grains grown in Egypt and Syria at that time were wheat, barley, rice, gram and beans.⁴⁸ Cultivation of sugar cane, practised in Egypt since the arrival of Islam in that country, was considerably enlarged in the Mamluk era. P. K. Hitti writes in his *History of Syria* that 'Arab traders introduced sugar cane from India or south eastern Asia, where it must originally have grown wild'.⁴⁹ Cotton was the most common textile plant.

Fruits and vegetables were also grown in huge quantities and in great variety. Qalqashandī gives details of every kind of fruit and vegetable grown in Egypt at that time.⁵⁰ The Mamluk Sultans, especially Nāṣir, paid great attention to the planting of fruit trees and gardens. People became so interested in laying out gardens that towards the end of Nāṣir's regime there were a hundred and fifty in one city alone. The gardens of al-Jazīrah were second to none in their beauty and yield.⁵¹

(a) *Iqṭā'* system

Land in the Mamluk period was distributed among Amirs in the form of *iqṭā'*, a sort of administrative grant. We shall use this term, because its European counterpart 'fief', though a helpful analogy is fundamentally different⁵² – a point we shall discuss in Chapter VI when examining Ibn Taimīyah's views on different forms of economic organization. The Fatimid caliphs used to confer *iqṭā'* upon high-ranking civil officials such as vizier, and the heads of the *dīwāns* (departments), in lieu of salaries. In this case the *muqṭā'* or 'fief-holder' was not liable to military service, but was liable to pay '*ushr* (tithe) on his *iqṭā'* revenue, to the treasury. Even in the earlier Islamic centuries, this type of assignment of *iqṭā'* was found. Maqrīzī mentions a number of such grants made by the Prophet, peace be upon him, and his caliphs. Even mines were sometimes granted as *iqṭā'* by the Prophet.⁵³

When Ṣalāḥ al-Dīn Ayyūbī captured the throne of Egypt he was neither able to make full use of the Fatimid *iqṭā'* nor ignore it. He used the Fatimid *iqṭā'* when introducing the

military *iqṭā'*, but did not adopt the Fatimid model as a whole, since it was no longer subject to '*ushr*', and for this reason the Ayyubid *iqṭā'* is considered to have been freer economically than the Fatimid version.⁵⁴

When the Mamluks came to power they inherited the Egyptian *iqṭā'* system as it had developed under the Ayyubids. The *muqṭa'* had no right to sell or transfer his *iqṭā'* or pass it on to his heirs. On the contrary, after the expiration of the *iqṭā'* or the death of the *muqṭa'*, the land reverted to the Sultan who could then reassign it.⁵⁵

(b) *Obligations of the muqṭa'*

The duties and obligations of the *muqṭa'* can be divided into two broad categories – military and non-military.

In view of the ever-present threat of war, the *muqṭa'* was responsible for the expenses of his soldiers and had to hold himself in readiness to join the regular army with his troops on every expedition.⁵⁶ Against the cost of war preparations and for the payment of salaries to the *ajṇād* (military personnel) attached to the *muqṭa'*, he was entitled to collect such taxes as *marā'i* and *hilālī* and taxes on vice.⁵⁷ Apart from these taxes, he could also raise levies on agricultural produce. The right to collect some non-agricultural taxes was frequently conferred in the form of *iqṭā'* from the reign of Ṣalāḥ al-Dīn Ayyūbī onward until the Nāṣirī *rawk*⁵⁸ of 1315.⁵⁹ The chieftains of the bedouin tribes in Egypt were also granted *iqṭā'* against military service. They had to supply the army with auxiliary cavalry in case of emergency. Their regular duty was to guard roads, to keep highwaymen in check, and to send horses and camels as gifts to the Sultan.⁶⁰

The most important non-military obligations which a *muqṭa'* had to fulfil in return for the benefits derived from the *iqṭā'* were supervision of cultivation, irrigation, distribution of best quality seeds, and certain personal services to the Sultan. According to Nuwairī, a contemporary historian, the *muqṭa'* and his associates had to distribute good quality seeds among the *fallāḥīn* in the *iqṭā'*.⁶¹ The *muqṭa'* had to see to the maintenance of *al-jusur al-baladīyah* (the small irrigation dams) which were of permanent importance for the irrigation of the *iqṭā'*.⁶²

In the case of greater irrigation dams (*al-jusur al-sultānīyah*) which were constructed for the benefit of the province, the *muqṭa'* was not directly responsible.⁶³ However, during the Mamluk period, the *muqṭa'* did assist the Sultan in the construction of dams by supplying men and material. Maqrīzī mentions three such big dams that were built in Sultan Nāṣir's reign in which the *muqṭa'* took part with his *ajnād* and *fallāḥīn*.⁶⁴ The *muqṭa'*'s contribution in digging and cleaning some of the Nile canals is also worth mentioning. In 1310, one of Nāṣir's governors suggested to him the digging of some canals with a view to increasing revenue by transportation of foodstuffs and merchandise, raising funds by tolls, and increasing *kharāj* by providing better irrigation facilities and water supplies for gardening and drinking. The *muqṭa'* and his men worked on digging these canals.⁶⁵

Considering the functions of the *muqṭa'*, we can say that the impact of the Egyptian *iqṭā'* system on army structure, taxation, expenditure and administration was both profound and lasting. The *muqṭa'* was directly linked to the Sultan, unlike the European fief-system where the number of links between fief-holder and king led to the development of an aristocracy.

(c) *Land redistribution*

Before and at the beginning of Mamluk rule, land in Egypt was divided into twenty-four parts, of which four parts belonged to the Sultan, ten were in the hands of amīrs and ten were assigned to the *ajnād* (military personnel).⁶⁶ When Ḥusām al-Dīn Lājīn came to power, he decided to rearrange the land and investigate the deplorable conditions brought about by those amīrs who had appropriated the *iqṭā'* of the *ajnād* on the grounds of protection. He wanted to prevent disorder and looting in *iqṭā'*.⁶⁷ For this purpose he ordered the measurement of land, which is known as the Ḥusāmī *rawk*. The two main principles of the Ḥusāmī *rawk* were that land protection was to be abolished and that the land was to be divided into four parts for the Sultan, ten parts for amīrs and *ajnād* together, one part set aside to satisfy

complaints, and nine parts kept as reserve to be assigned in the form of *iqṭā'* to new troops.⁶⁸ However, the majority of the amīrs were not satisfied with these provisions and this was one of the reasons that the Lājīn regime was overthrown. Ibn Taghribirdī writes that this *rawk* was a major factor in weakening the army in Egypt as it did not benefit anyone. On the one hand, no one received an area of land larger than he had earlier, while on the other, a great portion of land remained undistributed.⁶⁹

Ibn Iyās states that the Nāṣirī *rawk* followed the Ḥusāmī *rawk*.⁷⁰ In ordering the survey of land in 1315, Nāṣir seems to have had several ends in view, i.e. to estimate what was or was not cultivated and so determine the yield from the different taxes; to abolish the taxes conferred in the form of *iqṭā'* upon the *muqṭa'*; to cancel or decrease large *iqṭā'*; and to increase the Sultan's *khāṣṣ* (private treasury).⁷¹

Dividing the land into twenty-four parts, Nāṣir set aside ten parts as *iqṭā' khāṣṣ* for the Sultan and reassigned the other fourteen parts to amīrs and *ajnād* in the form of *iqṭā'*.⁷² He excluded the old and disabled *ajnād* from *iqṭā'* grants, and allotted each of them a pension of about three thousand dirhams annually in place of *iqṭā'*. Also, a number of taxes were either abolished or reduced.⁷³ This reform was very successful and brought a great change in the Egyptian land system. The late amīr Ṭūsūn praised it highly in his book *Māliyyāt Miṣr* (Financial System in Egypt) where he says: 'It was a concrete step; it was not a mere supplement to the earlier measurement by an Arab Sultan, but it was such a lasting work that even the present department of measurement might boast upon it.'⁷⁴

2. Industry

Industry also flourished in the Mamluk era. The Egyptians and Syrians developed different kinds of industries.

Egypt was pre-eminent in the field of textiles, and some of its towns, for example Shatta and Dabique, were world famous for their textile products. Egypt was also renowned for the manufacture of curtain and flower-patterned sheet material. Sometimes these sheets had pictures of different

animals.⁷⁵ The metal industry also flourished in Egypt; it produced fine household utensils in copper, as well as gold and silver ornaments.⁷⁶ In the iron industry, Egypt did not have a distinguished place, though the Egyptians did specialize in the production of arms and hardware made of steel. They also produced ironwork windows, locks and keys, which are still preserved in the Arabian Archaeological Museum of Cairo.

Ship-building played a significant role in the Mamluk period. Egyptian-made ships and boats were used along the Nile for transporting goods and materials. Egypt was also famous for the manufacture of warships, used to transport men and materials from the Egyptian and Syrian coast to check the crusaders.⁷⁷

Carpentry and carving are also worthy of mention, applied principally in house roofs, doors, windows and in furniture.⁷⁸ Egypt was a major centre of the sugar industry. Maqrīzī writes that in the city of Samhūd, situated on the western bank of the Nile, there were seventeen big stone presses for sugar cane, Malāwī was famous for its cultivation, and there were also many crushing machines.⁷⁹ Ibn Baṭṭūṭah, who travelled in Egypt and Syria in 1326, writes of Baalbak, an old town of Syria, that 'many kinds of sweetmeats are manufactured in it, as well as textiles, and some other goods that cannot be equalled elsewhere'.⁸⁰

On trade and industry in the Mamluk period, Professor P. K. Hitti writes: 'The concession offered by al-ʿĀdil and Baybars to the Venetian and other European merchants stimulated an exchange of commodities and made Cairo a great "entrepot" of trade between East and West. Syrian silk shared with perfumes and spices first place in the export trade. Glass and manufactured articles stood next in the list. Damascus, Tripoli, Antioch and Tyre were among the leading centres of industry.'⁸¹ Sometimes industries benefited indirectly from particular government measures as when, for example, the government imposed taxes on foreign traders or trade pacts were agreed with foreign governments, which provided protection to the home industry and the facility to export its products.

3. Trade

(a) *Internal trade*

Egypt and Syria were centres of trade and commerce long before the advent of Islam. They maintained fully their centuries-old characteristics in the age of the Mamluks. The Sultan facilitated internal trade as well as foreign trade. Every city of Egypt and Syria had a market. Ibn Baṭṭūṭah writes: 'Travellers on the Nile need take no provisions with them. There is an uninterrupted chain of bazaars from Alexandria to Cairo, and from Cairo to Aswan in Upper Egypt.'⁸² He further writes that on the Nile there are thirty-six thousand boats belonging to the Sultan and his subjects, which sail upstream to Upper Egypt and downstream to Alexandria and Damietta laden with goods and profitable merchandise of all kinds.⁸³ From that statement it would appear that the Sultan also took part in the trade. According to Maqrīzī, in one area of Cairo there were fifty-two markets. Indicating the extent of trading activity he notes that, on the road from Ḥusainī to al-Mashhad al-Nafīsī, 'I found this distance full of shops where different kinds of food, drinks and goods were arranged in such a way that it was a pleasure to see them. One could not count the articles offered there, no question of counting the people engaged in business.'⁸⁴ In the Mamluk period markets specialized in one type of article. For example, Bāb al-Futūḥ was famous for its foodstuff. There were separate markets for poultry, for ornaments, for arms, etc. Maqrīzī gives detailed descriptions of such markets.⁸⁵ The Sultan appointed inspectors who visited these markets and checked on prices, quality and weights.⁸⁶

(b) *Foreign trade*

Egypt and Syria occupied a central position in foreign trade. In the Middle Ages, Asiatic goods reached the threshold of Europe along three main routes. The first was overland from China, Persia or India, on long caravan trails to southern Russia and Asia Minor. The second came across or up the Tigris-Euphrates valley and reached the Mediter-

anean on the coast of Syria. The third used the Indian Ocean and Red Sea and then made a short portage across the desert to the Nile and so to Alexandria.⁸⁷ The third route was used more than the others, as it was safer in the wake of Mongol terrorism. Great city emporia developed on the international caravan and shipping routes, meeting places for trans-shipping and exchange for the export and transit trade centres such as Aidhab, Damietta, Alexandria, etc. Contacts through the crusades increased commercial relations between the Asiatic countries such as Syria and Egypt, and the countries of Europe. Professor Heaton writes in *Economic History of Europe*: 'Muhammadanism regarded trade as a worthy occupation, ties of rule and religion facilitated long-distance trade and travel; and since the Asiatic end of the Moslem world possessed many industrial or agricultural skills, and products which were superior to those of the European end, the West benefited by the lessons it learned from its new masters.'⁸⁸ There is no doubt that the great city emporia and the goods offered there in Syria and Egypt by far surpassed the greatest cities of Western Europe of the late medieval periods such as Venice, Milan, Florence or Paris, in the scale of economic activities. Alexandria was the greatest commercial centre of the Mamluk period. European traders called there to purchase a variety of goods of Indian and Chinese origin. Shirts made in Alexandria were famous in both West and East. Maqrīzī writes that the caravan of traders descended into Alexandria by way of sea and land, and all parts of the world benefited from the shirts produced there. Even India, though it had its own silk industry, used to import them from Alexandria.⁸⁹

In order to expand foreign trade the Mamluk Sultans made treaties with neighbouring European countries. For example, Zāhir Baibars concluded a commercial treaty with Genoa, while Alfonso of Castile and James of Sicily made defensive pacts with the Sultan against invaders.⁹⁰ Qalāwūn had trade relations with Ceylon.⁹¹

During the crusades, bishops tried to use the economic weapon against Muslims by forbidding trade with Egypt and Syria, but they failed in their efforts.⁹² The necessities of life obliged both parties to maintain trading relations. There

were hostelrys or *funduk* in Egypt where the foreign traders could stay overnight and keep their capital.⁹³ These ordinarily comprised lodging quarters, a warehouse, an oven, a bathroom, a chapel and graveyard. The gates were closed each evening and residents locked in for the night.⁹⁴ Due to the expansion of trade, customs duty became an important source of government income in the Mamluk period.

(c) *Partnership (shirkah and muḍārabah)*

In this age, foreign or overseas trade was mostly done in partnership; one partner provided capital and the other his labour, and the profit was distributed according to prior agreement. In the words of Goitein, 'Partnerships of different types and facets were the legal instruments for formal co-operation in both industry and commerce. Employment with a fixed salary, the normal relationship in our own society, was of little scope and importance, and so was investment of capital against fixed interest. Wages and interest were replaced in the Mediterranean society of the eleventh century, as known to us, through the Geniza documents, by income from partnership.'⁹⁵ Although this remark is about eleventh-century Mediterranean society, there is nothing to indicate that the situation changed in the Mamluk society of the thirteenth and fourteenth centuries. Even in Europe, until the joint stock company appeared in the seventeenth century, partnership was the usual device for uniting two or more persons in an enterprise which could not be undertaken satisfactorily with either the capital or labour of one party.⁹⁶

According to Ramond de Roover, in the *Cambridge Economic History of Europe*, it appears from Genoese and Venetian records that the two most typical contracts in overseas trade were the '*commenda*' and the '*societas maris*'; they were called '*collegantia*' in Venice, but the different name has little, if any, importance. Both agreements were partnership agreements, concluded not for a period of years, but for a single venture or voyage, usually a round trip to the Levant, Africa, Spain or Provence.⁹⁷ We shall discuss the nature of the different types of partnership in Chapter VII.

4. Institution of *Ḥisbah*

For trade and industry the institution of *ḥisbah* was of prime importance. The officer in charge of this institution was called the *muḥtasib*. His main duty was general inspection, especially of the operation of the market. He used to check weights and measures, quality of products, maintain fair trade, and be constantly vigilant on prices.⁹⁸

In the Mamluk period four men were appointed to the post of *muḥtasib* at the same time: one in Cairo, another in Fustat, the third in Lower Egypt, and the fourth in Alexandria. Each was responsible for the market in his jurisdiction. The *muḥtasib* of Cairo had the highest position of the four, being equal in rank to the Secretary of Finance.⁹⁹ We shall examine the economic role of the *muḥtasib* and his duties in Chapter VII in relation to the role of the state in economic life.

5. Monetary system

In the monetary system of the Mamluk period, there were three kinds of monetary units – the *dīnār* (gold), the *dirham* (silver) and the *fals* (copper). While the *dīnār* was very scarce, the *fals* was the predominant coin. Circulation of dirhams always fluctuated; sometimes they even disappeared. The Mamluks inherited these forms of currency from their predecessors, the Ayyubids. According to Maqrīzī, in the Ayyubid period the dirham was so highly circulated that the *dīnār* lost its value. All prices were quoted in dirhams, taxes, wages, rents, etc., and all were paid in dirhams.¹⁰⁰ Since people were in need of a monetary unit more suitable for smaller transactions, Sultan Kāmil Ayyūbī introduced copper *fulūs* (pl. of *fals*).¹⁰¹ According to Maqrīzī, in the absence of a small monetary unit people had started to use barter in everyday transactions; the introduction of the copper *fulūs* was a great relief to them. Only the larger transactions were made in dirhams.¹⁰² But conditions worsened when Sultan Kitbughā and Zāhir Barqūq, aiming to exploit the people and swallow up their wealth, minted a copper *fals* in huge quantities, with a face value greater than its intrinsic value; the people were reluctant to accept it. So

Kitbughā declared that the *fulūs* should be taken by weight and not by number. To begin with, one *raṭl* of *fulūs* was equal to two dirhams.¹⁰³ Sultan Barqūq did not rely on his own country's supply of copper but imported it from European countries. He set up mints in Cairo and Alexandria which produced a huge number of copper *fulūs*. Consequently the dirham disappeared and prices increased.¹⁰⁴

During Nāṣir's reign, a *raṭl* of *fulūs* varied from two to three dirhams. When a *raṭl* of *fulūs* reached three dirhams, those who had taken *fulūs* for goods at the lower rate suffered hardship and had to close their shops. Nāṣir, seeking to remedy this situation, issued a new *fals* weighing one dirham to be accepted at its face value. But the older, underweight *fulūs* still circulated. This dual system created further hardship, as *fulūs* with a face value of seven dirhams were worth two dirhams by weight.¹⁰⁵ The situation only improved when, in 1358, Nāṣir's grandson, Nāṣir Ḥasan, cancelled all the existing *fulūs* and issued a new coin.¹⁰⁶

At the beginning of the Mamluk era the dirham contained two-thirds of silver and one-third of copper.¹⁰⁷ But in the course of time the proportions were reversed.

The exchange rate between dirham and dīnār always fluctuated. One dīnār was valued at 28.5 dirhams in the reign of Zāhir Baibars.¹⁰⁸ In the early part of Nāṣir's reign, one dīnār was equal to 25.5 dirhams. It fell to 17 dirhams when he increased war expenditure and a large number of dīnārs were put into circulation.¹⁰⁹ Towards the end of his reign a decree was issued forbidding people to sell or buy gold. All were obliged to surrender their gold to the mint and take dirhams in return. Maqrīzī refers to this as an unprecedented act of injustice.¹¹⁰ The predictable outcome of this measure was to increase the price of gold. In 1336, Sultan Nāṣir purchased a *mamlūk* for 200,000 dirhams, equal to 4,000 dīnārs.¹¹¹ This was an exchange rate of one dīnār to fifty dirhams.

On the whole, the monetary system was very unstable during this period. The circulation of large numbers of copper *fulūs* and an increase in the amount of copper in the dirham resulted in a lack of confidence in the currency which led to its debasement and fuelled an acute inflationary spiral.¹¹²

6. Fiscal system

(a) Taxation

The Mamluk Sultans had different sources of revenue. The tax on agricultural produce was divided into two categories:

- (1) Tax on cultivated land excluding trees (*kharāj al-zirā'ah*).
- (2) Tax on orchards (*kharāj al-basātīn*).

According to Nuwairī's description of it, the *kharāj al-zirā'ah* was imposed both in kind and in cash. The tax payable in kind varied from one sixth to three *ardāb* per *feddan*. An additional tax, called *ḥuqūq*, was also levied on some cultivated land. Its amount fluctuated between two and four dirhams per *feddan*. Tax payable in cash also varied. Mostly the amount was 250 dirhams per *feddan*; sometimes it reached 1,000 dirhams per three *feddans*. These lands were mostly cultivated with flax.¹¹³ The *kharāj al-basātīn* was payable in money and used to be paid in instalments at fixed times during the harvest of fruits.¹¹⁴ The tax on land fluctuated according to an increase or decrease in production.

There was also a tax known as *marā'ī* applied to pasture land and livestock. According to Nuwairī, it was levied in either of two ways – as a fixed tax to be paid annually, often in instalments, or as a variable tax collected every year after the Nile flood had receded. The former was treated as *hilālī* tax, while the latter was considered as *kharājī* revenue. It was levied according to the number of grazing animals. This variable tax was subject to increase or decrease according to the size of the livestock.¹¹⁵

Contrary to the Egyptian system where the Nile and its canals were the source of irrigation, in Syria everything depended on rain. Moreover, while in Egypt all lands were cultivated every year, in Syria people used to divide them into two parts; they cultivated one and left the other fallow to regain its fertility. Only a small part of the Syrian land was irrigated by canals and wells. In this case the return was more than it was from land irrigated by rain, and so the tax

on such land was also heavier. For example, while in general, land tax was one-fourth or one-third of the total product, in the case of land with irrigation facilities the tax was a half of the total produce. The tax rate varied from one-fourth to one-eighth in the case of remote lands and lands without inhabitants, or those situated on the frontier near the enemy. Generally, Muslims had to pay '*ushr*' (tithe) after payment of *kharāj*; but *dhimmīs* were exempted from '*ushr*'.¹¹⁶ In some parts of Syria, the European type of fief was inherited from crusaders and the fief-holder had to pay a fixed amount in lieu of his fief.¹¹⁷

Apart from the land tax, industry, mines and fisheries also contributed to the treasuries of the Mamluk Sultans. The Egyptian sugar industry was an important source of revenue during the period under study. Sugar was exported to Asia and the Mediterranean countries until the end of the fourteenth century.¹¹⁸ The textile industry and shipbuilding were also important sources of revenue.

In mining, alum, 'natron' and emeralds were the main source of revenue. Alum helped Egypt to balance her payments without exhausting her store of gold.¹¹⁹ Natron had been mined in Egypt since ancient times and continued to be mined until the first half of the fifteenth century. Al-'Umarī – a fourteenth-century historian – wrote that the 'natrons' exploited in the hundred feddan of *Birkah al-nat-rūn* in the Buhairiyah province yielded a revenue of about 100,000 dīnārs.¹²⁰ Qalqashandī stated that, in his lifetime, the value of 'natron' had greatly increased so that the price of a *qinṭār* reached about 300 dirhams.¹²¹ Salt had also been taxed until, in 1310, Nāṣir abolished the tax. The burden of this tax on the inhabitants can be ascertained from the fact that after its abolition the price of an *ardāb* of salt fell from 10 to as little as 3 dirhams.¹²² Egypt possessed unique emerald mines at Aswan, the emeralds providing a considerable source of foreign exchange. There was a separate *dīwān* for its management, with many secretaries and office-bearers.¹²³

The fishing industry was also taxed in two different ways: a permanent tax was collected in places where the fisheries were active throughout the year, such as Damietta, Burullus and Aswan; and taxes were also collected on temporary

fishing activities. In Syria, the river 'Āsī and the lake of Tabariah and other waters were sources of such revenue.¹²⁴

Another important source of revenue was a tax on trade and transactions. Merchandise was purchased privately or by state monopolies managed by a *matjar* (trade house). In 1310, Nāṣir took over this *matjar*, so that its revenue went to the Sultan's *khāṣṣ*.¹²⁵ The revenue from the *matjar* was so huge that in 1327 Nāṣir ordered 1,000 dirhams to be paid monthly to the Qādī Muḥammad bin Jamā'ah from the *matjar*.¹²⁶ *Zakāh* was the main tax imposed on the merchandise of Muslim traders. From an examination of the history of that period, it appears that in imposition and collection of *zakāh*, the *Shari'ah* principles were almost totally neglected.¹²⁷

The tax imposed on the imports of *dhimmīs* was called *wājib al-dhimmah*. The amount raised from customs duty was considerable. Ibn Baṭṭūṭah writes that when he reached Qatiya, on the border between Egypt and Syria, he saw that 'there are offices here with officers, clerks and notaries, and the daily revenue is one thousand dīnārs'.¹²⁸ It was an internal custom duty because Egypt and Syria were within Mamluk jurisdiction.

A tax called *ḥuqūq sāhil al-ghallah* was imposed on grains imported to Cairo through the harbours of Fustat and Alexandria. It was one of the major components of the revenue of the *dīwān*. About 4,600,000 dirhams were realized annually from this tax. Since Copts were mostly employed in its collection, they earned unlimited incomes, while the people suffered a lot of injustice.¹²⁹ At the time of his *rawk*, Sultan Nāṣir abolished this tax along with some other taxes.

Sales tax was also a source of revenue in the Mamluk period. According to Maqrīzī, in 1338–39 a tax called the *qarārīṭ* was imposed on property transactions.¹³⁰ It was a tax on sales of property amounting to 20 dīnārs per 1,000 dīnārs, i.e. 2 per cent. This tax remained in force until 1376, when Malik Ashraf Sha'bān abolished it.¹³¹

On *dhimmīs*, *jizyah* or *jawālī* a poll tax was imposed. Sometimes it was collected at double the legal amount of the *jawālī* tax.¹³² There was another tax imposed on *dhimmīs*, namely '*muqarrar al-Naṣārā*'. Along with some other taxes,

Sultan Qalāwūn abolished it in 1279, when it had been in force for eighteen years. As a result of the abolition of these taxes, prices came down.¹³³

In 1300, the Sultan imposed some new taxes, including a registration fee for shopkeepers amounting to 40 dīnārs, which, however, was withdrawn after the intervention of chief justice Ibn Makhlūf al-Mālikī.¹³⁴ There were taxes on weddings and prisoners, which were abolished by Nāṣir during the *rawk* of 1315.¹³⁵ War taxes were collected from the public whenever the Sultan made preparations for war. Sultan Qutuz imposed a tax of one dīnār on every Egyptian to finance the war against the Tatars.¹³⁶ War tax was abolished and reimposed many times in the Mamluk era. Taxes were collected on the use of public services, such as irrigation dams.¹³⁷ A tax on vice, such as prostitution, dancing parties, singers and musicians, was also a source of income in that period. The production of intoxicants and acts of prostitution were allowed on the payment of taxes.¹³⁸ The experts of Islamic law always opposed taxation of this kind, as they considered it an infringement of the *Shari'ah* and an encouragement of sin.¹³⁹

Apart from the above-mentioned permanent taxes, there were some irregular and occasional revenues from casual sources, e.g. *muṣādarah* (confiscation of property), *al-mawārith al-hashriyah* (heirless property), etc. During Lājīn's reign and the long reign of Nāṣir, cases of confiscation of officials' property were numerous. But confiscation was not always on economic grounds. Very often it was used as a punishment. For example, in 1266, the property of some amīrs was confiscated because they had supported the Sultan's enemy.¹⁴⁰

Income from *al-mawārith al-hashriyah* was huge during the frequent epidemics when numerous persons died suddenly without heirs.¹⁴¹

(b) State borrowing

Examples of state borrowing are also found in this period. Sometimes the Mamluk Sultans borrowed money from major traders, as the need arose.¹⁴² But no details are available of terms and conditions, etc.

(c) *Collection and administration*

Taxes were generally collected by the *muqṭaʿ* if they were conferred upon them. Sometimes Sultānī officials were assigned the responsibility of tax collection.¹⁴³ Another system of collection was that of *ḍamān*, in which the *ḍāmin* (the guarantor) used to guarantee payment of a fixed amount of money, irrespective of an increase or decrease in the amount that he would collect from people. His position was like that of a middle man. In this system the tax payers were always badly hit, as the *ḍāmin* used to collect more than the official amount.¹⁴⁴

There were a number of *dīwāns* (departments) dealing with different taxes and financial matters; for example, *dīwān al-rawātib* for wages and salaries, *dīwān al-ṣaʿīd* (office related to the affairs of Upper Egypt), *dīwān asfal-al-ard* (office of Lower Egypt), *dīwān al-jawālī waʿl-mawārith al-hashrīyah* (office of the poll tax and heirless estates), *dīwān al-kharāj*, for the collection of *kharāj* (land tax), *dīwān al-hilālī*, for the collection of *amwāl-hilālīyah* (those goods which were collected according to lunar months), etc. The centre of these *dīwāns* was *bait al-māl*, the concept of which as a state treasury was of early Islamic origin.¹⁴⁵ *Dīwān al-naẓar* or *dīwān naẓar al-dawāwīn* were the other terms used, in this period, for *bait al-māl*. It was a very important department of the government, comparable to a present-day ministry of finance. All accounts of state income and expenditure were the concern of this office. The head of this office was known by several different names, such as *nāẓir al-dawāwīn*, *naẓīr al-nuẓẓār* or *nāẓir al-māl*.¹⁴⁶ He was assisted by a large number of subordinates. The second most important financial office was that of *dīwān al-khāṣṣ*. It was established by Sultan Nāṣir in 1326, to manage the Sultan's personal purses. The chief of this office was called *nāẓir al-khāṣṣ*. Sometimes his influence was greater than that of the *nāẓir al-māl*.¹⁴⁷ He was responsible for managing the expenditure on food and uniforms for the court of the Sultan, and chief officers, governors, judges and the Sultānī Mamlūks.¹⁴⁸

(d) *Heads of expenditure*

No detailed information is available regarding the budget of Mamluk governments or their pattern of expenditure. The overall picture that we derive from the piecemeal information available is as follows:

The income from *kharāj* reached twelve million *dīnārs* during the reign of *Zāhir Baibars*.¹⁴⁹ Priority was given to army expenditure, in view of the Mamluks' preoccupation with military activities. They paid due attention to preparation of arms and ammunition and the manufacture of warships.¹⁵⁰ They had an outstandingly disciplined army, which put an end to the crusades and turned back the Mongols. Apart from the army expenditure, a lot of money was spent on the Mamluk royal family and royal functions.¹⁵¹

Next came the expenditure on ministers, governors, viziers, *qādīs*, supervisors of *dīwāns*, accountants, scribes, etc. Provision of public services, like dams and canals, schools and hospitals, was one of the heads of public expenditure. A number of buildings, dams and canals were built in the Mamluk period. These historical monuments reveal even today their dignity and grandeur.¹⁵² Spare income was spent on the purchase of horses, the advantages of which, in the medieval age, need no description.¹⁵³ In many cases extravagance and misuse of public funds took place, and contemporary thinkers criticized it.¹⁵⁴

References

1. Harrān is situated in North Mesopotamia on the small river Jullāb at the intersection of important caravan routes to Asia Minor, Syria and Mesopotamia. Today it is a part of modern Turkey.
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25. Cf. Suyūṭī, *Ḥusn al-Muḥāḍarah fī Mulūk Miṣr wa'l-Qāhirah* (Cairo: Dār Iḥyā' al-Kutub al-'Arabīyah, 1968), p. 95.
26. Ibid., pp. 97, 99.
27. Ibn Iyās, op. cit., p. 302.
28. Ibn Taimīyah, *Majmū' fatāwā Shaikh al-Islām*, henceforth abbreviated as *MFS*. First ed., (Riyad: Maṭābi' al-Riyāḍ, 1383 AH, 1963), Vol. 30, pp. 338–9.

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44. Maqrīzī, *Sulūk*, op. cit., Vol. 2, p. 130; Ibn Kathīr, op. cit., Vol. 14, p. 69.
45. Cf. Nuwairī, *Nihāyah al-Arab fī funūn al-Adab* (Cairo: al-Mu'asasah al-Miṣrīyah al-'Āmmah, n.d.), Vol. 8, p. 221.
46. Maqrīzī, *Khīṭaṭ*, op. cit., Vol. I, pp. 203–4.
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51. Maqrīzī, *Khīṭaṭ*, op. cit., Vol. 2, pp. 186, 228–9.
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60. Nuwairī, op. cit., Vol. 8, p. 201; Poliak, op. cit., pp. 9–10.
61. Nuwairī, op. cit., Vol. 8, p. 221; Maqrīzī, *Khīṭaṭ*, Vol. 12, p. 429.
62. Rabie, op. cit., p. 70.
63. Qalqashandī, op. cit., Vol. 3, pp. 444–5; Maqrīzī, *Khīṭaṭ*, Vol. 1, p. 101.
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69. Ibn Taghrībirdī, op. cit., Vol. 8, p. 95.
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84. Maqrīzī, *Khiṭaṭ*, Vol. 2, p. 95.
85. Ibid., pp. 94–100.
86. Ibid., Vol. 1, pp. 463–4; Lane-Poole, *A History of Egypt*, op. cit., p. 312.
87. Heaton, op. cit., pp. 151–2.
88. Ibid., p. 76.
89. Maqrīzī, *Khiṭaṭ*, Vol. 2, p. 174.
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92. Heaton, op. cit., p. 156.
93. Maqrīzī, *Khiṭaṭ*, Vol. 2, pp. 92–4.
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96. Heaton, op. cit., p. 165.
97. *The Cambridge Economic History of Europe*, Vol. 3, p. 49.
98. Maqrīzī, *Khiṭaṭ*, Vol. I, p. 464.
99. Ḥasan, op. cit., p. 400.
100. Maqrīzī, *Ighāthah al-Ummah bi-Kashf al-Ghummah* (Cairo: Lajnah al-Ta'lif wa'l-Tarjamah wa'l-Nashr, 1940), pp. 65–6. This situation

continued in the Mamluk period. At one place in his *Fatāwā*, Ibn Taimīyah wrote that in Damascus both dīnār and dirham were used, but since the latter was more commonly in circulation, the price was lowered in consequence. Cf. *MFS*, Vol. 29, p. 524.

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102. Ibid., pp. 69–70.
103. Ibid., p. 70.
104. Ibid., p. 71.
105. Maqrīzī, *Kitāb al-Sulūk*, op. cit., Vol. 2, pp. 205–6.
106. Qalqashandī, op. cit., Vol. 3, p. 444.
107. Ibid., p. 443.
108. Ibid., p. 438.
109. Maqrīzī, *Kitāb al-Sulūk*, op. cit., Vol. I, p. 899.
110. Ibid., Vol. 2, p. 393.
111. Maqrīzī, *Khiṭaṭ*, op. cit., Vol. 2, p. 404.
112. Maqrīzī, *Ighāthah*, op. cit., pp. 70–2.
113. Nuwairī, op. cit., Vol. 8, pp. 249, 253.
114. Ibid., pp. 253–6.
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117. Ibid., pp. 260–1.
118. Maqrīzī, *Kitāb al-Sulūk*, op. cit., Vol. I, p. 344.
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126. Maqrīzī, *Kitāb al-Sulūk*, Vol. 2, p. 283.
127. Ibn Taimīyah, *MFS*, op. cit., Vol. 30, pp. 344, 337.

128. Ibn Baṭṭūṭah, op. cit., p. 50.
129. Maqrīzī, *Khiṭaṭ*, op. cit., Vol. I, pp. 88–9.
130. Maqrīzī, *Kitāb al-Sulūk*, op. cit., Vol. 2, pp. 458–9.
131. Maqrīzī, *Khiṭaṭ*, Vol. I, p. 106.
132. Ibid., Vol. 2, p. 497; and *Kitāb al-Sulūk*, op. cit., Vol. 2, p. 384.
133. Ibid., Vol. I, p. 664.
134. Ibid., p. 907.
135. Maqrīzī, *Khiṭaṭ*, op. cit., Vol. I, p. 89.
136. Ibid., p. 105.
137. Ibid., p. 110; and *Kitāb al-Sulūk*, op. cit., Vol. 2, pp. 44–5.
138. Maqrīzī, *Khiṭaṭ*, Vol. 2, p. 90.
139. Ibn Taimīyah, *MFS*, op. cit., Vol. 28, p. 591; Maqrīzī, *Khiṭaṭ*, op. cit., Vol. I, p. 106; Ibn Kathīr, op. cit., Vol. 13, p. 254.
140. Ibn Kathīr, op. cit., Vol. 13, p. 350.
141. Ibn Ḥajar, op. cit., Vol. 3, p. 20; Qalqashandī, op. cit., Vol. 3, p. 460.
142. Maqrīzī, *Kitāb al-Sulūk*, Vol. 2, p. 103.
143. Ibid., p. 153.
144. Ibid., p. 420; Qalqashandī, op. cit., Vol. 3, p. 470.
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146. Maqrīzī, *Khiṭaṭ*, Vol. 2, p. 224.
147. Suyūṭī, op. cit., Vol. 2, p. 84.
148. Al-Zāhirī, Khalīl bin Shāhīn, op. cit., pp. 107–8.
149. Ibn Iyās, op. cit., Vol. I, p. 66.
150. Maqrīzī, *Khiṭaṭ*, Vol. 2, pp. 194–5, 994.
151. Qalqashandī, op. cit., Vol. 4, p. 56.
152. Hitti, op. cit., p. 639; Maqrīzī, *Khiṭaṭ*, Vol. I, pp. 171–2; and *Kitāb al-Sulūk*, Vol. 2, p. 262.
153. Qalqashandī, op. cit., Vol. 4, pp. 54–5.
154. Cf. Ibn Taimīyah, *MFS*, op. cit., Vol. 28, p. 572; Suyūṭī, op. cit., Vol. 2, p. 99.

CHAPTER II

Ibn Taimīyah – A Brief Biography

A. His family, education and personal character

The personality of an author and his ideas are inevitably linked. As there are many factors – environment, family, education, etc. – which contribute to the making of a personality, it naturally follows that for the serious study of a scholar of the stature of Ibn Taimīyah, some biographical background is essential.

1. Family and education

Ibn Taimīyah's full name is Taqī al-Dīn Aḥmad bin 'Abd al-Ḥalīm. He was born in Ḥarrān on 22 January, 1263 AD (10 Rabi' al-Awwal, 661 AH). His family had long been renowned for its learning. His father 'Abd al-Ḥalīm, uncle Fakhr al-Dīn and grandfather Majd al-Dīn were great scholars of Hanbalite jurisprudence and the authors of many books. His family were forced to leave their native place in 1269 AD before the approach of the Mongols and to take refuge in Damascus.¹ At that time Ibn Taimīyah was seven years old. His father 'Abd al-Ḥalīm was appointed as Professor and head of the Sukkariyah Madrasah. Endowed with a penetrating intellect and a wonderful memory, Ibn Taimīyah studied at an early stage all the disciplines of jurisprudences, traditions of the Prophet, and commentaries of the Qur'ān, mathematics and philosophy and in each he was far ahead of his contemporaries.² Among his teachers was Shams al-Dīn al-Maqdisī, first Ḥanbali Chief Justice of Syria following the reform of the judiciary by Baibars.³ The number of Ibn Taimīyah's teachers exceeds two hundred;

besides Shams al-Dīn, among other famous teachers were Ibn Abī al-Yusr, al-Kamāl bin ‘Abd, al-Majd bin ‘Asākir, Yaḥyā bin al-Ṣairafī, Aḥmad bin Abū al-Khair, etc.⁴ Ibn Taimīyah was barely seventeen when the Qādī al-Maqdisī authorized him to issue *fatwā* (legal ruling). The Qādī remembered with pride that it was he who had first permitted an intelligent and learned man like Ibn Taimīyah to give *fatwā*.⁵ At the same age he started delivering lectures. When he was thirty, he was offered the office of Chief Justice, but refused, as he could not persuade himself to follow the limitations imposed by the authorities.⁶

Ibn Taimīyah remained a confirmed bachelor. Once Ḥāfiẓ Dhahabī wrote about him that he was free from the passions of food, clothing and sex. He was interested in nothing except spreading knowledge and inspiring action in accordance with it.⁷ His brother used to take care of his expenses, which were slight as his lifestyle was very simple. He was more concerned with the interests of others.⁸

Ibn Taimīyah’s education was essentially that of a Hanbali theologian and jurisconsult. But to his knowledge of early and classical Hanbalism he added not only that of the other schools of jurisprudence but also that of heresiographical literature, in particular of philosophy and Sufism. He had an extensive knowledge of Greek and Islamic history, and religious books of others, as is evident from the variety of the books he wrote. Though he preferred the Hanbali school of jurisprudence, he was never biased in favour of it. In his writings, he frequently quoted the opinions of all four of the well-known schools of jurisprudence, even others. In a number of matters he himself held opinions different from those of the four schools. In fact he was an original thinker (*mujtahid*)⁹ who merely drew upon the wisdom of the four established schools.

In all his reformatory efforts, Ibn Taimīyah accepted the Qur’ān and the *Sunnah* (traditions of the Prophet) as the basic criteria. In matters where there was no clear guidance from the Qur’ān and the *Sunnah*, he never hesitated to venture into rational thought and took the path of *ijtihād* or creative originality and initiative.

The thirteenth and fourteenth centuries AD have a distin-

guished place in Islamic history. But their importance lies rather in the expanding than the deepening of knowledge. The means of acquiring knowledge were easily available as libraries and schools were established in large numbers.¹⁰ But in general there was a want of original thinking (*ijtihād*), a want that Ibn Taimīyah did much to supply. He examined the existing branches of learning critically and laid new foundations for research. A strong opponent of Ibn Taimīyah in his lifetime, Chief Justice Subkī (d. 1356) once wrote to the great Islamic historian, al-Dhahabī: 'I highly respect him (i.e. Ibn Taimīyah), and appreciate his expertise in education, *Shari'ah*, and rational sciences. I also recognize the high place he achieved in original thinking and intellectual ability, which words cannot describe. Such a unique personality had not been present for centuries.'¹¹

2. Character

Ibn Taimīyah was very generous and kind-hearted, especially towards the poor and the needy. Amīrs, army officers, traders and all classes of people loved him, as he worked for their interests in every possible way. He used to spend money generously on the poor.¹² Though he himself never engaged in trade and commerce, he had contacts with such people and hence understood their problems, as is evident from the *Fatāwā* in which a large number of enquiries were addressed to him about trade, commerce, business enterprises and contracts.

Al-Dabahī al-Zāhid (d. 1311) was a major trader before he joined Ibn Taimīyah's disciples.¹³ All kinds of people used to benefit from Ibn Taimīyah's lectures. He was always very firm and uncompromising in support of a right stand. For this same reason he made a number of enemies.¹⁴

B. His struggles and persecutions

Ibn Taimīyah's life was not confined to the world of books and words. Whenever circumstances demanded, he took part in political and public affairs too, distinguishing himself not only through his writings and speeches but also with the

sword as a brave warrior. Here is a brief account of his war deeds, a crucial aspect of his life.

1. Participation in *jihād*

In 1300, the Mongols under their king Ghazan invaded Syria and defeated the Sultan's army. Ibn Taimīyah, by this time well-known, flung himself into the stream of affairs, while the religious divines and saints were leaving Damascus to take refuge in Egypt. There were disturbances everywhere. Prisoners escaped from jails, unruly elements began looting and plundering the city before the Mongols arrived.¹⁵ Ibn Taimīyah did his best to restore order in the city; together with the remaining '*ulamā*' he met the Mongol chief, Il-Khan Ghazan. So forcefully did he plead the case of the people of Damascus before Ghazan that he secured the release of many prisoners and succeeded in obtaining a declaration of safety for civilians.¹⁶

During 1300, when the Mongol threat arose for a second time, Ibn Taimīyah exhorted people to *jihād* and encouraged them to confront the Mongols boldly. He was asked by the Governor of Damascus to go to Cairo and persuade Sultan Nāṣir to intervene in Syria. He left for Cairo in January 1301. When he saw that the Sultan was reluctant to face the Mongols, he warned him: 'If you wish to avoid coming out to protect Syria, we shall choose another Sultan who will defend and protect the land in time of war just as he enjoys its resources in peace time.' He further argued: 'Though you were not the ruler of Syria, yet if its inhabitants asked you to help them, you must come to their rescue. Seeing that you *are* their ruler and they are your subjects you have no excuse; you are responsible for them.'¹⁷ The Sultan was so impressed by Ibn Taimīyah's words that he was prepared to face the Mongols. The Mongols, however, refrained from attacking that year but they came back the next year in greater strength. Ibn Taimīyah toured the cities, called the people to a holy war and fired them with zeal. After a pitched battle at Shaqḥab in which Ibn Taimīyah fought bravely, the Syrian-Egyptian army won a glorious victory that turned the tide against the Mongols.¹⁸ On this occasion, Ibn Taimīyah

issued a *fatwā* exempting from the duty of fasting those who were fighting, and even those who actually stayed at home.¹⁹ This victory, which was to a great extent due to Ibn Taimīyah's efforts and commitment, stopped the Mongols' advance.

Apart from the battle of Shaqḥab, he took part in some other expeditions with the Mamluk authorities, and also undertook a few expeditions without them.²⁰

2. Opposition of rival '*ulamā*'

Because of his brilliant performance on the battlefield and his radical thinking, Ibn Taimīyah's fame spread throughout the realm, and he became a highly distinguished celebrity. This made a number of jurists jealous. Ibn Kathīr has pointed out this fact, saying that: 'A group of jurisprudents were jealous of Ibn Taimīyah, as he had a place in the court of the Sultan and people paid heed to him. To enjoin good and forbid evil was his vocation, and because of this he became very popular among the people. His followers were countless. His religious zeal, learning and actions made them jealous of him.'²¹

(a) *Visit to Cairo and the first imprisonment*

Ibn Taimīyah's opponents complained against him in the Sultan's court in Egypt, and certain baseless charges were levelled against him. He was summoned by the Sultan and arrived in Cairo on 7 April, 1306. Ibn Taimīyah was accused of anthropomorphism. He was not given a proper chance to clarify his position and was put into prison.²² He remained in the citadel of Cairo for nearly a year and a half. He was released on 25 September, 1307.

(b) *Second imprisonment*

After his release from jail, Ibn Taimīyah decided to stay for some days in Cairo to try to reform the creed of the people and their way of life.²³ He criticized bitterly the un-Islamic ideas of Sufism and continued to denounce all

those innovations (*bid'āt*) which he regarded as heretical.

Meanwhile another Sultan, Baibars al-Jāshankīr, who was strongly pro-Sufis had taken power in Egypt. Since a number of Ibn Taimīyah's supporters were present in Cairo, he was on this occasion exiled to Alexandria and put under house arrest. This exile lasted seven months. When Nāṣir Muḥammad bin Qalāwūn was restored to the throne on 4 March, 1310, he recalled Ibn Taimīyah and received him in audience at Cairo.²⁴

On his return to Cairo Ibn Taimīyah resumed his reformist activities, remaining there for about three years. Sultan Muḥammad bin Qalāwūn often consulted him. Ibn Taimīyah also advised the Sultan privately.²⁵

(c) *Return to Syria and the third imprisonment*

In 1313 a new Mongol threat appeared. The Sultan decided to face the Mongols at the Syrian border. People remembered the heroic part Ibn Taimīyah had played in the earlier battle and, though he was now over fifty, the Sultan sent for him to come to Damascus on 28 February, 1313. However, the Mongols retreated without a fight. Ibn Taimīyah now concentrated his attention on academic and social problems. He organized his teaching, as ever more people sought his guidance in their everyday life. His knowledge and thinking now became broader and more concrete. He sometimes issued a *fatwā* or legal ruling, even against the verdicts of the four famous schools of jurisprudence.²⁶ One such legal ruling was on divorce. In 1318, in a letter, the Sultan forbade him to issue any *fatwā* on divorce which was contrary to the prevailing Hanbalite doctrine. Ibn Taimīyah held the view that a triple utterance of the repudiation formula at the same time was to be considered as only one utterance, and that any repudiation obtained under duress was invalid. Ibn Taimīyah, accused of disobeying the Sultan's order, was condemned to prison. He remained in the citadel at Damascus for five months and eighteen days,²⁷ until his release on 9 February, 1321 by the decree of Sultan Nāṣir.

(d) *The fourth and last imprisonment*

Ibn Taimīyah's last imprisonment began on 13 July, 1326 and lasted until his death. His opponents dug up an old *fatwā*, related to tomb visits, given by him some seventeen years before which could be provocatively interpreted. In his treatise on the subject (*Risālah Ziyārah al-Qubūr*) Ibn Taimīyah had questioned the legality of visiting tombs, even the tomb of the Prophet.²⁸ His opponents distorted the sense and context of this *fatwā* to make it objectionable in the eyes of the public and the Sultan. A great dispute arose and Ibn Taimīyah was imprisoned in the citadel of Damascus along with some of his pupils including Ibn al-Qayyim.²⁹

(e) *His last days*

While in prison, Ibn Taimīyah spent all his time teaching and writing. Many of his works were produced in this period. During his detention the Maliki qāḍī, al-Ikhnā'ī, wrote a booklet against Ibn Taimīyah's treatise on tomb visits. From inside prison Ibn Taimīyah wrote an article criticizing the Qāḍī in which he proved him to be ignorant and incompetent and unsuitable for the post of judge. This article was widely circulated and al-Ikhnā'ī complained to the Sultan. Ibn Taimīyah was then, in 1328, deprived of all means of writing, his pen and papers taken away.³⁰

But this did not stop Ibn Taimīyah from writing; he wrote many letters and booklets with coal.³¹ He never complained to anybody about his persecution. Only when all reading and writing materials were taken away from him, did he say: 'Now they really have put me into prison.' He breathed his last on 26 September, 1328 (20 Dhu'l-Qa'dah 728 AH) having endured harsh conditions for five months. The whole country mourned. Schools, shops, hotels and markets were closed to mark his death. His burial was attended by great numbers of Damascans: eye-witnesses confirm that, excepting some invalids, all turned out for his funeral prayer, both those who had been for him and those against.³² This is a clear testimony of his place among the people, of their appreciation of his sacrifices for public purposes and just cause. Including the two years and three months of his last

imprisonment, Ibn Taimīyah spent about five years in different prisons.

C. A great reformer

In the Islamic perspective, 'reform' is understood quite differently than in Christian terminology. In Islam, 'reform' means purification of the original Islamic teachings, and the removal of un-Islamic new practices (*bid'āt*) and misconceptions. In this sense of the word, Ibn Taimīyah was a great reformer.

According to 'Allāmah Shiblī Nu'mānī, the highest reformer is one who revolutionizes religion or politics; who does not merely follow others, but expounds his own thoughts, who bears hardships, makes sacrifices and does not hesitate even to lay down his life for that cause.³³ Each of these essential qualities of a reformer is found in Ibn Taimīyah.

1. The main aspects of his reforms

The most important elements of Ibn Taimīyah's reforms were: (a) to bring about a revolution against un-Islamic practices (*bid'āt*) that had crept into Islam and to emphasize the concept of *Tawhīd* with all its implications; (b) a return to the fundamental priorities of Islam and its original spirit, instead of disputing over secondary and non-fundamental problems; and (c) serving the public good through such state intervention in economic life as promotes justice and security and prevents exploitation and selfishness.³⁴ He devoted all his energies to these activities throughout his life.

By the thirteenth century, the pure sweet spring of Islam had become muddled – on the one hand by un-Islamic customs and rites and false innovations such as tomb worship; on the other hand, by certain forms of Sufism which enervated the revolutionary message of Islam. Ibn Taimīyah carried reform in both directions.

Sufism was widespread at that time, in diverse groupings, with diverse concepts, techniques and cults. But all the forms of Sufism preached a life of seclusion and individualism; any

effort to organize for collective good and any participation in such effort was considered worldliness.³⁵ Some Sufis invented ideas and beliefs different from, even contrary to, the teachings of Islam; in the end, they only diverted the attention of their followers from the actual problems of life. Ibn Taimīyah bitterly criticized such ideas and practices. Once he wrote a letter to Shaikh Naṣr Manbijī the spiritual adviser of Baibars Jāshankīr in which he condemned the monism of Ibn ‘Arabī. Manbijī became angry with him and on his advice, Jāshankīr exiled him to Alexandria.³⁶ At that time Cairo was dominated by the Sufis. Ibn Taimīyah wanted to break their power and preached against them. As a result he faced strong opposition from the Sufis and their followers. In Damascus, a certain Shaikh Ibrāhīm al-Qaṭṭān, who had disfigured himself and was accused among other things of antinomianism, was brought to him. Ibn Taimīyah persuaded him to civilize and better his condition.³⁷ In 1305, he also reformed a similar group of Rifā‘īyah.³⁸

Some misguided people glorified tombs. Tomb-worship is contrary to the Islamic belief in *Tawhīd*, the denial of divinity and power to anyone except Allah the Almighty. Tomb worship and related un-Islamic innovations violate this principle. Ibn Taimīyah denounced them and wrote many treatises on these issues.

Ibn Taimīyah wrote books and took an active part in reform on politico-economic matters. The details of his economic views will be discussed later. It is worthwhile to note that many of the reforms of Sultan Nāṣir Muḥammad bin Qalāwūn, perhaps the most successful ruler of the period, were inspired by Ibn Taimīyah.³⁹

The principles behind Ibn Taimīyah’s economic views are well expressed in a letter he wrote to the Sultan of the time advising him to fight starvation, to satisfy basic needs, to help the oppressed, to listen to persons in distress, and to enjoin good and forbid evil, for he counted such actions as the pillars of justice and goodness.⁴⁰

On another occasion, when a tyrant governor of Damascus imposed excessive taxes, Ibn Taimīyah had him transferred by the Sultan and the taxes repealed.⁴¹

Ibn Taimīyah saw great upheavals in his time. He saw how

a false concept of religion can lead to exploitation and disturbance, and how misconceptions enter into religion especially when it is deprived of power. He was of the opinion that religion and the state should be indissolubly linked. Without the coercive power of the state, religion is in danger: without the discipline of the revealed law, the state becomes a tyrannical organization.⁴²

D. Attack on philosophy and logic

Another target of Ibn Taimīyah's criticism was Greek philosophy and logic. Translations from Greek into Arabic had started in the early periods of Islam. A few Abbasid caliphs even established academies for this purpose. Within two or three centuries, a great number of Muslim philosophers appeared who propounded Greek ideas or tried to justify the Islamic ideas and creeds from Greek-philosophical points of view.

The truths of Islam were distorted through conflicting interpretations. By the thirteenth century AD, Greek philosophy had such a hold over people's minds that they could hardly think without its help, indeed it had become a measuring stick for even religious truths. As a result of the influences of Greek philosophy, it became near-impossible for people to keep steadily to the right path of Islam.

Ibn Taimīyah was aware of this. He knew that unless the crippling falsehood of Greek philosophy was removed, the people would not be able to grasp the divine truth of Islam. He studied critically all the great Muslim philosophers and their works, such as al-Fārābī (who is called the next master after Aristotle), Ibn Sīnā (Avicenna), Ibn Tufail, Ibn Rushd (Averroes), etc. He criticized even al-Ghazālī (d. 1111), himself a great critic of philosophy in his last days, for not wholly abandoning philosophy.⁴³ During his exile in Alexandria in 1307 Ibn Taimīyah wrote one of his most valuable works, *al-Radd 'Alā al-Manṭiqī'īn*. The French scholar, Henri Laoust, is of the opinion that in Alexandria he might have met and come under the influence of the passing *Muwahhidūn* of the Maghrib⁴⁴ who were vehemently opposed to philosophical thinking in religion and very strict in their belief in the unicity of Allah.

‘Ibn Taimīyah was opposed to extreme rationalism. Like Kant (d. 1804) he did not believe that reason could lead us to the knowledge of Ultimate truths. He was opposed to logic in its application to the truths of religion or Ultimate truths. He was not against reasoning as such, but believed that it was not confined to the Aristotelian logic or syllogistic reasoning. Logic, he demonstrated, was not a measure of the Truth or Reality. It was only a means of judging the consistency of arguments. Its constant use sharpened the intellect and assisted in discovering fallacies in the existence of a thing. It was neither a source of existential nor valuational knowledge . . .’

‘In the opinion of Ibn Taimīyah logic was also not in conformity with reason, because reason could not be subordinated to principles laid down by one man. Reason had its own nature and it had its own methods. Its course and functioning could not be determined by anyone. The lines prescribed by Aristotelian logic were too narrow for reason and in fact reason was not restricted to these ways alone . . .’

‘As against the deductive method, Ibn Taimīyah emphasized the need and importance of the inductive and empirical method.’⁴⁵

E. His method of teaching, style of writing and his disciples

1. Method of teaching

Ibn Taimīyah’s method of teaching was both elegant and striking, replete with authentic references, strengthened with rational argument and evidence from the Traditions. For a lecture on any subject he would refer to verses of the Qur’ān and discuss their meanings with cross references from the Qur’ān. He would also note evidence from traditions of the Prophet and check their authenticity. He would then expound the relevant opinions of the four schools of jurisprudence and of other famous experts in jurisprudence. Having discussed the matter fully in this way, the problem and its solution would become clear in the minds of his listeners. Ibn Taimīyah had a prodigiously good memory which helped him overwhelm his adversaries in polemic.⁴⁶

2. Style of writing

His style is clear and elegant. His writings are so richly steeped in references to the Qur'ān, to Tradition, to the sayings of the Companions and their followers, and to opinions of other experts in jurisprudence, that any Muslim reader must feel that he is living in the blessed age. From the literary point of view too, his writings have great merit. Because of their clear expression and choice of idiom even his technical works seem to be literary ones.

But in contrast to these merits, it is claimed that Ibn Taimīyah's writings have some shortcomings as well, in particular their frequent digressiveness.

3. His disciples

When Ibn Taimīyah died he left a number of pupils and disciples who were second to none. His disciples were of two kinds as were his teaching sessions. One kind consisted of those who learned from him through his speeches after the Friday prayers, and through his public lectures.⁴⁷ In such meetings he presented to the audience the pure and simple teachings of Islam; urged them to follow the good and the just, and forbade to them evils and innovations.

The other kind of disciples were those who attended his special sessions; they were disciples in the true sense of the word. They possessed the ability necessary to grasp the broader meaning of their master's teaching; they inherited his knowledge and way of thinking.

Ibn Taimīyah's disciples spread from Syria to Egypt and Cairo to Alexandria. Some of them scattered to very far-off places.⁴⁸ They preached and developed his intellectual heritage, and shared their master's persecutions. One of the most famous of them was Ibn Qayyim al-Jawzīyah (d. 1350), a great writer in his own right. He so mingled his personality with that of his teacher that we find in his books echoes of Ibn Taimīyah's thought. Among other distinguished disciples were Ibn 'Abd al-Hādī (d. 1343), who died at the age of forty but left valuable works. He wrote a biography of his master, *al-'Uqūd al-Durriyah*; Ibn Kathīr (d. 1373), the famous historian and commentator of the Qur'ān, whose

book *al-Bidāyah wa al-Nihāyah* contains a detailed biography of his teacher; Ḥāfiẓ Dhahabī (d. 1348), the great Islamic historian of traditions; al-Mizzī (d. 1341), another expert on traditions; Muḥammad bin Mufliḥ (d. 1362), writer of many books; Abū Ḥafṣ al-Bazzār (d. 1349), the author of a biography of Ibn Taimīyah; Ibn al-Wardī (d. 1348), expert in literature, grammar and some other branches of learning; and Qāḍī Ibn Faḍl Allāh (d. 1349), a famous writer.

F. Impact of Ibn Taimīyah through the ages

Ibn Taimīyah created a climate of revolutionary thinking both through his ideas and his reformist endeavours whose impact was felt not only in his own time but ever since. In his lifetime people were divided either into those who were strong opponents or strong supporters fully in agreement with him, or uncommitted, those who agreed with some views and disagreed with others. Ibn Taimīyah left behind a large number of books and disciplines. His opponents soon sank into anonymity, while the value of and appreciation for his works has increased. He had a great influence over Sultān Nāṣir Muḥammad bin Qalāwūn, who often consulted him during his stay at Cairo from 1309 to 1312.⁴⁹ The Sultan appointed the Amīr Shams al-Dīn Afram as Governor of Tripoli on his advice.⁵⁰

Ibn Taimīyah had a great influence among amīrs and high-ranking officials. During his stay in Egypt and Syria, and even when he was imprisoned, amīrs and other responsible persons, as well as ordinary people, used to consult him.⁵¹ Ḥusām al-Dīn Muhannā Amīr of ‘Arab, Kitbughā al-Manṣūr (d. 1321), and Ṣaif al-Dīn Arghūn al-Nāṣirī (d. 1330) who held the office of viceroy and governor of Aleppo, are described as his friends and admirers.⁵² When he was imprisoned in Egypt, several amīrs used to visit him and bring gifts of the best food. The Qāḍī disapproved of this and complained to the Sultan who had Ibn Taimīyah transferred to the prison at the fort.⁵³

In his own lifetime Ibn Taimīyah’s fame and influence extended beyond the boundaries of Egypt and Syria. When he was imprisoned for the last time in the citadel of

Damascus, many letters came from the inhabitants of Baghdad protesting against his arrest and demanding his release.⁵⁴ When he died, funeral prayers *in absentia* were performed even as far as China.⁵⁵

One of his disciples, Altama ‘Abd al-‘Azīz Ardabīlī, went from Damascus to the court of the Sultan, Muḥammad Tughluq.⁵⁶ Professor K. A. Nizami writes: ‘Ibn Taimīyah’s disciples reached India at a time when the country was in the grip of pantheistic doctrines. The policies of Sultan Muḥammad bin Tughlaq and Fīrūz Shāh seem to have been very greatly influenced by these tendencies of the age.’⁵⁷

Ibn Taimīyah’s influence continued to be deeply felt long after his death, as acknowledged by Maqrīzī (d. 1441) the historian of the second Mamluk period.⁵⁸ It continued much later, as exemplified in Ibn Taimīyah’s biography written by al-Marā’ī (d. 1623), in the Ottoman period. And almost all historians have recognized his deep impact on the most prominent reformer of the eighteenth century, Muḥammad bin ‘Abd al-Wahhāb (d. 1792).⁵⁹

Some of Ibn Taimīyah’s rulings (*fatāwā*) have survived in the legal codes of some modern Muslim countries. A conspicuous example is the case of divorce under duress in the Egyptian and Syrian laws.⁶⁰

G. Economic views in his writings

It is inconceivable that economic matters could have escaped the attention of such a versatile genius as Ibn Taimīyah. He had witnessed ruined families and destroyed economic life since his very earliest years. His own family had faced migration and suffered loss of property. He observed a general economic decline at the Mongols’ hands. He had contact with every class of person – from the *fallāḥin* and artisans up to amīrs and sultans. He had seen the agony of the poor classes and the exploitation by the ruling class. So deeply did this impress his dynamic and conscientious spirit that he could not keep silent. What also inspired him was that Islam as a religion *does* concern itself with economic problems and holds certain fundamental principles in regard to them.

Ibn Taimīyah emphasized that every person must be assured a minimum standard of living sufficient for him to fulfil his obligations to the Almighty and to his brethren.⁶¹ Equally, he emphasized justice; that is, he sought to point out the responsibilities of the individual as well as the state, so that both could co-operate with each other and neither was abused. According to him, justice is a value recognized by all nations. He says: 'All people agreed that the consequences of injustice are gloomy, and the fruit of justice is admirable.'⁶²

Ibn Taimīyah discussed economic problems principally in two books: *Al-Ḥisbah fī'l-Islām* (The Institution of *Ḥisbah* in Islam) and *al-Siyāsah al-Shar'īyah fī Iṣlāḥ al-Rā'ī wa'l-Ra'īyah* (Public and Private Laws in Islam).⁶³ While in the first book he discusses the market, and government intervention in economic life, in the second book he deals with public income and expenditure.

Apart from these two books there are a number of his works in which he explores matters related to economics. Since he was given to frequent digressions, his economic views are scattered throughout his books. We find them, especially, in his *fatāwā* or legal rulings.

In the following pages his economic views will be our main concern.

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CHAPTER III

Just Price, Market Mechanism and Price Regulation

A. Just price

1. Origin of the idea of just price

The concept of just price played a great part in the economic thinking of the Middle Ages. Originally an ethical and legal term, it became after passing through many stages an economic one.

The German author Rudolf Kaulla states: 'The concept of *justum pretium* (just price) was first formulated in Rome, in view of the necessity of laying down special rules for the guidance of magistrates in cases in which they had to pronounce upon the value of a commodity or service.'¹ But he does not argue any grounds for this opinion. The economic history of ancient civilizations shows that the idea of regulating price and securing justice in people's acts of buying and selling was found in many nations, for example, the Hebrews, the Hindus² and the Greeks.³ But its nature and the minute details of it are not preserved. In brief we can say that at that time 'as a conception and as a doctrine, it was basically ethical rather than economic. In antiquity ethics was a branch of philosophy and the doctrine of the just price formed a part of the philosophical system.'⁴ It was expounded with the aim of realizing justice rather than determining price. It also led, inevitably, to the demand that the authorities do all in their power to enforce the just price.⁵ It therefore became a legal term. The municipal authorities and those dealing with supervision of markets had a right to fix just prices keeping in mind the conditions and cir-

cumstances of producers so that exploitation might be avoided on all sides – the buyer's as well as the seller's.

(a) *Just price in the Middle Ages*

In the Middle Ages, just price became the main theme of those thinkers who addressed economic problems. A new contribution to the discussion was the introduction of cost analysis, though just price still remained very much under the shadow of law and ethics. It will be worthwhile looking briefly at the theory of just price among 'scholastic'⁶ thinkers of the Middle Ages before we examine Ibn Taimīyah's views on the subject. This will facilitate a comparison between the two.

The twelfth and thirteenth centuries of the Middle Ages were marked by an increase in economic activities in Europe and expansion of trade and commerce. In the accompanying intellectual revival, scholars began to concern themselves with specifically economic questions, which were assuming practical and theoretical importance at that time. All these factors contributed to rethinking on the question of just price, though Henri Higgs stresses the revived study of Roman law as particularly important: 'The stress which the great schoolmen beginning with Peter Lombard, laid upon it from the twelfth century onwards, must be explained not only by the growth of trade but also by the revived study of the Roman Law, which laid down that every man had a natural right to overreach another.'⁷

For a concrete example of the scholastic approach to just price, we shall discuss briefly the opinions of Saint Thomas Aquinas,⁸ called the prince of the scholastics,⁹ whose thought influenced an epoch.¹⁰ According to O'Brien, 'The teaching of Aquinas upon economic affairs remained the groundwork of all later writers until the end of the 15th century. His opinions on various points were amplified and explained by later authors in more detail than he himself employed. . . .'¹¹

Without defining explicitly what just price is, Aquinas says: 'It is sinful to practise fraud for the express purpose of selling a thing for more than its just price, inasmuch as a man deceives his neighbour to his loss.'¹² He quotes Cicero

as saying: 'All deception should therefore be eliminated from contracts; the seller should not procure someone to bid up, nor the buyer someone to bid down the prices.'¹³ Gordon infers that 'to Aquinas the just price of any commodity is its current market price established in the absence of fraud and monopolistic trading practices.'¹⁴ Schumpeter also reaches the same conclusion when he says: 'St. Thomas was as far as Aristotle from postulating the existence of a metaphysical or immutable "objective value". His *quantitas valoris* is not something different from price but it is simply normal competitive price. The distinction he seems to make between price and value is not a distinction between price and some value that is not price, but a distinction between the price paid in an individual transaction and the price that "consists" in the public evaluation of the commodity which can only mean normal competitive price or value in the sense of normal competitive price, where such a price exists.'¹⁵

Schumpeter supports this interpretation with the observation that the title of the question LXXVII of part II of *Summa Theologica*, in which the theory of just price is presented, is 'on fraud committed in buying and selling'. Again in his own words: 'If the just price were something else than the normal competitive price, practices other than fraud would be more important. But if St. Thomas was thinking of what we call normal competitive price, fraud becomes the chief phenomenon to be dealt with. For if there exists a competitive market price, individual deviations from it are hardly possible except through fraudulent representations about the quantity and quality of the goods.'¹⁶ Schumpeter holds that Aquinas' just price was actually normal competitive price. But he has not discovered in Aquinas' writing the other conditions of perfect competition necessary for the determination of such a price. Many other commentators on medieval economic thought have rejected the opinion that 'the medieval just price was in no way different from the competitive price of today, which is arrived at by the haggling of the market . . . (rather) it was conscious social judgement that fixed the prices beforehand and was expressed chiefly in custom'.¹⁷ In our opinion, the reason for these two entirely different conclusions is that the views of medieval scholastic thinkers are too

briefly expressed and without sufficient clarity – there is much to be said on both sides.

Albertus Magnus (1193–1280) was the first among scholastic thinkers to introduce labour and cost analysis into the theory of just price. He held that ‘two commodities were equal in value and their exchange would be just if their production represented equal amounts of labour and expense’. This doctrine was adopted word for word by St. Aquinas – his pupil.¹⁸ But no definition of cost is found with them except an emphasis on evaluation of *conditio* or social status: just as the work of a person depends upon his class, so does the value of his service.¹⁹ In the light of this proposition it becomes clear that to Aquinas the just price differential should reflect the difference in social standing of various suppliers of product.²⁰

If just price is not prevailing in the market, the authority must fix such a price; recommending this, ‘St. Thomas recognizes the element of the subjective value of an object to the seller, but he does not take into consideration the element of the object for the buyer.’²¹ He says: ‘The just price will be one which not only takes into account the thing sold, but also the loss incurred by the seller in parting with it. And thus a thing may lawfully be sold for more than it is worth in itself, though not more than it is worth to its possessor.’²²

A relatively clearer analysis of cost is offered by the English scholastic thinker, Duns Scotus.²³ According to him, the price should cover the expenses incurred by a merchant in buying, transporting and storing goods plus compensation for the industry, labour and risk involved in bringing the commodities to market. He adds that a just price is one which enables a merchant to support his family adequately.²⁴ This would mean that the price should cover costs and leave a profit sufficient to support the merchant. But Duns Scotus also fails to take into account the buyer’s valuation of the commodity.

To summarize the foregoing: the concept of just price was evolved with a view to maintaining justice in exchange. Modern economists differ about the nature of just price. Some hold that it was the normal competitive price; others

say that it was a price quoted beforehand, determined by custom or communal estimate. Certain schoolmen did introduce the concept of cost to their analysis of just price, adding an economic significance to its significance in ethics and law. But their concept of cost is not clearly defined. In fixing of just price, scholastic thinkers stressed the value of goods to the seller but they neglected the importance of goods to the buyer.

(b) *Economic significance of the just price*

Only those who see the concept in its primitive stages and neglect its later development deny the importance in economic theory of just price. Most writers would now share the view of Salin, writing in the *Encyclopaedia of Social Sciences* on St. Thomas Aquinas' analysis of just price and his treatment of cost and labour: 'Thus it is incorrect to say that the just price as formulated by Aquinas and later scholastics was entirely devoid of economic content.'²⁵

The concept changed with the advancement of economic thinking and activities. In his book *History of Economic Analysis*, Schumpeter writes: 'Duns Scotus, at all events, may be credited with having related just price to cost, and we must nevertheless credit him with having discovered the condition of competitive equilibrium which came to be known in the nineteenth century as the Law of Cost.'²⁶

Generally, the classical economists built their ideas on the bases of existing ones. In the words of Salin: 'In spite of the virtual disappearance of the doctrine, the just price as an idea managed to survive in the most diverse guises. The "Natural Price" of the Physiocrats is nothing but the old just price in a secularized form and in the new terminology of natural law. Adam Smith's normal value is an obvious survival of the old doctrine.'²⁷

A similar idea has been expressed by Rudolf Kaulla, who says: 'In practice Adam Smith's "natural price" is identical with the *justum pretium* of Scholasticism but its theoretical basis is entirely different . . . '²⁸ He wrote a valuable book, *Theory of the Just Price*, first published in 1936, (English translation from German in 1940 by D. Hogg) in which he

reiterated that, in spite of the full agreement of the modern economist to exclude completely the concept of just price from economic theory, the idea still holds true and is a part of reality. Every state faces some problems which force it to fix just price to meet the requirements of justice. According to Salin, 'the most recent doctrines of the universalistic school represented by Spann have gone so far as to resuscitate just price as a concept'.²⁹

2. The concept of just price in early *Fiqh* literature

The Qur'ān lays great emphasis on justice.³⁰ It was quite natural to apply the idea to market relations, especially to prices. Thus the Prophet, peace be upon him, characterized as *ribā* overcharging a trusting customer.³¹

A just or fair price is mentioned in some traditions from the Prophet in the context of compensation due to an owner, e.g. in case of a master who frees part of a slave. The slave becomes a free man and the master is compensated for the remaining part at a fair price (*qīmah al-'adl*).³² The same term occurs in a report about the second caliph, 'Umar bin Khattāb, fixing a new value for blood money (*diyyah*) after the purchasing power of the dirham fell due to a rise in prices.³³ The notion of a just or fair price is also found in one of the state letters of the fourth Caliph, 'Ali bin Abi Tālib.³⁴

Jurists who codified Islamic rules about business transactions, applied the concept in case a defective object is sold, in case of usurpation, forcing a hoarder to sell his goods, overcharging, disposal of the property of a trust, etc.³⁵ Generally, they thought that the just price of something is that price which is paid for similar objects in a given time and place. Therefore, they preferred to call it the price of the equivalent (*thaman al-mithl*).³⁶

Though the notion of a just or fair price was present in Islamic jurisprudence since the earliest times, Ibn Taimīyah seems to be the first Islamic scholar to have paid it special attention. As we have seen above, earlier the idea found mention in very restricted contexts. But, as we see below, Ibn Taimīyah, while elaborating upon its application to

particular contexts like hoarding (*ihtikār*) and obligatory sale, etc., generalized the idea to cover wages and profits along with the prices of commodities.

It is pertinent, however, to note that the elaboration of the idea by Ibn Taimīyah was a development indigenous to Islamic jurisprudence. It had little to do with the development of the idea among the scholastics.

3. Ibn Taimīyah on just compensation and just price

We find two terms occurring very frequently in Ibn Taimīyah's discussion on the issue related to prices: 'compensation of the equivalent' (*'iwaḍ al-mithl*) and 'price of the equivalent' (*thaman al-mithl*). He says: The compensation of the equivalent will be measured and assessed by its equivalent, and this is the essence of justice (*naḥs al-'adl*).³⁷ Elsewhere, he distinguishes between two kinds of prices; unjust and prohibited prices and just and desired ones, and he considers the price of the equivalent as the just price.³⁸ Thus, the two words, 'just' and 'equivalent', are used interchangeably, a procedure we too shall follow.

Ibn Taimīyah's just compensation (*'iwaḍ al-mithl*) and just price (*thaman al-mithl*) are not the same. The question of just compensation or 'compensation of the equivalent' arises when the discharge of moral or legal obligations is at issue, perhaps (but not necessarily) in connection with goods. For Ibn Taimīyah, this principle is involved in the following cases:³⁹

- (a) When a person is held responsible for causing injury to others' lives (*nufūs*), or property (*amwāl*), or virginity, or profit (*manāfi'*);
- (b) When a person is under obligation to repay equivalent goods or profits, or to recompense for injury to some part of the body (*ba'd al-nufūs*);
- (c) When a person is asked to settle invalid contracts (*al-'uqūd al-fāsidah*) and valid contracts (*al-'uqūd al-ṣaḥīḥah*) in the event of a defect (*arsh*) in lives and property.

The same general principle applies to payment of dues, compensation and other financial obligations. For example:⁴⁰

- (a) grants made by the governor (*wālī*) to Muslims, orphans and trusts (*waqf*);
- (b) compensation by a business agent (*wakīl*) who is agent for the payment of compensation;
- (c) remuneration by/to a business partner (*al-mushārik wa'l-muḍārib*), etc.

These cases are not in fact cases of exchange but, as we said above, of compensation or discharge of obligation.

Defining the 'compensation of the equivalent', Ibn Taimīyah says that it 'is the equivalent amount of that particular object in the prevailing usage (*'urf*). It is also referred to as the rate (*si'r*) and custom (*'ādah*).'⁴¹ Moreover, he goes on: 'The correct evaluation of the just compensation will be based on the analogy and assessment of a thing by its equivalent. And this is real justice and real accepted usage.'⁴²

It seems that the concept of just compensation was a guideline for the just in the society and for judges in court. It should be remembered, initially, that the aim of the just price was also to provide a guideline for the authorities; its later development gave it an economic turn. Thus, there is a great resemblance between Ibn Taimīyah's concept of just compensation and the just price of early scholastic thinkers.

Ibn Taimīyah distinguished between the ethico-legal and economic aspects of just price. He used the term 'compensation of the equivalent' for the former, and 'price of the equivalent' for the latter. Such a distinction was not common in his day. He says: 'Often it becomes ambiguous with experts in jurisprudence, and they argue against each other about the nature of the compensation of the equivalent – its kind (*jins*) and quantity (*miqdār*).'⁴³

Since compensation of the equivalent is a moral and legal concept, he speaks both of the legally necessary minimum, and of the desirable or morally excellent. He says: 'To compensate for a thing by its equivalent is an obligatory justice (*ʿadl wājib*) and if payment is voluntarily increased, it is far better and a desirable benevolence (*iḥsān mus-*

taḥabb); but to reduce the compensation is a prohibited injustice (*ẓulm muḥarram*). Likewise, to counter a bad thing with its equivalent is permitted justice (*‘adl jā’iz*); but to increase the damage is unlawful (*muḥarram*), and to reduce it is desirable benevolence (*iḥsān mustaḥabb*).⁴⁴

On the difference between compensation of the equivalent and price of the equivalent, he observes: ‘Amounts quoted in contracts are of two types. First, an amount with which people are familiar and to which they are accustomed. This is the commonly accepted customary compensation. The second is the kind which is uncommon (*nādir*), which comes as a result of increase or decrease in volition (*raghbah*) or some other factors. This is expressed as price of the equivalent.’⁴⁵ It seems clear that for Ibn Taimīyah, the compensation of the equivalent is a relatively durable phenomenon, resulting from established custom, while the price of the equivalent is a variable, determined by forces of supply and demand and affected by the will and desire of the people concerned.⁴⁶

In contrast to the compensation of the equivalent, the question of price of the equivalent arises when there is actual sale, purchase and exchange of goods. Defining it, Ibn Taimīyah says: ‘The price of the equivalent is that rate (*si’r*) at which people sell their goods and which is commonly accepted as equivalent for it and for similar goods at that particular time and place.’⁴⁷ Other passages of *al-Ḥisbah* reveal that by the price of the equivalent he means, more precisely, that price which is established by the free play of market forces – of supply and demand. For example, describing a change in market price he writes: ‘If people are dealing their goods in the normal ways (*al-wajh al-ma’rūf*) without any injustice on their part and the price rises either due to shortage of the goods (i.e. decrease in supply) or due to increase in population (i.e. increase in demand), then it is from Allah. In such cases, to force the sellers to sell their goods at a particular price is a wrongful pressure (*ikrāh bi ḡhair ḥaqq*).’⁴⁸

The phrase ‘in the normal way and without injustice on their part’ signifies that the price of the equivalent must be a competitive price and there must be no fraud, because in

the competitive market prices are given, and only by fraudulent practices can one charge higher prices. Thus there is a profound affinity between Ibn Taimīyah's concept of the price of the equivalent and that of just price presented by the scholastic thinkers, if we accept that their just price was actually the normal competitive price.

But Ibn Taimīyah goes beyond the scholastic philosophers in general and St. Aquinas in particular. He advocates setting a price of the equivalent where one is not already in place; when doing so he explicitly takes into consideration the subjective value of the object to the buyer as well as its subjective value for the seller.⁴⁹ As noted above, Aquinas did not grasp the relevance of the former. We shall return to this matter below when we discuss price regulation by the authorities.

(a) The concept of just wages or wages of the equivalent

Closely related to the notion of the just price is that of the just wage. The only reference which Aquinas makes to the wage is to say that it is subject to the same rule of justice as prices.⁵⁰ We have not found much detail on the subject in works dealing with medieval economic doctrines. In brief, we can say that by the just wage the medieval philosophers meant that rate of remuneration required to enable the worker to live decently in that station of life into which he had been put.⁵¹

Rather more detailed discussion of the problem is found in the works of Ibn Taimīyah. He refers to it as pricing in the labour market (*tas'ir fi'l-a'māl*) and uses the term the 'wage of the equivalent' (*ujrah al-mithl*).⁵² As with prices, the basic principle to be observed is full definition of quantity and quality: 'Wages and prices, when they are uncertain and indeterminate as is the case when they are not specified, or are not seen, or their kind is not known, then it is a case of uncertainty and gambling.'⁵³ (It should be remembered that during those days wages as well as prices were sometimes paid in kind.)

Since the 'wage of the equivalent' is governed by the same rule as the 'price of the equivalent', it can be inferred that

the wage earner or labourer is allowed in normal conditions to charge the wage determined by bilateral bargaining between employer and employee. In other words, labour is treated as a commodity, subject to the same economic laws of supply and demand. In case of imperfection in the market, the 'wage of the equivalent' will be fixed in the same way as the 'price of the equivalent'. For example, 'if people are in need of the services of cultivators or of those engaged in textile production or in construction, but these are not prepared to give their services, the authorities may in this case fix the wage of the equivalent', so that the employer cannot reduce the wage of the worker nor the worker demand more than the established "just wage".⁵⁴

The question of how the 'wage of the equivalent' is to be determined is answered by Ibn Taimīyah in one place in his *Fatāwā* where he says: 'The "wage of the equivalent" will be determined by the quoted wage (*musammā*) if such quotation (*musammā*) exists, to which the two parties may refer, just as in the case of sale or hire the quoted price (*thaman musammā*) will be held as the price of the equivalent.'⁵⁵ The principle applies to the state just as much as to an individual. That is, if the state wants to fix wages, or if the two parties have not previously agreed on a wage, they should agree or fix a wage which, in normal conditions, is quoted and accepted for that particular kind of work. The same procedure is applied to the sale of commodities where many goods are sold without a mention of price. In this case buyer and seller agree on the price which is normally paid for the particular kind of goods in question.

(b) *The profit of the equivalent (just profit)*

Ibn Taimīyah recognizes the idea of profit and the seller's right to it. He suggests that they 'earn profit in the commonly accepted manner (*al-ribḥ al-ma'rūf*) without destroying their interest and the interest of the consumers'.⁵⁶ As with other thinkers of the period, detail is insufficient. Since profit is part of price, analysis of it usually accompanies that of price in Ibn Taimīyah's writing.

In the light of his definition of just price, we may define

the just profit or the 'profit of the equivalent' as the normal profit which is generally earned in that particular type of trade, without harming others. He does not approve an abnormal rate of profit, exploitative (*ghaban fāḥish*) of a situation where people are ignorant of market conditions (*mustarsil*).⁵⁷ He writes: 'A person who acquired goods to earn income and to trade with them at a later date is permitted to do so but he is not allowed to charge from a needy person (*muḥtāj*) a higher profit than the customary one (*al-ribḥ al-mu'tād*), and he ought not to increase the price for him due to his need (*ḍarūrah*).'⁵⁸ And again: 'A trader should not charge from an unaware person a profit higher than he charges from others; in the same way if there is a needy person (*muḍṭarr*) who is bound to buy the good to fulfil his need (i.e. his demand for that good is perfectly inelastic), the seller must charge a profit equivalent to the profit charged from a person not so bound.' Ibn Taimīyah supports his view with a saying of the Prophet that selling to a needy person which exploits his need is prohibited. He further says: 'If the want relates to basic needs (*mā lā budd minhu*) such as food and clothing, then the seller ought to sell only at a commonly accepted fair price (*al-qīmah al-ma'rūfah*). The needy persons are allowed to take that commodity from him without his choice at the commonly accepted price, and they should not pay more than that price.'⁵⁹ By this, in our opinion, he does not mean that any private individual may simply grab the goods he needs and just throw the right price at the seller. He means, rather, that private individuals may demand regulation of prices by the state and that the state should use its authority in this regard (we shall return to this matter later).

From one of his pronouncements it appears that Ibn Taimīyah regarded profit as the creation of labour and capital jointly, hence owners of both factors of production were entitled to a share in the profits. Giving his opinion on a disputed matter, he declares that profit is to be divided according to the commonly accepted fashion between the two partners – the one who invested his labour and the other who invested his money. 'Because the profit is the increment caused by the labour of this one and the capital (*māl*) of that

one. So its distribution will be in the same way as any increment created by two factors.’⁶⁰

(c) *Relevance of these ideas to the society*

The main objective of the just price and other related ideas was to maintain justice in commutative dealings and other relations among the members of the society. They were also meant to provide guidelines for the authorities to enable them to protect the people from exploitation. And in fulfilling these aims, they would make it easier for the people to meet their moral and financial obligations.

Justice for the sellers is that their goods should not be taken forcibly at prices that deprive them of normal profits. Because ‘individuals are authorised in what they own, no one can take it, wholly or partly, without their full agreement and consent’;⁶¹ and ‘forcing anyone to sell what he is not legally obliged to sell, or not to do what he is legally allowed to do, is injustice; and injustice is an oppression (*ẓulm*) which is forbidden.’⁶² But if there is some reason for forcing a seller, and if without coercion he would not fulfil his obligations, he may be forced to sell his goods at the ‘price of the equivalent’ to safeguard the interests of others.⁶³

On the buyer’s side, Ibn Taimīyah used an example of ‘a person who is required by religion to buy certain goods such as the equipment for pilgrimage. He should buy it at the “price of the equivalent”. He is not allowed to abstain from buying it on the pretext that the price is so high that he would not like to pay it.’⁶⁴ Another example is that of a person ‘who is responsible for meeting the expenses of others, such as a husband for his wife, or a person responsible for impoverished near-relatives specified by law – such a person has no right (provided that the existing price is the ‘price of the equivalent’) to move in order to buy lower quality (elsewhere), claiming that the price is high for him.’⁶⁵

The issue comes up repeatedly in the works of Ibn Taimīyah. If a person is debarred from exercising his rights in his property on grounds of imbecility or legal minority, the trustee can make an alteration or modification in his property by sale or purchase only at a just price.⁶⁶ Preference

must be given to the 'price of the equivalent' in the event of any controversy between the contractors regarding the price, or wages.

The uses and implications of the 'wage of the equivalent' are also similar to those of the 'price of the equivalent'. The basic aim of the wage of the equivalent is to safeguard the interest of both the employers and employees and protect them from exploitation by each other; it is obviously helpful in resolving industrial disputes. For instance, Ibn Taimīyah writes: 'If an employer employs the wage earner, by fraudulent practice, at a price less than the "equivalent", which is not accepted by anyone normally, then he has a right to demand the "wage of the equivalent"'.⁶⁷ Another example is 'the employee who did not complete his work, so he is not entitled to the full wages agreed upon. But he will nevertheless be paid according to his work'.⁶⁸

The concept of just wage is also applied in the case of termination of an employment contract. In reference to the Nuṣairīyah community who always sided with the enemies of Islam and never enjoyed the confidence of Muslims, Ibn Taimīyah says: 'In case of nullification of contract of work with them, if the contract is basically valid then the agreed wage will be paid; otherwise, the "wage of the equivalent"'.⁶⁹

The government is also required to adopt these principles in all its dealings. If there is need for prices to be fixed, it should be done by the authorities and at the 'just price'.⁷⁰

B. Market mechanism

Ibn Taimīyah had a clear grasp of how, in a free market, prices are determined by the forces of demand and supply. He says: 'Rise and fall in prices is not always due to an injustice (*ẓulm*) by certain individuals. Sometimes the reason for it is deficiency in production or decline in import of the goods in demand. Thus if desire for the good increases while its availability decreases, its price rises. On the other hand, if availability of the good increases and the desire for it decreases, the price comes down. This scarcity or abundance may not be caused by the action of any individuals; it may be due to a cause not involving any injustice, or sometimes,

it may have a cause that does involve injustice. It is Almighty God who creates desires in the hearts of people . . . '71

From that statement it would appear that a prevailing view in Ibn Taimīyah's time held rising prices to be the result of injustice or malpractice on the part of the sellers. The actual word used by him is *ẓulm*, which means transgression or injustice. Here it is used in the sense of manipulation by sellers leading to imperfection in the market. According to Ibn Taimīyah this is not always true. He states the economic reasons for the rise and fall of prices and the role of market forces in this regard.

Ibn Taimīyah mentions two sources of supply – local production and import of the goods demanded (*mā yukhlaq aw yujlab min dhālik al-māl al-maṭlūb*). The radicals (*t-l-b*) of *al-maṭlūb* give the synonym of the English 'demand'. To express demand for a particular good, he uses the phrase '*raḡbat fī al-shai'*', i.e. desires for the thing, the good. Desire which reflects need or 'taste' is one of the most important determinants of demand; another is income, one not mentioned by Ibn Taimīyah.

A change in supply, the other market force beside demand, is described by him as an increase or decrease in availability of the good. He has already noted the two sources of supply: local production and import.

The passage quoted above suggests that Ibn Taimīyah is referring to what we now term shifts in demand and supply functions, without calling them as such. That is, more being demanded at the same price and less being supplied at the same price, or conversely, less being demanded and more being supplied at the same price leading to an ultimate decline of the price. He combines two different changes in one. No doubt, if a decreased supply accompanies an increase in demand, a rise in the price will be more pronounced. The converse is similarly true as both changes help move the price in the same direction. However, the two changes are not necessarily combined, nor do they, necessarily, occur together. We can experience the same result if only one change occurs. For example, if demand decreases while supply remains stable, the price will come down and vice versa. A number of such possibilities can be imagined,

which are implied in what Ibn Taimīyah has written. As quoted earlier, in one place in his book *al-Ḥisbah fī'l-Islām*, Ibn Taimīyah describes the two changes separately: 'If people are selling their goods in the commonly accepted manner without any injustice on their part and the price rises in consequence of decrease in the commodity (*qillah al-shai'*) or increase in population (*kathrah al-khalq*), then this is due to Allah.'⁷²

Here he attributes price rise to either 'a decrease in commodity', or an 'increase in population'. 'Decrease in commodity' can be appropriately re-worded as a 'fall in supply'. Similarly, an 'increase in population' is more likely to cause an increase in demand, so it can be re-worded as 'rise in demand'. An increase in price due to a fall in supply or a rise in demand is characterized as an act of Allah to indicate the impersonal nature of the market mechanism.

In distinguishing between a price rise due to market forces and one due to an injustice, such as hoarding, Ibn Taimīyah has located a ground for price regulation by the authorities. This will be our theme in the following section.

We should note here that while, in the arguments quoted above, Ibn Taimīyah analyses the effect on prices of shifts in supply and demand, he does *not* note the effect of price levels on demand and supply levels (i.e. a movement along the same curve from one point to another). At one point in *al-Ḥisbah* he reports with approval the view of an earlier jurist, Abu'l Walīd (1013–81), that administrative price fixing at a level such that no profit is possible leads to price corruption, sellers hiding goods, and the destruction of people's wealth.⁷³ This awareness that the supply might dry up should the price fall too low brings Ibn Taimīyah very close to observing a direct relationship between price and available supply.

On another occasion, in his *Fatāwā*,⁷⁴ Ibn Taimīyah lists some of the factors that affect demand and consequently price:

- (a) 'People's desire (*al-raghbah*) is of different kinds and varies frequently. It varies according to the abundance or scarcity of the good demanded (*al-maṭlūb*). A good is much more strongly desired

when it is scarce than when it is available in abundance.

- (b) 'It varies also depending on the number of demanders (*ṭullāb*). If the number of the persons demanding a commodity is large, its price goes up as against when their number is small.
- (c) 'It is also affected by the strength or weakness of the need for the good and by the extent and size of the need, however great or small it is. If the need is great and strong, the price will increase to an extent greater than if the need is small and weak.
- (d) 'The price also varies according to (the quality of the customer) with whom the exchange is being transacted (*al-mu'āwid*). If he is rich and trustworthy in paying debts, a lower price is acceptable from him than would be acceptable from someone known for his insolvency, delay in payment or denial of payment due.
- (e) 'The price is influenced also by the kind (of money) paid in exchange; if it is in common circulation (*naqd rā'ij*), the price is lower than if payment is made in money less common in circulation. Like dirham and dinār these days in Damascus where payment in dirhams is the common practice.
- (f) 'This is because the purpose of the contract is (reciprocal) possession by the two parties (to the contract). If the payer is capable of payment, and is expected to fulfil his promise, the objective of the contract is realized with him; in contrast to the case if he is not fully capable or trustworthy regarding his promise. The degrees of capability and trustworthiness differ . . . '.

This applies to the seller and the buyer, the lessor and the lessee, and the bride and the groom in marriage. The object of the sale is sometimes (physically) available and sometimes it is not. The price of what is available is lower than the price of what is not. The same applies to the buyer who is sometimes able to pay immediately since he has money; but sometimes he does not have cash and wants to borrow or to

re-sell the commodity in order to make payment. The price is lower in the former case.

- (g) 'The same applies to one who leases or rents out. He may be in a position to deliver the benefits to which the contract entitles the lessee who can then avail himself of these benefits without (additional) costs such as the costs that arise in villages visited by oppressors in authority or by robbers, or in places infested by predatory animals. Obviously the price of the land under such conditions is not the same as for similar land which does not require these (additional costs).'

As we noted earlier, Ibn Taimīyah uses 'desire' in the sense of 'demand'. Subsequently he uses more the exact synonym (*ṭ-l-b*), *al-maṭlūb* and *al-ṭālibūn* for, respectively, the goods in demand and for those making the demand. In his analysis of the rise and fall of prices, economic and non-economic and individual and collective factors are all mentioned together. To say that a scarce good is much more strongly desired than one abundantly available is to conceive of demand and supply as interdependent, which is not true. Generally speaking, Ibn Taimīyah has observed here a psychological fact, namely, that some individuals finding a good in short supply may expect it to be in even shorter supply in the future and hence increase their demand for that good now.

An increase in the number of those making the demand and so causing an increase in price is an economic phenomenon and is one of the cases of change in market demand functions. Size of need as distinct from its intensity may refer to the commodity's place in the total basket of goods needed by the consumer. If this interpretation is correct, Ibn Taimīyah has associated intensity of need coupled with relative importance in the totality of consumption requirements with high prices. Conversely, a less intensely felt need coupled with relative unimportance in the totality of consumption requirements is a cause of lower prices.

The next point, (d) in the list above, relates to sale on credit. In any single instance, it is not very relevant to an

analysis of market prices, but it becomes relevant if credit sale is the general rule so that sellers have to take uncertainties regarding payment into account when calculating prices.

The point that prices quoted in one coin may be lower than in another coin, point (c) above, is a reference to the peculiar monetary situation in Damascus at that time. The reason for it may have been the increasing quantity of alloy in gold coins or the frequent unfavourable changes in the *dīnār* and *dirham* ratio, as we noted in Chapter I above in our notes on the historical background. It should be remembered that towards the end of his reign Nāṣir Muḥammad bin Qalāwūn forbade people to sell or buy gold. All were obliged to surrender their gold to the mint and take *dirhams* in exchange. This might have contributed to the relatively higher prices in terms of *dīnārs*.

The specific case of charging a lower price for a commodity immediately available on the market and a higher price for one that is not, point (f) above, can be interpreted as a case of extra payment for procuring a commodity that is difficult to come by. Ibn Taimīyah has noted, point (d) above, the parallel case of the cash price rising when payment is deferred.

The example given in point (g) above makes the point that any costs incurred by the buyer in order to utilize a leased or rented object must be taken into account by the one who rents out the object. Ibn Taimīyah finds a common element between cases (d), (e), (f) and (g): uncertainties or further costs involved caused prices to be different from what they would otherwise have been. This in itself is a significant contribution to economic analysis, and to this must be added his awareness of the effects of changes in supply and demand on prices. In the concluding chapter an attempt will be made to compare his ideas in this regard with those of some other Islamic thinkers.

C. Price regulation

Ibn Taimīyah goes beyond analysis of just price and market mechanism to prescribe a detailed policy of price control by the state. The aim of price regulation, as we shall

see, is to maintain fairness and enable people to satisfy their basic needs. But it seems worthwhile to look at earlier views on the subject before evaluating those of Ibn Taimīyah.

1. Price regulation and Islamic jurists

In Islamic history, the problem of price control first arose in the days of the Prophet himself. It is reported that when prices soared he was asked to fix them, but he did not agree and said: 'Allah grants plenty or shortage; He is the sustainer and real price maker (*musa'ir*). I wish to go to Him having done no injustice to anyone in blood or in property.'⁷⁵

Controversy, from this *ḥadīth*, about the problem of government price regulation, has persisted among experts in Islamic jurisprudence. One of the four famous schools of Islamic Law, the Ḥanbalīs and Shāfi'īs argue that the state has no right to fix prices. Ibn Qudāmah al-Maqdisī, the Ḥanbalī thinker, writes: The *imām* (head of state) has no authority to regulate the price for the people. It is people who are to sell their goods at whatever prices they like. The Shāfi'ī school is also of the same opinion.'⁷⁶

Ibn Qudāmah cites the *ḥadīth* quoted above and gives two reasons for not permitting the regulation of prices. Firstly, the Prophet did not fix the price in spite of people's demand for it – if it were permissible, he would have done it. Secondly, price fixing is an injustice (*ẓulm*) which is prohibited: it involves a person's property wherein that person has rights of sale at whatever price he agrees with the buyer.

Ibn Qudāmah analyses price fixing from an economic viewpoint also and indicates the disadvantages of this form of price control. He says: 'It is obvious that price fixing must lead to expensiveness. Because, when outside traders hear about price control, they will not bring their goods into that area where they would be forced to sell at a price against their will. And local traders, who have the goods, will conceal them. The needy consumers will demand the goods, and having their demand unsatisfied will bid the price up. The price will thus increase and both parties will suffer – the sellers will suffer as they have been restricted from the sale of their goods and the buyers will suffer as their wants have been left unfulfilled. It is for this reason prohibited.'⁷⁷

This argument concludes quite plainly that price fixing will bring about a result exactly the opposite of what it intends. High prices generally follow from a situation of increased demand or decreased supply, and price control can only aggravate that situation. A low price will generate new or increased demand, but it will also discourage importers from importing while, at the same time, encouraging home producers to either seek foreign (uncontrolled) markets or hold production until local controls are abolished. The net result will be a shortage. Thus, a host of adverse consequences are likely to stem from the effort to regulate prices.

Ibn Qudāmah's arguments against price fixing by the state are very similar to those of modern economists. But many experts in Islamic jurisprudence have advocated price control, albeit in grave situations, and emphasized the need for a just price policy. The Mālikī and Ḥanafī schools are of this persuasion.

Ibn Taimīyah examined the opinions of the four principal schools of Islamic law and of some other experts in jurisprudence, before pronouncing on the matter. According to him, 'the controversy of the *'ulamā*' on the question of pricing revolves around two points. First, if there is an established high price in the market and someone tries to charge higher than that price, he is to be stopped from doing so according to the Mālikī school. But if the seller wants to sell at less than the established price, two opinions are reported from them. As for Shāfi'ī, or followers of Aḥmad bin Ḥanbal, like Abū Ḥafṣ al-'Akbarī, Qāḍī Abū Ya'lā, and others – they opposed any intervention in this circumstance . . .⁷⁸ 'The second question on which there is difference of opinion among the *'ulamā*' is the fixing of a maximum price for the dealers (in normal circumstances) when they fulfil their obligations. This is opposed by the majority of *'ulamā*', even by Mālik himself . . . But some experts, like Sa'īd bin Musayyib, Rabī'ah bin 'Abd al-Raḥmān and Yaḥyā bin Sa'īd were reported to have acceded to it.'⁷⁹

The followers of Abū Ḥanīfah say that the authority should fix a price only when people are harmed by the increase in it; that is, when the people's right to be protected from injury is involved.⁸⁰

In sum, we find the following opinions regarding the state regulation of prices:

- (a) No one should be allowed to charge a price much higher or lower than the established price. A much higher price would constitute exploitation of the people's need, a much lower one would harm other sellers.
- (b) In all cases, price control is unfair.
- (c) Price regulation is always permissible.
- (d) Price fixing is permissible only in emergencies.

2. Price fixing by the Prophet, peace be upon him

Ibn Taimīyah interprets the saying of the Prophet, peace be upon him, which rejects pricing in spite of his followers' request, as follows: 'It was a special case and not a general ruling. It is not in the report that someone had refrained from selling or doing something which was obligatory, or charged more than the compensation of the equivalent (*'iwad al-mithl*).'⁸¹ According to him, the price rise was caused by market forces and not by imperfections in the market. It was a case of shortage, i.e. decrease in supply due to decrease in production and not a case of the sellers' hoarding or withholding supply.

He proves that the Prophet, peace be upon him, himself imposed a just price in two individual disputes: first when, in a case of emancipation of a jointly-owned slave, he decreed that the just price (*qīmah 'adl*) of the slave be determined without any addition or reduction (*lā wakasa wa lā shaṭa'a*) and each one be given his share and the slave be set free.⁸²

The second occasion is reported as a dispute between two persons – one having a tree on the other's land. The landowner found the trespassing on his land by the tree-owner to be a nuisance and so took the matter to the Prophet, peace be upon him. The Prophet, peace be upon him, ordered the tree-owner to sell the tree to the landowner and accept compensation, or just simply give it to him. The man did neither. So, the Prophet, peace be upon him, allowed the landowner to cut it down,⁸³ and he made the landowner pay the price of the tree.⁸⁴

After citing these cases at two different places in his book *al-Ḥisbah*, Ibn Taimīyah argues that what the Prophet, peace be upon him, did in both these cases was pricing.⁸⁵ He further says: 'If pricing may be done in response to one person's need, it is more logical to do it for the common public's need for food, clothing and housing, as these public needs are of far greater importance than the need of one individual.'⁸⁶

One more reason for the Prophet's refusal to fix prices, peace be upon him, was that 'at that time there was no particular group in Madīnah which engaged in trade. Sellers and buyers were one and the same people (*min jins wāḥid*). Nobody could be forced to sell an object. Since a seller could not be identified, on whom would price be imposed?'⁸⁷ That is, price-fixing is feasible only if there is a known group engaged in trade and business, as a result of whose manipulation, the price increases. In the absence of these conditions the price cannot be fixed, because it cannot be fixed on those who are not suppliers; if it were, it would be meaningless or unjust.

According to Ibn Taimīyah, goods sold in Madīnah derived mostly from importers. Any control on the prices of these goods would have meant creating further shortage and worsening the situation. Thus, the Prophet, peace be upon him, was encouraging importation when he said: 'One who brings in goods is favoured in livelihood while one who prevents this is condemnable.' In fact, then, the people of Madīnah were not in need of price-fixing.⁸⁸

It appears from the above that price-fixing is advisable only if stock-holders or middlemen at home raise prices. If the whole supply depends on imports and, in the event of price-fixing a cut in imports is feared, it is better not to fix the price but to leave the people to increase the supply of goods and so benefit each other: unrestricted imports can be expected to increase supply and so bring down prices.

3. Price regulation policy as suggested by Ibn Taimīyah

In sum, Ibn Taimīyah distinguishes 'two types of price-fixing – unjust and invalid, and just and valid'.⁸⁹ Prohibited and unjust price-fixing is that which has been done in the wake

of a price rise caused by the free play of competitive market forces – shortage of supply or increase of demand, as we said above.

Though Ibn Taimiyah never uses the term ‘competition’ nor mentions all the conditions of perfect competition in clear terms in any one place, it is clear from his views on the functioning of the market, expressed at different points in *al-Hisbah*, that he had at least some of the conditions of perfect competition in mind. For example, he writes that ‘to force people to sell objects which it is not obligatory to sell, or restrict them from selling a permissible object, are injustice and injustice is unlawful.’⁹⁰ This means people have full freedom to enter or quit the market. Ibn Taimiyah advocates exclusion of the monopolistic element from the market and is therefore against any collusion between professional men or any group of sellers and buyers.⁹¹ He emphasizes knowledge of the market and the commodity, as the contract of sale and purchase depends on consent, ‘and consent requires knowledge and understanding’.⁹² Homogeneity and standardization of the product is advocated in his condemnation of adulteration of the product and of fraud and deception in its presentation for sale.⁹³ He had a clear conception of a well-behaved, orderly market, in which knowledge, honesty and fair play, and freedom of choice were the essential elements.

But in times of emergency, such as famine, Ibn Taimiyah recommends price-fixing by government and forced sale of essential commodities like foodstuffs. He says: ‘It is for the authority to compel a person to sell his goods at a fair price when people are in need of it. For example, when he has surplus food and people are faced with starvation, he will be forced to sell at a just price.’⁹⁴ According to him, compulsion to sell is impermissible without sufficient reason, but with such reason it is permissible.⁹⁵

In price-fixing a distinction must be made between local traders holding goods in stock and outside suppliers of those goods, as no price may be fixed on the merchandise of the latter. But they may be asked to sell as their fellow importers are selling.⁹⁶ Price control would have an adverse effect on imported supplies, whereas for locally available goods price

control need not, necessarily, harm buyers. As for pricing in emergencies (famine, war, etc.), even modern economists accept that price regulation is more effective and successful in such conditions than others. The famous economist Paul A. Samuelson, for example, writes: 'Patriotism is more effective in motivating people to brief acts of intense heroism than to putting up day after day with an uncomfortable situation.'⁹⁷ He goes on: 'Such emergency measures work very well in emergencies but may create more and more distortions the longer they are in effect. Economists therefore tend to recommend that such direct fiats be reserved for emergency periods and not be squandered on minor peace-time situations.'⁹⁸

(a) *Imperfections of the market*

Apart from conditions of drought and war, Ibn Taimīyah recommends price-fixing by the government whenever imperfections enter the market. For instance, if sellers (*arbāb al-silā'*) abstain from selling their goods except at a higher price than the normal one (*al-qīmah al-ma'rūfah*) and at the same time people need these goods, they will be required to sell them at the 'price of the equivalent'.⁹⁹

An obvious example of imperfection in the market is that of monopoly in food and similar goods. In such a case the authorities should fix the price (*qīmah al-mithl*) for their sale and purchase. A monopoly-holder should not be left wholly free to exercise his power; otherwise he will set a price in his own favour, threatening injustice (*zulm*) to people.¹⁰⁰

At this point, Ibn Taimīyah describes a basic principle for the removal of injustice: 'If abolition of the whole of injustice is not possible, one is obliged to eliminate it to the extent he can.'¹⁰¹ That is, if monopoly cannot be prevented, it must not be left to victimize others, hence price regulation becomes inevitable.

In the Middle Ages Muslims were so much against hoarding and monopoly that they considered dealings with monopoly-holders to be a sin. We find a number of questions in Ibn Taimīyah's *Fatāwā* in which his opinion is sought about the validity of this attitude.¹⁰² Although against monopolies,

he allows the buyers to purchase goods from monopoly-holders because in the event of prohibition the people would face hardship.¹⁰³ Instead he advocates price-fixing by the state.¹⁰⁴

He does not allow sellers to make agreements to sell at a predetermined price, nor buyers to combine so that they form one party in order to obtain commodities at a lower price¹⁰⁵ – a case similar to monopsony.

Ibn Taimīyah also opposes price discrimination against a buyer or seller who does not know the price prevailing in the market. He says: 'A seller is not allowed to charge an exorbitant price, not common in the society, from an unaware person (*mustarsil*) but must sell his goods at the customary price (*al-qīmah al-mu'tādah*) or near to it. If a buyer has been charged such an exorbitant price he has the right to review his business contract . . . A person known to discriminate in this way should be punished and deprived of the right to enter the market.'¹⁰⁶ His opinion is based on a saying of the Prophet, peace be upon him, quoted as: 'To charge a very high price from an unaware person is usury (*ghaban al-mustarsil ribā*)'.

(b) Consultation for price-fixing

It should be noted that even those who permit price control in all cases do not favour an authoritarian fixing of prices. They allow it after negotiation, discussion and consultation with the people concerned. In this connection, Ibn Taimīyah explains a method proposed by one of his predecessors, Ibn Ḥabīb. According to him, 'the *Imām* (authority in charge) should call a meeting of market representatives (*wujūh ahl al-sūq*). Others also should be admitted to the meeting so that they could verify their statement. After negotiation and investigation about their sale and purchase he should persuade them to a price that can support them as well as the common people. Thus they all might agree. Price cannot be fixed without consent and agreement.'¹⁰⁷ To explain the purpose of this idea of forming a committee for consultation, he quotes another jurist, Abu'l Walid, who says: 'The logic behind this provision is to find out, in this way, the interests

of sellers and buyers and fix a price that should bring advantage and satisfy the needs (of the sellers) and that would involve no embarrassment for the people (the buyers). If a price has been imposed without the consent (of the sellers) leaving them no profit, such a price would be corrupt, foodstuffs would be concealed and the people's goods would be destroyed.¹⁰⁸

He points out clearly the disadvantages and dangers of arbitrarily fixed prices which do not enjoy popular support – for example, black markets or grey markets, or surreptitious down-grading of the quality of the goods sold at the fixed price. Such fears were expressed also by Ibn Qudāmah as we saw above. The same dangers are discussed by modern economists. There is no doubt that these dangers can be reduced, even removed, if prices are fixed by mutual consultation and by creating a sense of moral obligation and dedication to the public interest.

(c) Price regulation in the factor market

There remains the important question of what, if anything, Ibn Taimīyah said about controlling the prices of factors of production. In fact, in this market he applied the same rule as in the goods market. He says: 'If people are in need of the services of artisans and cultivators and they refuse to offer them or create some sort of imperfection in the market, the state should fix their prices. And the purpose of this price control is to protect the employers and employees from exploitation of each other.'¹⁰⁹ What Ibn Taimīyah said relates to labour but the same might be said regarding other factors also.

4. Summary

Ibn Taimīyah's stand is between the two extremes of absolute prohibition and the unconditional state regulation of prices. In price-fixing both the upper and lower limit can be fixed and so the interest of both sellers and buyers is protected. All jurists agree that a person may be forced to sell his goods at the price of the equivalent if he is legally

bound to sell them. Hoarders and monopoly-holders come under this rule. The Prophet rejected price-fixing because prices were rising at that time for natural or impersonal reasons and not because of the machinations of individuals. So this cannot be quoted in support of negation of price control. The Prophet himself fixed prices in some individual cases. Ibn Taimīyah does not favour price control when competitive market forces are able to work freely. He recommends price regulation in the case of monopoly and imperfections in the market. The same reasoning is consistently applied to labour and other productive services. The basic principle in this matter is: 'If the people's wants are satisfied, the sellers are producing in a quantity enough for the public and are dealing in their products at normal prices (*al-thaman al-ma'rūf*), no price regulation is needed. But if the people's wants are not satisfied without resorting to just pricing (*al-tas'ir al-ādil*), then the prices must be regulated, justly, without any excess or harm (*lā wakaṣ wa lā shaṭaʾ*) to anybody.'¹¹⁰

References

1. Kaulla, R., *Theory of the Just Price*, Eng. trans. by Robert D. Hogg (London: George Allen, 1940), p. 22.
2. Haney, Lewis H., *History of Economic Thought* (New York: Macmillan & Co., 1949), fourth ed., p. 45 (the author referred to Vishnu, V, pp. 122-7; Amos VIII, pp. 4-6, Deut. XXX, pp. 13-15; and Jewish Encyclopaedia of 'Police Laws').
3. Gray, S. A. and Thompson, A., *The Development of Economic Doctrine* (New York: Longman Inc., 1980) 2nd ed., pp. 16-17. On the Greek's concept of just price, the author says that according to Aristotle, 'when people get as the result of exchange exactly what they had in the beginning, neither more nor less, they are said to have what belongs to them and to be neither loser nor gainer.' He referred to Ethics Book V, chap. 5, p. 149, trans. by Welldon.
4. Salin, Edgar, 'Just Price', *Encyclopaedia of the Social Sciences* (New York: Macmillan), Vol. 8, p. 505.
5. Cf. Kaulla, op. cit., pp. 3, 19, 32, 33, 34.

6. Schumpeter: 'Medieval men of science were and are usually referred to as Schoolmen or Scholastics, (docteres scholastic).' Schumpeter, *History of Economic Analysis* (London: George Allen & Unwin, 1972), p. 78.

7. Higgs, H. (ed.), 'Justum Pretium', *Palgrave's Dictionary of Political Economy* (London: Macmillan, 1925), Vol. 2, p. 550.

8. *Saint Thomas Aquinas* (1225–74) was born at Roccasecca near Aquino in the Kingdom of Naples. He was the son of Landulph, Count of Aquino. He began his studies at an early age at Monte Cassino and later at the University of Naples. He studied also at Cologne under Albertus Magnus whom he followed to Paris and he also taught in these two cities. He tried to synthesize the teaching of Christianity and the philosophy of Aristotle. His most important work is *Summa Theologica* in three parts. Nearly everything of importance that he has to say about social and political matters is found in the second part. Every writer on early history of economic thought refers to him.

9. Haney, op. cit., p. 98.

10. Gray, op. cit., p. 30.

11. O'Brien, G., *An Essay on Medieval Economic Thought* (London: Longmans, 1920), p. 18.

12. Aquinas, St. T., *Summa Theologica* II: 2nd Question LXXVII, art. 1.

13. Ibid., II; 2nd Q., LXXVII, art. 1.

14. Gordon, *Economic Analysis before Adam Smith* (London and Tonbridge: Lewis Reprint Ltd., 1975), p. 174.

15. Schumpeter, op. cit., p. 93.

16. Ibid., p. 93, footnote.

17. Cf. O'Brien, op. cit., pp. 116–17

18. Kaulla, op. cit., p. 38.

19. Cf. Aquinas, op. cit., II, 2nd Q., LXI, art. 2.

20. Gordon, op. cit., p. 178.

21. Schumpeter, op. cit., p. 93.

22. Aquinas, op. cit., II, 2nd Q., LXVII, art. 1.

23. Duns Scotus, John, (1265–1308) was the British Schoolman who held academic posts at both the University of Oxford and the University of Paris. He was the chief early critic of St. Thomas Aquinas' theology. His observations on value and price are included in his commentary on Peter Lombard's *Sentences*.

24. Gordon, op. cit., p. 178.

25. Salin, op. cit., p. 506.
26. Schumpeter, op. cit., p. 93.
27. Salin, op. cit., Vol. 8, p. 507.
28. Kaulla, op. cit., p. 51.
29. Salin, op. cit., Vol. 8, p. 507.
30. The Qur'an, 16: 90; 4: 58; 5: 8; 57: 25; 11: 85.
31. Baihaqī, *al-Sunan al-Kubrā* (Hyderabad, 1353H), Vol. 5, p. 348.
32. Muslim, Ṣaḥīḥ, 'Kitāb al-'Itq' and 'Kitāb al-Buyū' (Cairo: M. 'Alī Ṣabīḥ & Sons, n.d.) part 4, pp. 212, 213; part five, p. 95; Dārimī, *Sunan* (Beirut: Dār al-Kutub al-'Ilmiyah), Vol. 3, pp. 395, 411; (Kitāb al-Waṣāyā, bāb 13; Kitāb al-Farā'id, bab 51). Ibn Ḥanbal, *Musnad* (Beirut: Dār al-Fikr, n.d.), Vol. 2, pp. 11, 15, 156.
33. Ibn Ḥanbal, op. cit., Vol. 5, p. 327.
34. Al-Raḍī, al-Sharīf, *Nahj al-Balāghah min Kalām 'Alī bin Abī Ṭālib* (Cairo: al-Istiḳāmah Press), Vol. 3, p. 110; Vol. 5, p. 342.
35. Ibn Nujaim, *al-Ashbāh wa'l-Nazā'ir* (Beirut: Dār al-Kutub al-'Ilmiyah, 1980), pp. 362–4.
36. Ibid., p. 362.
37. Ibn Taimīyah, *MFS (Majmū' Fatāwā Shaikh al-Islām)*, (Riyad: Maṭābi' al-Riyāḍ, 1963), Vol. 29, p. 521.
38. Cf. Ibn Taimīyah, *al-Ḥisbah* (Cairo: Dar al-Sha'b, 1976), pp. 24–5.
39. Ibn Taimīyah, *MFS*, Vol. 29, p. 520.
40. Ibid., p. 521.
41. Ibid., p. 522.
42. Ibid., p. 521. "wa madāruhū 'alā al-qiyās wa'l-i'tibār li'l shai' bi mithlihū wa huwa nafs al-'adl wa nafs al-'urf.
43. Ibid., p. 522.
44. Ibid., pp. 521–2.
45. Ibid., p. 522.
46. Cf. ibid., p. 522.
47. Ibid., *MFS*, Vol. 29, p. 345; Ibn Taimīyah, *Tafsīr Sūrah al-Nūr* (Cairo: Idārah al-Ṭabā'ah al-Muniriyyah, 1343 AH), p. 103.
48. Ibn Taimīyah, *al-Ḥisbah*, op. cit., pp. 25, 42.
49. Cf. ibid., pp. 37, 40, 41.
50. Cf. Aquinas, op. cit., I, 2nd Question, CXLIV, art 1.

51. Gray, op. cit., p. 42.
52. Cf. Ibn Taimīyah, *al-Ḥisbah*, op. cit., p. 34.
53. Ibn Taimīyah, *al-Masā'il al-Mārdīniyah* (Damascus: Manshūrāt al-Maktab al-Islāmi, 1964), p. 103.
54. Ibn Taimīyah, *al-Ḥisbah*, op. cit., p. 34.
55. Ibn Taimīyah, *MFS*, Vol. 34, p. 72.
56. Ibn Taimīyah, *al-Ḥisbah*, p. 37.
57. Ibn Taimīyah, *MFS*, Vol. 25, p. 299.
58. Ibid., p. 501.
59. Ibid., pp. 300, 361; *Ikhtiyārāt* (Beirut: Dār al-Ma'rifah n.d.), p. 122.
60. *MFS*, Vol. 30, pp. 85, 86, 87; Vol. 20, p. 356; Vol. 25, p. 60.
61. Ibn Taimīyah, *al-Ḥisbah*, op. cit., p. 38.
62. Ibid., p. 41.
63. Cf. ibid., pp. 190, 191.
64. Ibn Taimīyah, *al-Ḥisbah*, op. cit., p. 26.
65. Ibid.
66. Ibn Taimīyah, *MFS*, op. cit., Vol. 30, pp. 43, 49.
67. Ibid., p. 163.
68. Cf. ibid., p. 183.
69. Ibn Taimīyah, *Majmū' Rasā'il* (Cairo: al-Maṭba'ah al-Ḥusainīyah, 1905), p. 100.
70. Cf. Ibn Taimīyah, *al-Ḥisbah*, op. cit., pp. 24–5.
71. Ibn Taimīyah, *MFS*, op. cit., Vol. 8, p. 583.
72. Ibn Taimīyah, *al-Ḥisbah*, op. cit., p. 24.
73. Ibid., p. 41.
74. Ibn Taimīyah, *MFS*, op. cit., Vol. 29, pp. 523–5.
75. Ibn Taimīyah quotes this *ḥadīth* in *al-Ḥisbah*, op. cit., p. 25, with reference to Abū Dāwūd and Tirmidhī.
76. Ibn Qudāmah al-Maqdisī, *al-Sharḥ al-Kabīr* (Egypt, 1374 AH), printed on the margin of *al-Mughnī* by Ibn Qudāmah, Vol. 4, p. 44.
77. Ibid., pp. 44–5.
78. Ibn Taimīyah, *al-Ḥisbah*, op. cit., p. 37.
79. Ibid., p. 40.

80. Ibid., p. 47.
81. Ibid., pp. 41–2.
82. Cf. ibid., p. 42.
83. Cf. ibid., p. 50.
84. Cf. Ibn Taimīyah, *MFS*, op. cit., Vol. 30, p. 234.
85. Cf. Ibn Taimīyah, *al-Ḥisbah*, op. cit., p. 43.
86. Cf. ibid.
87. Ibid., p. 42.
88. Ibid., pp. 35, 42.
89. Cf. ibid., p. 24.
90. Ibid., p. 41.
91. Cf. ibid., p. 25.
92. Cf. ibid., pp. 49, 50.
93. Cf. ibid., p. 21.
94. Cf. ibid., p. 24.
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96. Cf. ibid., p. 39.
97. Samuelson, P. A., *Economics* (ed. 11, New York: McGraw Hill, 1981), p. 369.
98. Ibid.
99. Ibn Taimīyah, *al-Ḥisbah*, op. cit., p. 25.
100. Cf. ibid., pp. 25–6.
101. Ibid., p. 26.
102. Cf. Ibn Taimīyah, *MFS*, op. cit., Vol. 29, pp. 238–63.
103. Cf. ibid., pp. 240–1.
104. Cf. ibid., pp. 254–5, 256.
105. Cf. Ibn Taimīyah, *al-Ḥisbah*, op. cit., pp. 22–6. Also Ibn Taimīyah, *Ikhtiyārāt*, op. cit., p. 123.
106. Ibid., pp. 359, 360.
107. Ibn Taimīyah, *al-Ḥisbah*, op. cit., p. 41.
108. Ibid.
109. Cf. ibid., pp. 27, 30, 34.
110. Ibid., p. 51.

CHAPTER IV

Ibn Taimīyah on Property Right

Property right is an age-old human problem. The diversity of economic systems can be traced back to the diversity of approaches to the right to property. Such questions as whether there should be absolute private ownership, or absolute state ownership, or something in between as in the mixed economy, or some altogether different type of ownership, cannot be ignored by any economist.

But property, in an absolute sense of the word, is not unique to man. In the words of Ernest Beaglehole: 'In an unqualified usage of the term, property appears to be characteristic of many forms of animal life, with the important distinction, however, that one should only talk of property *rights* when the control of scarce objects can be related to a unique normative system of values; such a system is found only in human groups . . . Only in man can we postulate the emergence of a sense of selfhood that gives psychological underpinning for the concept of rights, duties, responsibilities and obligations.'¹ Because of this 'sense of selfhood' there is a range of conflicts and divergences between individuals and groups. To resolve the matter of property right is a delicate task that has tried the thinkers of every age.

A. Concept of property right in different systems

1. Property right in Roman law

Because of its relevance to our time, the institution of property under Roman law deserves to be considered first among the ancient systems. Its main characteristic was 'a

rigid and indeed somewhat harsh individualism. The Roman jurists had the prevailing tendency to consider that each citizen had the right to do what he liked with his own property, that the conception of private property necessarily included the right not merely to enjoy, but also arbitrarily to abuse and destroy, and logically likewise an untrammelled right of bequest. Here, in the two great principles of private property and complete freedom of contract, the Romans left a bias towards unfettered and irresponsible individualism as against the possible claim of the family, the sect, or the nation.² Even in the present age scholars have generally defined property on the Roman legal pattern. For example, defining property or dominion, John Austin says: 'Taken with its strict sense it denotes a right – indefinite in point of use – unrestricted in point of disposition – and unlimited in point of duration – over a determinate thing.'³

According to this definition, property right is an unrestricted and unlimited right on an object to use or destroy it in whatever way the proprietor likes. But no one would insist today that these are necessary conditions of ownership. Austin himself admits that restriction might be imposed by custom or government.

2. Property right in Greek philosophy

The institution of property was a subject of great controversy in ancient Greece. According to Plato (430–347 BC) the warrior class should not hold property beyond the necessities; they should receive a fixed rate of pay, sufficient to meet expenses and no more: 'Should they ever acquire homes or lands or moneys of their own, they will become housekeepers and husbandmen instead of guardians, enemies and tyrants instead of allies, of the other citizens.'⁴

Democritus (460–370 BC) says that a society organized in terms of private ownership of resources will enjoy economic superiority over one where communal ownership prevails. The possibility of private ownership enables a stronger incentive for productive activity. He writes: 'Toil is sweeter than idleness when men gain what they toil for or know that they will use it. Privately owned resources are likely to be

handled with greater diligence than those which are public, since income from communally held property gives less pleasure and expenditure less pain.’⁵ Democritus’ view was echoed a little later by Aristotle (384–322 BC) and eventually became central in the writings of the medieval schoolmen.

In the second book of his *Politics*, Aristotle criticizes Plato’s communism and argues that such a system would not work, and that it violates natural human instincts. He says: ‘If they do not share equally in enjoyment and toils, those who labour much and get little, will necessarily complain of those who labour little and receive or consume much.’⁶ Again, in an argument which is still current, he asserts that community of property would destroy the virtue of liberty. According to him, ‘the present arrangement, if improved as it might be by good customs and laws, would be far better, and would have the advantages of both systems. Property should be in a certain sense common, but, as a general rule, private.’⁷ The ideal which Aristotle suggests is that ‘property should be private, but the use of it common’.⁸

3. Christianity and scholastic philosophers

In the Christian world of the Middle Ages the traditional view of private property, then widely accepted, ascribed its origin to human sin. Tawney says about Christian ideology: ‘To seek more is not enterprise, but avarice, and avarice is a deadly sin.’⁹ And Gray writes: ‘The Gospels had underlined the truth that wealth might be a snare, for is it not easier for a camel to go through the eye of a needle than for a rich man to enter the kingdom of God?’¹⁰ The ideal community was one in which no one called anything his own, but they had all things common.

Elements of Plato’s thought had been absorbed into the Christian tradition in its early stages, but Aristotle had been ‘rediscovered’ only recently by medieval Europe through the medium of Jewish scholars and Arabian commentators like Ibn Rushd (Averroes) and Ibn Sīnā (Avicenna).¹¹ It was on account of the influence of Plato’s teachings that the early Christian church and the Christian Fathers were more inclined to a communistic attitude to property.

Aristotle's *Politics*, which was translated into Latin about 1250, introduced the medieval West to the view that private property is a necessary means of the good life. This view involved a radical transformation of the theory of property, and Aquinas was the first to combine a defence of the Aristotelian view with a full discussion and criticism of traditional texts.¹² Private ownership of resources coupled with communal use of surplus produce is Aquinas' programme for the maximization of total social product and the optimization of its distribution from the viewpoint of economic welfare. Private ownership is advocated mainly on the grounds of higher economic efficiency, while the policy of communal use of property derives from moral imperatives; thus Aquinas writes: 'Feed him that is perishing of hunger; if you fail to do so you are guilty of his death.'¹³ But on all important points Aquinas remained decisively on the side of Aristotle, and provided the major rationale for the acceptance of a free market economy as the framework for economic analysis.

These are some of the earlier views on property. We shall now turn briefly to the nature and scope of property right in Islam, which Ibn Taimīyah elaborates and advocates.

B. Islamic approach

According to the teaching of Islam, Allah is the real and absolute owner of the Universe and whatever is in it. He is the Nourisher and the Master of man. Only He can bestow upon men any rights of ownership. He can impose limitations and restrictions on their ownership. Man's power to dispose of worldly goods derives from his role as the vicegerent and trustee. Wealth is not an end in itself, but a means to discharge effectively man's responsibilities as the vicegerent of Allah. The Qur'ān says: 'And (remember) when your Lord said to the angels, verily I am going to make a vicegerent on the Earth.'¹⁴ 'Eat of the provisions of your Lord and render thanks to Him.'¹⁵ 'And strive with your wealth and your lives in the way of Allah.'¹⁶

Since property right is of a purposive nature and all of mankind belongs to the One God, the bounties of nature

and of worldly goods should be accessible to all men. The Prophet, peace be upon him, is reported to have said: 'Mankind are Allah's dependants, all of them, so the most beloved of them in the sight of Allah are those who are most beneficent to His people.'¹⁷

Property is a test or trial and therefore individuals have been given sole discretion in the ownership and disposal of wealth. The Qur'ān says: 'Your riches and your children may be but a trial.'¹⁸ Any compulsion or coercion would negate this trial. Nevertheless, social interest and the collective dimensions of human life require that individual freedom be kept within certain limits. The individual's success in the test depends not only on his efforts but also on collective efforts through the society and the society in its institutional aspect, the state.

1. Salient features of the Islamic concept of property

In Islam, duties come first and rights second. The individual, the society and the state each have certain obligations, for the discharge of which each has been accorded certain rights. The individual is, without doubt, the focal point of all rights and duties, directly accountable to Allah for his actions. But, necessarily, he is a social being: all his material and spiritual aspirations need a collective effort for their realization. Material progress, social reform, political stability and peace, as well as education, moral regeneration and spiritual growth, all require a collective approach on the part of the individuals concerned.

Society in the Islamic view is there for the sake of the individuals in it. It emerges out of the natural needs of the individuals, and it grows on their initiative. Society performs its functions through the state and other social institutions. To protect the life, honour and property of the members of society, to ensure a degree of freedom to all and to do justice if disputes arise, are among the functions and duties of the state.

Thus the individual, the society and the state each have a claim on property rights in respect of the roles assigned to them. The property rights of these three agents should not

come into conflict with one another, nor should the exercise of those rights by any one of these agents, jeopardize the exercise of their rights by the others. The Islamic state has a jurisdiction over the rights of individuals. As it is the embodiment of Allah's vicegerency on earth and representative of the people, the individuals should not begrudge the state reasonable intervention necessitated by Islamic considerations and directed towards the realization of the collective goals laid down by the *Shari'ah*.

C. Ibn Taimiyah's views

Having described briefly the fundamental concept of property rights in Islam we can turn to Ibn Taimiyah's views on the subject. It should be noted that he in no way contradicts the Islamic concept of property, his ideas and analysis remaining always firmly within the Islamic framework.

According to Ibn Taimiyah, disposal of property is permissible only so far as there is no violation of any principle of the *Shari'ah*.¹⁹ Describing his views, Professor Laoust writes: 'One does not find in his work any of the arguments which Aristotle has brought against Plato's communism. He never says that property increases the urge for work in the mind of the owner, that communism is no guarantee for the social order, and that joint possession and community of goods really end in the usurpation of power by the strongest. Not one of these considerations is found in any of his books, for he takes the institution of property for granted at the very outset.'²⁰

Property is, for Ibn Taimiyah, a power granted by the *Shari'ah* to make use of an object, but a power of varying kinds and degrees. For example, sometimes the power is complete so that the proprietor can sell or give away the object, lend it or make a gift of it, bequeath it or use it for productive purposes; but sometimes the power is incomplete, the proprietor's rights are limited.²¹ Ibn Taimiyah's discussion is not confined to private ownership, it also encompasses the society and state: this is one of the distinguishing characteristics of his economic views, not found in any scholastic expert.

1. Individual property rights

For the acquisition of property by the private individual, Ibn Taimīyah simply enumerates the means recognized by the *Shari'ah*, such as securing possession of unowned uncultivated land and making it cultivable, inheritance, purchase, etc. The individual has the right to enjoy his property, use it productively, transfer it, and protect it from wastage. But this right is subject to a number of limitations. He cannot spend extravagantly, nor may he spend on the objects of vice and forbidden luxuries.²² In transactions he may not use forbidden means, e.g. adulteration, cheating and non-compliance with weights and measures.²³ He is forbidden to exploit needy persons, for example by hoarding in time of drought.²⁴ According to Ibn Taimīyah, an individual whose only aim is to amass wealth is like Qārūn (Korah).²⁵ And the individual may not make any alteration in his property that may harm his neighbour.²⁶

(a) *Obligations*

Apart from these limitations on his property right, the proprietor is also subject to certain obligations. 'On every person there are certain obligations, for example, to support himself and his relatives and to pay their dues, etc.'²⁷ He expresses the view that 'it is wholly obligatory (*farḍ 'ain*) for the individual to spend in support of himself and his household. As for expenditure on the poor and contribution to war effort, these constitute basically a social obligation (*farḍ kifāyah*) or a desirable deed (*mustahabb*). But such expenditure becomes obligatory upon the individual if no other person comes forward to do it. To feed a hungry person is obligatory (*wājib*).'²⁸

Neighbourhood affords certain rights to neighbours not enjoyed by strangers. For example, a neighbour can use an object which is the property of his neighbour provided this does no injury to that person, but if it does, it is strictly prohibited. Thus one can carry water through the land of another if there is no harm to the latter's property.²⁹

Ibn Taimīyah's doctrines show that he tends to regard the ownership of property as a social function too. When a

proprietor fails in his duty it is not merely a matter of private or personal conscience. The matter is not regarded as simply one between Allah and that individual, for it definitely falls within the remit of the society to call him to order. The function of the state to order what is good and to forbid what is evil leads, for instance, to the right to fix the market price of merchandise and to harmonize the mutual interests of the producer and the consumer. This is one of the many cases of state intervention in private property. The functional nature of ownership is further substantiated by Ibn Taimīyah's treatment of the Islamic legal provision relating to *hajr* (interdiction);³⁰ the right of the state to impose taxes beyond *zakāh*, and to impose fines and even confiscate properties in certain situations. The state derives this power from its duty to establish peace and justice and to ensure the good working of the economy. The state will impose the amount to be spent on one's dependants if there is a controversy in the matter.³¹ Ibn Taimīyah recommends different punishments for a person who denies an obligation in spite of having the means to fulfil it.³² According to him, 'it is people's duty to help others in their need of bread, clothing and shelter and if they refrain from doing so, the state will step in to compel them to do so'.³³ If a person has surplus goods, refuses to lend them to one in need, and this refusal causes the death of the latter, he will be held responsible for that death.³⁴

Ibn Taimīyah discusses in some detail the property or services (*al-manāfi' wa'l-amwāl*) the proprietor owes to others, and whether this expenditure is voluntary and unremunerated (*bi ṭarīq al-tabarru'*) or remunerated (*bi ṭarīq al-ta'awwud*), and distinguishes them as compulsory or optional.³⁵ The compulsory expenditure is a duty either individually or socially obligatory. Unremunerated financial obligations are of four kinds: payment of *zakāh*; services to guests; expenditure on relatives; and help in contingencies. Ibn Taimīyah inferred these four obligations from a saying of the Prophet.³⁶

Unremunerated obligatory services are: imparting religious education; enjoining good and forbidding evil; and helping the oppressed.³⁷

There is controversy whether small services (kindnesses) (*al-mā'ūn*) should be provided with or without remuneration. Ibn Taimīyah is of the view that they should be provided free of charge.³⁸ He further holds that if a number of goods are provided without any charge, as an act of benevolence, the provision of certain other goods may be required on payment.³⁹ Remunerated provision of goods is of four kinds: provision of goods in exchange for goods, as happens in trade; spending money on services; providing services against money; and the mutual exchange of benefits as happens in partnership where one party contributes labour and the other party contributes money.⁴⁰ All such exchanges are necessary in religion and for worldly purposes since, as man cannot get on by himself, he is bound to seek help from others.⁴¹

Since man has a natural tendency to give in exchange for his necessities, the *Shari'ah* does not favour coercion as long as the exchange is done voluntarily, and has left the matter to be negotiated by mutual consent. But when voluntary action is not forthcoming, the *Shari'ah* makes it obligatory and entitles one to remuneration. For example, if a person is in debt to another person and he has some property from whose proceeds the debt can be paid, the government can oblige the debtor to sell the property and pay the creditor. This is because the payment of debt, which is obligatory, is not possible without the sale of the property; when the 'fulfilment of an obligation depends on some other things, both become obligatory'. In the same way, the government can oblige a person to sell food at the just price when another person is in dire need and the owner of the food has refused to sell except at a higher price.⁴² Thus it may be said that justice and charity join hands to limit, morally and juridically, the right of free disposal which property seems to confer on the proprietor.

2. Social or collective property

The second type of property, collectively owned or social property, may take different forms. For example, an object may be owned by two or more persons, or by an organization or association. There are certain objects that are owned by

a community living in a particular area or by the society as a whole. Such property right is usually necessitated by social needs.

If a property is owned by two or more persons they may use it according to the rule adopted by them. No partner in the property may act in a way injurious to the other partner(s). Equally, if one partner tries to make an addition which is beneficial for all the partners, the others will also be pressed to contribute a share and co-operate. Ibn Taimīyah's legal opinion (*fatwā*) was once sought in a case where a garden was jointly owned by two persons. One of them wanted to erect a wall in the middle of the garden but the other objected. Ibn Taimīyah resolved that the objecting partner would be compelled to accept.⁴³

An example of special collective property is the *waqf* or trust. When a property has been dedicated to specific purposes or for certain persons, it is obligatory that it be used for those purposes or those persons. Ibn Taimīyah holds that a trust property can be replaced by another if the latter is more beneficial and fruitful for the purposes or persons to whom it is dedicated – a view not generally adopted by the experts of Islamic jurisprudence. He permits the sale of dedicated trees whose crop has failed and the purchase of others whose crop is better. Trees are like buildings, the caretaker or trustee having the right to change the shape of a trust to a form more beneficial than the existing one.⁴⁴ An endowment or trust (*waqf*) property for the use of the rich is considered invalid by Ibn Taimīyah, because it would be in violation of the divine instruction that wealth should not circulate among the rich only.⁴⁵ In other words, it would violate the Islamic principle of distributive justice and may accentuate the gap between rich and poor.

Important instances of collective and social property are the gifts of nature, e.g. water, grass and fire – which have been mentioned specifically in a *ḥadīth*. One reason for regarding these as collective social property may be that these are the free gifts of Allah – man has no trouble in acquiring them or the use of them. Another reason may be that these are necessities, private individual occupation and ownership of which might create hardship and trouble to the

society. According to Ibn Taimīyah, water, grass and fire are given only as examples; other things having the same characteristics may also be included in this list. He regards all minerals coming out of free land as collective property, e.g. naphtha, gold, silver, salt, oil, etc.⁴⁶

3. State property

The third category of property right relates to the state. The state needs and has a right to acquire, the resources and power necessary to discharge its obligations in, for example, education, moral regeneration, dispensation of justice, maintenance of law and order and, in general, protection of all the material and spiritual interests of the people. A detailed study of the means of public property and the relevant obligations, as Ibn Taimīyah sees them, will be discussed in a subsequent chapter on public finance, but a brief mention may be made here also. According to Ibn Taimīyah, the main sources of state property are *zakāh*, booty and spoils of war (*maghānim* and *fai'*).⁴⁷ Apart from this the state can also increase its resources by imposing other taxes when an urgent need arises.⁴⁸ Lost property whose owner cannot be found is state property,⁴⁹ similarly property having no heir;⁵⁰ also trusts, gifts⁵¹ and fines⁵² may be included as sources of state property.

State property is actually public property, the head of the state being only its caretaker. It is the duty of the state to disburse it in the way most beneficial to the public.⁵³ It should avoid extravagance and wastage. *Zakāh* should be distributed among its beneficiaries as prescribed by the Qur'ān. It is the duty of the state to strive for the economic progress of the people, provide social security and reduce disparities in the distribution of income. All these matters will be discussed in detail in subsequent chapters.

4. Ibn Taimīyah's views compared with others

From the foregoing it will be clear that Ibn Taimīyah conceives the right to property as conditional and not absolute: in this respect his view is radically unlike that of

the Romans, from which the modern capitalist view is derived. His elaboration of property right into three categories of private, social and state ownership is unique,⁵⁴ though no doubt directly influenced by the characteristically Islamic emphasis that gives every aspect of life its due importance.

According to Ibn Taimīyah, the individual is indeed free to acquire property, subject to moral constraints. This right has been accorded so that he may meet certain obligations, but as soon as he transgresses the *Shari'ah* his rights will be subject to state intervention. However, there is no doubt that Ibn Taimīyah regards private property as a basic institution and it would be incorrect to think that the state is supreme in this regard, as the rights of the individual are inviolable while he acts within the bounds set by the *Shari'ah*. Thus Ibn Taimīyah's concept of property is different from the socialist or communist approach to ownership.

Ibn Taimīyah envisaged all possible safeguards against individual ownership becoming a tool of exploitation. This is demonstrated by the meticulous care with which he discusses the limits and constraints on these rights. Exploitation by an individual or a group is a tyranny and it is the duty of the state to strive to eliminate it.

5. His treatment of wealth and poverty

In contrast to the Sufi attitude, Ibn Taimīyah prefers wealth to poverty. He regards wealth as a means to a good moral life. There are many religious duties which cannot be performed without financial means. A man's obligation to support himself and his dependants, for instance, requires worldly means, which makes their acquisition an imperative.⁵⁵ Ibn Taimīyah supports his attitude by quoting one of the earliest jurists, Sa'īd bin al-Musayyib, who says that there is no good in a person who dislikes wealth – as a person can serve his Lord with it, repay the dues, protect himself and become independent of others.⁵⁶ Man's need for wealth and property is the same as his need for food, drink, shelter, etc. Wealth should be a servant, not a master.⁵⁷

Ibn Taimīyah is against rejection of the world for a priestly

way of life. To him, goodness and virtue lie in fulfilling one's positive duties and avoiding the prohibited things. That is the real meaning of *al-zuhd* (denouncement).⁵⁸ He considers misguided those who turn away from their incomes thinking them dubious while they neglect to fulfil their positive duties.⁵⁹

Indeed, Ibn Taimīyah says that wealth is superior to poverty even in the moral sense, for while poverty gives rise to rights, wealth imposes obligations. He is emphatic that most of the obligations which devolve upon a person through the possession of wealth are such as lead to joint interest or mutual help. The rich are not regarded by him as the enemies of the poor but rather their potential friends.⁶⁰ Henri Laoust has rightly said: 'His doctrines are favourable to the organization of an active economic society for the reason that, in the absence of such organization, wealth which is static will soon tend to diminish and finally disappear altogether.'⁶¹

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23. Cf. Ibn Taimīyah, *al-Ḥisbah*, (Cairo: Dār al-Sha'b, 1976), p. 22.
24. Cf. ibid., p. 24.
25. Cf. Ibn Taimīyah, *al-Siyāsah al-Shar'īyah*, (Cairo: Dār al-Sha'b, 1971), p. 186. *Korah* (Qārūn): an unbelieving minister of Pharaoh (Fir'awn), he behaved proudly towards the Israelites because of his immense wealth. He is an example of those who prefer the fleeting wealth of this world to gaining by alms, humility and righteousness the abiding riches given by Allah in the life hereafter.
26. Cf. Ibn Taimīyah, *MFS*, op. cit., Vol. 30, pp. 6, 8, 11.
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30. Cf. Ibn Taimīyah, *MFS*, op. cit., Vol. 31, pp. 32, 33. *Hajr*: In Islamic jurisprudence, it means to prohibit a young or light-witted person from using or disposing of his property according to his own free will.
31. Cf. Ibn Taimīyah, *MFS*, op. cit., Vol. 30, p. 83.

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49. *Ibid.*, Vol. 30, p. 413; Vol. 29, p. 263.
50. Ibn Taimīyah, *al-Siyāsah al-Shar‘īyah*, op. cit., p. 54.
51. *Ibid.*
52. Ibn Taimīyah, *al-Ḥisbah*, op. cit., p. 61.
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54. It should be noted here that some 500 years later, Adam Müller (1779–1829), a German thinker, divided property right on the pattern of Ibn Taimīyah: into (a) pure private property; (b) corporative property; (c) state property. However, the details are not the same. See Gray, op. cit., p. 205.
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56. *Ibid.*
57. Cf. *ibid.*, Vol. 10, p. 189.

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CHAPTER V

Ibn Taimīyah's Conception of Interest and Money

The institution of interest has been controversial throughout history and continues to be so. 'The theory of interest', Conard writes, 'is still in a state of great confusion'.¹ A brief comparative account of interest in various religions including Islam will be helpful before we turn to Ibn Taimīyah's views on the subject.

A. Interest in different systems

1. Judaism and Christianity on interest

Charging interest has always been considered unethical by all the world religions, and by the ancient philosophers. 'In the Old Testament many passages forbid interest charged on loans to the poor or to fellow-Jews and condemn the gaining of wealth by oppressing the poor with usury.'² Leviticus 25: 37 reads: 'Thou shalt not give him thy money upon usury, nor lend him thy victual for increase'; and Deuteronomy 23: 19: 'Thou shalt not lend upon usury to thy brother.' In the same way, the Judaism of Talmud and Mishnah forbade any Jew to act as intermediary or agent of surety or witness in any usurious transaction between Jew and Jew. The Rabbis derived this prohibition from Exodus 22: 25: 'If thou lend money to any of my people that is poor by thee, thou shalt not be to him as an usurer, neither shalt thou lay upon him usury.'³

These verses give the impression that realizing interest was forbidden only in the case of the poor or the Jews, but this

is not the case. Summing up the reproaches levelled against the Jews, the Qur'ān says: 'and of their taking interest when they were forbidden it, and of their devouring people's wealth by false pretence'.⁴ That they twisted and distorted the words of their book, so that they could indulge their own whims and conjectures, is clear from the fact that 'according to Maimonides (1135–1204), a Jew lending money to a Gentile is religiously bidden to charge interest. Maimonides regards this as one of the affirmative precepts of Judaism, deriving it from Deuteronomy 23: 20, which according to him, should be translated 'unto a stranger thou must lend money on interest'.⁵

The Christian writer of *Dā'irah al-Ma'ārif* (an Arabic encyclopaedia) writes: 'The Mosaic laws forbade Hebrews charging interest in cash from the poor even though they lent to an alien; then the restriction narrowed to the Israelites even though they lent to the wealthy. They were enjoined to lend to the poor to help them in distress and they were warned against taking interest by any trick . . . But when the market extended and trade and commerce developed, the practice of interest and mortgage became common among them. But they allowed the taking of interest from their Jewish brethren long after that.'⁶

In the New Testament, we find no direct precepts on interest. But these words of Jesus: 'lend freely, hoping nothing thereby', Luke 6: 35, imply that charging of interest is against the spirit of Christianity and is therefore forbidden. According to Spiegel, the early Fathers looked upon usury with severe disapproval. They found the confirmation of their views in several passages of the Old Testament, and the general principles of the New Testament teaching approved their stand, most especially the above cited verse of Luke.⁷

2. Interest in Greek philosophy and Roman law

The practice of interest was common in ancient Greece and Rome. The Roman lawyers allowed an annual rate of 12% on loans in kind.⁸ But Roman thinkers like Cicero (106–43 BC) and Seneca (4 BC–65 AD) condemned the taking of interest and described it as inhuman.

Before them, Plato and Aristotle had also strongly opposed the charging of interest. They thought it to be against the welfare of the state. According to them, it is unjust and unnatural to seek gain from barren metal.⁹

They did not differentiate between loans for consumption and loans for trade, nor between interest and usury. Stating Aristotle's view, Schumpeter writes: 'He did not even classify loans according to the various purposes they are capable of serving and does not seem to have noticed that a loan that finances consumption is something very different from a loan that finances maritime trade. He condemned interest which he equated with usury in all cases – on the ground that there was no justification for money, a mere medium of exchange, to increase in going from hand to hand (which of course it does not do).'¹⁰

On the pattern of Schumpeter, it is now the fashion to talk about the difference between consumption loans and loans for production purposes. But analysis shows that there is in fact no substantial difference between them, as finally the burden is borne by the poor or common people. Moreover, how could it be justifiable to assure a return on his capital for the capitalist while there is no assurance of return for the person working with that capital?¹¹

3. Interest in the Middle Ages

Thinking about interest took a new turn in the Middle Ages when a more analytical approach to the problem was made. The restriction against interest began to gradually break down and attempts were made to lessen the severity of prohibition or to abandon it altogether by giving a new interpretation to the Biblical teachings and by reconciling Aristotle's stand with Roman laws.

Expansion of commerce and trade, and of economic activity generally required frequent capital borrowing. Churchmen themselves needed large sums for building work and for the crusades. And later, the church itself became the owner of large properties and started money-lending. This circumstance persuaded the men of the church to re-adjust and re-interpret the Biblical laws in a way that might better

suit their activities. They not only gave up the old view that business was an evil and its roots were in avarice but they also sowed the seeds of capitalism by taking a very lenient line on interest.

The schoolmen were pioneers in this change of attitude, prominent among them St. Thomas Aquinas. He distinguished between things that are consumed as they are used, for example, food, and things that may be used without being consumed, for example, a house.¹² According to him, only in the second case can 'use' be separated from ownership. Since money comes under the first category, therefore, he who sells money must sell it once and for all and has no right to charge extra. One who demands a price in the form of an annual payment and then insists on a return of his capital is guilty of being paid twice for the same thing. A seller is entitled to receive only equal to what he has given up – a concept similar to the 'just price'.

But Aquinas agrees that the seller of money may suffer damage through loss of use of the money greater than the sum of money itself or loss of profit that might have been earned, had the principal been invested rather than loaned.¹³ In making these modifications Aquinas seems to have been unaware that he had strayed seriously from his general argument that money is a commodity which can be used only by being consumed. He surrendered before the forces of rising capitalism and the forces against religion and ethics. He paved the way for the collapse of the prohibition on usury or interest. In the words of Don: 'Once one gap is made in the hedge of restriction, other gaps appear as the centuries pass, until it becomes a question whether there is a hedge at all.'¹⁴ The foundation thus laid for a distinction between usury and interest, and between loan for consumption and loan for trade, it proved an indispensable helping hand to the rise of capitalism.

B. Islamic teachings

Islamic teachings about interest are very clear. There is an absolute, categorical prohibition of interest in the Qur'ān, and it condemns those who take *al-ribā* (interest) and warns

offenders of the doom of Fire. It regards interest as a practice of the unbelievers and demands, as a test of belief, that it should be abandoned:

Those who swallow interest (*al-ribā*) cannot rise up save as he ariseth whom the devil hath prostrated by (his) touch. That is because they say: Trade is just like interest; whereas Allah permitteth trading and forbid-deth interest. He unto whom an admonition from his Lord cometh, and (he) refraineth (in obedience thereto), he shall keep (the profits of) that which is past and his affair (henceforth) is with Allah. As for him who returneth (to interest) such are rightful owners of the Fire. They will abide therein. Allah hath blighted interest and made alms-giving fruitful. Allah loveth not the impious and guilty.

Lo: those who believe and do good works and establish worship and pay the poor-due, their reward is with their Lord and there shall no fear come upon them neither shall they grieve. O ye who believe: observe your duty to Allah, and give up what remaineth (due to you) from interest, if ye are (in truth) believers; and if ye do not, then be warned of war (against you) from Allah and His Messenger. And if ye repent, then ye have your principal (without interest). Wrong not, and ye shall not be wronged (*Lā taẓlimūn wa lā tuẓlamūn*).¹⁵

And if the debtor is in straitened circumstances, then (let there be) postponement to (the time of) ease; and that ye remit the debt as alms-giving would be better for you if ye did but know.

And guard yourselves against a day in which ye will be brought back to Allah. Then every soul will be paid in full that which it hath earned and they will not be wronged.¹⁶

At another place the Qur'ān says:

O ye who believe! Devour not usury, doubling and quadrupling (the sum lent). Observe your duty to Allah, that ye may be successful.

And ward off (from yourselves) the Fire prepared for disbelievers! and obey Allah and the Messenger that ye may find mercy.¹⁷

1. The conventional form of interest or *ribā al-jāhiliyah*

The prohibition of interest has also been reported in the sayings of the Prophet. In the last *Hajj* the Prophet declared: 'Lo the interest of *jāhiliyah* has been repealed . . .',¹⁸ and Ibn Taimīyah says: 'The interest of *jāhiliyah* was that a person having loaned to another for a period asked at the due date whether he would repay or pay interest. If the borrower paid the principal it was all right; if not, the lender gave time and increased the amount payable. Thus, the money used to increase.'¹⁹ This description of interest among the pagan Arabs clearly shows that the interest was charged against time. And this was exactly the same interest which is well known to all nations and that was prohibited also in the revealed books of the past.

Fakhr al-Dīn al-Rāzī (1148–1210 AD), a famous commentator on the Qur'ān, writes in his *al-Tafsīr al-Kabīr* that 'they (the pagan Arabs) used to lend money on the condition that they would charge a fixed amount each month, while the capital would remain safe. And at the time it was due, if the borrower could not pay, they increased the amount with the extension of the date of payment. This was the interest practised by the Arabs in the *jāhiliyah*.'²⁰

2. Meaning of the Qur'ānic term *al-ribā*

The word used in the Qur'ān to express the meaning of interest is *al-ribā*, which literally means 'increase'. In Islamic jurisprudence it is defined as 'an increment in money or goods having no compensation in a transaction'.²¹ As regards the increment over and above the capital loaned, all experts of Islamic jurisprudence agree that it is *al-ribā*. But the word *al-ribā* has been applied to some other cases of exchange also. For example, Taqī al-Dīn Subkī (704–44 AH), a contemporary of Ibn Taimīyah, says that 'to some people this term (*al-ribā*) includes all prohibited trades'.²² Shāh Walī

Allāh Dihlawī (1703–62) says: ‘*Al-ribā* is used in two ways: in its real meaning and in similitude (*maḥmūl ‘alaiḥ*). In its real meaning it is used for lending and borrowing and that was common in *jāhiliyah* and it was prohibited in the Qur’ān. In similitude it is used in case of *ribā al-faḍl* (see the next section), whose prohibition is known by tradition of the Prophet, peace be upon him. Here the word *ribā* is used because of similarity between the two and also to express the perversity of such a transaction; and due to the frequent use of the word for the latter, it became established in the *Sharī‘ah* in this sense too.’²³

Describing the range of connotations of *al-ribā*, Ibn Taimīyah writes that the term includes all types of interest resulting from late payment (*ribā al-nasī‘ah*) or due to unequal exchange of the same commodity (*ribā al-faḍl*) and it also includes every loan carrying benefit etc.; the text includes all these kinds.²⁴

Thus the term ‘*al-ribā*’ covers usury as well as interest in terms of modern economics, and it also covers some cases of barter which involve exchanges unequal by way of quantity or time of delivery.

3. *Ribā al-faḍl* and *ribā al-nasī‘ah*

As we have just seen, besides the prohibition of the conventional form of interest, Islam also forbids two types of barter exchanges and terms them as interest, viz. *ribā al-faḍl* and *ribā al-nasī‘ah*. This is stressed by a group of traditions that report the Prophet saying that gold for gold, silver for silver, wheat for wheat, barley for barley, date for date and salt for salt be exchanged, the same thing for the same thing, in equal quantity and hand to hand; one who demanded extra or paid extra, he indulged in interest.²⁵

The tradition further reports: ‘. . . when these kinds differ, then sell them as you like (with the difference of quantity) provided that it is hand to hand (i.e. the transfer of ownership takes place at once).’²⁶

Thus *ribā al-faḍl* can be defined as charging extra quantity in barter exchange of the same commodity. For example, to sell or purchase one quintal of wheat against one quintal and five kilos of wheat.

Ribā al-nasī'ah can be defined as barter exchange of certain commodities (namely gold, silver, wheat, barley, dates, salt, etc.) for the same or similar commodities in which one commodity is handed over instantly while the other is delivered at a later date.²⁷ For example, to exchange ten grams of gold now for ten grams of gold to be paid after two weeks or to sell one quintal of wheat at present against two quintals of barley to be paid after one month.

C. Ibn Taimīyah's recognition of the economic reason for the prohibition of interest

Ibn Taimīyah has analysed the prohibition of interest only very briefly. But the little he has said in this connection is very significant. He says that 'the practice of interest is prohibited by clear verses of the Qur'ān and there is no difference of opinion among the followers of Islam on this question'²⁸ and that 'interest is forbidden because it is harmful to the needy and amounts to acquiring property by wrongful means. This motive is found in all usurious contracts.'²⁹

Moreover, like all Muslim thinkers, he does not differentiate between loans for production purposes and loans for consumption purposes. He might have reasoned that if there were any substantial difference, the Qur'ān would have differentiated between them as it was revealed to a people who were traders and their borrowing included borrowing for business purposes.³⁰

Muslim thinkers were not only aware of the two types of loans but they also knew that the resulting nature of both was equally improper. Imām Fakhr al-Rāzī, who lived before Ibn Taimīyah, lashes out at the trend of justifying commercial interest. Analysing such loans, he says that 'the possibility of the lender investing his money and earning profit is a matter of conjecture (*amr mawhūm*); it may or may not materialize. To exact a higher amount over and above the sum lent, on that conjectural basis is a kind of injustice and exploitation (*ḍarar*). Another economic basis of the prohibition of such interest is the fact that it draws the capital-owner away from enterprise. This is so because when the money-len-

der has the possibility of earning more money in cash or in deferred payment, he will shun other ways of economic activities and will never be ready to enter trade, commerce and industries involving risk and tough labour. This means the end of the public good and welfare (*manāfi' al-nās*) as it is a known fact that the welfare of people is attained only through trade and commerce, manufactures and constructions.³¹

The above passage is a clear argument why Muslim thinkers, without exception, put all kinds of interest-bearing loans in one category.

1. Reason for prohibition of *ribā al-faḍl* and *ribā al-nasī'ah*

The foregoing analysis is related to *ribā al-jāhiliyah*, that is, conventional interest, known in all nations, whereby additional money is charged on loans after a certain period. We have seen that in Islamic law there are two other cases which are prohibited, namely *ribā al-faḍl* and *ribā al-nasī'ah* – cases of barter that involve exchanges unequal by way of quantity or time of delivery. The reason for the prohibition of these two exchanges is to remove the possibility of exploitation and of acquiring others' property wrongfully.³²

But there is a difference between conventional interest and *ribā al-faḍl*. The evils of interest are obvious in the former, while they are hidden in the latter. Ibn Taimīyah says that the Prophet has forbidden many things that might be a source of evil though the evil is not immediately discernible in them: an example of this is *ribā al-faḍl* in which the reason for prohibition is sometimes unclear.³³ In fact, *ribā al-faḍl* and *ribā al-nasī'ah* are prohibited as a precautionary measure. The clear practice of interest and that which might lead to interest should not, and cannot, be treated alike. It is for this reason that the latter is allowed when necessity demands it and when there is no fear of indulging in interest proper. Ibn Taimīyah gives the example of the permitted exchange of fresh dates for dry ones in small quantity by estimation, without actually weighing them.³⁴ The point of the argument is that, strictly according to the ruling against *ribā al-faḍl*, exchange of dates should be in

exactly equal quantity. But exchanging them by approximation (*khurs*), which is more likely to involve inequality, has been permitted.³⁵

Ibn al-Qayyim, a disciple of Ibn Taimīyah, is more explicit on this point. He establishes two distinct categories: *ribā al-jalī* (open interest) and *ribā al-khafī* (disguised interest) and says that *ribā al-jalī* is prohibited expressly as such, while *ribā al-khafī* is prohibited to stop it from becoming a means to interest. He concludes that the thing prohibited as a precautionary measure is permitted for the sake of a higher good (*al-maṣlahah al-rājiḥah*).³⁶ Ibn al-Qayyim says that the sale and purchase of golden or silver ornaments with gold or silver (bullion) is permitted, despite inequality in weight. His opinion is based on the distinction between *ribā al-faḍl* and *ribā al-nasī'ah*. He says that if it is prohibited, people will face great difficulty.³⁷ He allows this exchange also because, in his opinion, gold and silver, after their transfer into ornaments, become goods; now there is no question of interest in the sale of goods for payment, and that is the case here.³⁸ Ibn Taimīyah is of the same opinion.³⁹

2. Ibn al-Qayyim's recognition of the economic grounds for the prohibition of *ribā al-faḍl* and *ribā al-nasī'ah*

We will further examine Ibn al-Qayyim's views as they reflect, in all probability, the views of his teacher Ibn Taimīyah. Ibn al-Qayyim observes: 'If people were allowed to exchange food grains on credit, no one would do so except when it was profitable and they would never sell their goods straightaway, preferring to wait for a profit later on. Thus the needy would hardly be able to get the foodstuffs of their choice, because the general public did not have cash very often. People, especially in the rural areas, carried little cash and generally exchanged one kind of food grain for another. So it was wise and merciful of the Law-giver to prohibit deferred payment in exchange of foods as he has done in the case of precious metals.'⁴⁰

The point Ibn al-Qayyim is making deserves careful attention. The Prophet prohibited deferred delivery by one of the parties in such cases, though he allowed inequality in

the quantity of food grains exchanged. Had deferred delivery been allowed, the inequality would, in all probability, become a function of the time allowed to the other party, thus partaking of the essential feature of *ribā*: increase in value due to increase in time allowed.

The comments above concern the exchange of one kind of food grain for another. According to Ibn al-Qayyim, there is good reason to allow disparity in their quantity, as the nature, quality and purpose of the two kinds of grain will differ. But what of the possible exchange of different quantities of the *same* kind of food grain, presumably on grounds of difference in quality? The Prophet prohibits inequality in quantity as well as deferred delivery in this case, advising people to sell what they had for cash and then buy what they wanted with that cash.⁴¹ The reason for the prohibition lies in the uncertainties involved in assessment of the difference in quality. Moreover, if such exchange were permitted it would lead to the same consequences, that is, to the exchange of the same kinds of food grains with deferred delivery, hoping for further increase in quantity, because men generally take pleasure in earning more and getting more profit.⁴²

3. Ascertainment of a common economic and juristic cause ('illah) in commodities of *ribā al-faḍl* and *ribā al-naṣī'ah*

While discussing interest, Ibn Taimīyah notes the difference of opinion among the experts of Islamic jurisprudence regarding the interest on exchange of commodities.⁴³ That is, whether the restriction is confined to the six commodities mentioned in *ḥadīth* or whether there are fundamental principles involved in the prohibition, in which case it would apply wherever those principles do. Ibn Taimīyah himself is of the opinion that the prohibition is not confined to the six commodities, but that any commodities exchanged in an analogous situation are to be included in the prohibition. According to him, 'the reason for prohibition in the case of the two precious metals is their capacity for use as standards of value (*thamanīyah*)'.⁴⁴ Examining the views of other experts, he says that 'to consider *thamanīyah* as a reason of

ribā is sensible and justifiable, because *athmān* (monies) are meant to be standards of value for other goods (*mi'yār al-amwāl*) and through them the values of goods are measured, and they are never meant to be used for themselves. So if some of them are exchanged or sold for others of the same, it constitutes trade in money which violates the whole rationale of money. Their exchange must be simultaneous and in physical terms so that their power to exercise command over other goods is preserved. Coins must also be treated in the same way if they are used for measuring price and they must not be exchanged on a deferred basis.⁴⁵

Ibn Taimīyah's indication of use-as-money as the reason for the prohibition of exchange of precious metals on a deferred basis has great economic significance.

4. Techniques to circumvent Islamic teachings on *ribā*

Islam came to people who were traders and Islam highly recommends and approves of occupations like trade and commerce. It never regarded business as an evil, as did Christianity in the early Middle Ages. On the contrary, it regarded it as a virtue. Against this background, Islam prohibited interest, and its followers stopped the practice of interest. They never felt this prohibition to be an obstacle in the way of trade and commerce, which continued to flourish throughout the early centuries of Islam. Muslims never tried to denounce the prohibition of interest in principle nor to reject it in practice. Historians are silent about the practice of interest among Muslims. The jurists, who were always critical of the non-Islamic practices among Muslims, seldom quoted an example of interest-taking by Muslims. This point is brought out clearly by Joseph Schacht, a Jewish scholar of repute. He says: 'They were always conscious that a direct breach of the prohibition of *ribā* (interest) was a deadly sin.'⁴⁶

Nevertheless, there were some people who began taking interest by fraudulent devices that did not come directly under the definition and practice of interest. Ibn Taimīyah has described some of these tricks. For example, *bai' al-'ainah* (credit sale) in which A sells an article to B on

credit for sum $X + i$ which B will pay at a future date; at the same time A buys back the article from B for the sum X which he pays to B in cash; the purpose of the difference, i in the two sums, is obvious – interest.⁴⁷ This practice was prevalent also in medieval Europe under the name of *mohatra*.⁴⁸ Such types of practice are also named *tawarruq*, meaning to obtain silver (money) by trickery.

Another method of circumventing *ribā al-faḍl* is called *mudd ‘ajwah*: in this, for example, a person exchanges silver mixed with copper for unequal weight of pure silver, thus obtaining silver in exchange for copper. Ignoring the copper, the net result is an exchange of silver with silver in unequal weight, which is prohibited. The copper is brought in to make the excess weight of silver appear as being exchanged for copper which, considered in isolation, would be perfectly legal. Ibn Taimīyah regards the transaction to be illegal, basing his verdict on the real intention, rather than on the form.⁴⁹

Ibn Taimīyah strongly condemns such practices and considers them to be against the spirit of Islamic teachings on interest.⁵⁰ He says: ‘All evils (such as injustice, exploitation, etc.), on account of which interest is forbidden, exist in these transactions, perhaps with a greater degree of fraud, cheating and troubles.’ He wrote a book on this subject, as he mentions in his *Fatāwā*.⁵¹ He does not agree with the jurists who validate such practices, but he gives weight to the intention in certain cases, arguing that if such transactions were done without the prior agreement of the two parties, or the intention was really to trade in goods and not lend or borrow money at interest in this way, it might be permitted.⁵²

It is clear from the petty tricks illustrated above that the underlying reason behind them was not any vital economic factor like unavailability of capital for trade and industry etc. Rather, it seems that some individuals who had lost the spirit of religion resorted to them simply to satisfy their lust for money without openly violating the prohibition of interest. It is interesting to note what Ibn Taimīyah has to say in this regard: ‘All transactions can be divided into three categories: the purchase of a thing for consumption – this sale and

purchase is permitted by Allah; second, the purchase of a good to sell it in that city or somewhere else – this is trade or commerce, also permitted by Allah; but in the third transaction neither purchase nor commerce is intended, it is done only to acquire money. The borrower has failed to get money, so he resorts to this form of transaction. This last form is called *tawarruq* (trick to obtain money) and it is invalid in the opinion of many jurists.’ He quotes ‘Umar bin ‘Abd al-‘Azīz as saying that ‘*tawarruq* is a basis of interest’.⁵³

Thus Ibn Taimīyah is against not only direct, declared interest but also the practice of interest through trickery. In support of the self-evident and logical argument that in such transactions all the evils of interest fully exist,⁵⁴ his opinion is based on a number of traditions which he quotes very frequently.⁵⁵

5. Transfer of money and interest

Ribā, according to Islamic jurisprudence, is not confined to charging an additional sum of money over and above the principal lent. Most Islamic jurists hold the view that a loan involving any advantage or benefit to the lender comes within the meaning of *ribā*.⁵⁶ It is in this context that the practice of *suftajah* came to be discussed. This amounted to A writing a note acknowledging that he owed B a certain sum of money which should be paid to B by C on his behalf. A and C generally belonged to different cities. It was a convenient way of transferring large sums of money from one place to another. But the practice became controversial because of this very convenience given that B’s role could be regarded as that of a lender.

Ibn Taimīyah was quick to reject such a narrow interpretation. He rightly pointed out that the benefits were mutual. He says: ‘If a person lends money to collect it in another country – for example, the lender wants to transfer his money to another country and the borrower who is in need of money has his money in that country, so he borrows money and writes a bill (*suftajah*) for the lender to be exchanged in his country – then it is permitted according to one of the two points of view of the scholars (*‘ulamā*’); according to the

other it is also said to be prohibited because it results in advantage to the lender and any debt that brings advantage is *ribā*.⁵⁷

‘The correct point of view is that the transaction should be permitted, because the borrower benefits by having the security of carrying money to that country and the lender also benefits by collecting money in his own country without any risk. So both benefit each other in this act of lending and borrowing and the Prophet never prohibited the thing which is useful and beneficial and people need it; he forbade only that thing which injures them.’⁵⁸

6. Contrast between interest and *zakāh*

Ibn Taimīyah conceived a society based on Islamic norms and values. The main features of the society envisaged by him would be as follows:

1. Faith in the Oneness of Allah, that there is no God except Allah, the Creator and Sustainer of the universe. He gave mankind a code of life that guarantees their well-being in this world and in the life hereafter (*ma‘āsh wa ma‘ād*).⁵⁹
2. Co-operation. Human beings cannot live independent of each other. They have to live together and co-operate for the maximization of welfare and warding off evils.⁶⁰
3. A member of the Islamic society is not an ‘economic man’ but one with the goal of earning the pleasure of Allah through right action and service to his fellow human beings. Good intentions and right action thrive when they receive a positive response from others. Ultimately, competition in good deeds results in benefits to all concerned.⁶¹
4. Generosity and benevolence must prevail in the society.⁶² People should prefer others’ needs to their own needs.⁶³ On the other hand, lust for money, and miserliness is condemned in all cases.⁶⁴ Luxurious living should be avoided.⁶⁵ The best policy is that of the middle way.⁶⁶
5. In the society, there must not be monopoly,⁶⁷ exploi-

tation,⁶⁸ fraud or usurious transactions.⁶⁹ Good should be enjoined and evil should be forbidden.⁷⁰ The state has an active role to play in economic life. It should intervene if freedom is abused or people are not fulfilling their obligations.⁷¹

These are some broad aspects of the Islamic society. Interest has no place in such a society, as it springs out of qualities like selfishness, miserliness and lust for money. Hatred, jealousy and exploitation are its fruits.

In contrast, Islam encourages loans without interest, enjoins charity and makes *zakāh* a legal obligation. These strengthen the bonds of co-operation and are a source of love and sympathy. That is why Ibn Taimīyah considers interest to be antagonistic to *ṣadaqah* and *zakāh* (charity and alms-tax): 'When Allah created two types of people – rich and poor – He made the *zakāh* obligatory for the rich as a right of the poor; and at the same time He forbade the rich from taking interest that harms people.'⁷²

The objective then, in Ibn Taimīyah's view, of enjoining *zakāh* and prohibiting interest is to remove the poverty of the have-nots. This is in harmony with a verse of the Qur'ān which declares: 'Verily Allah abolishes interest (*ribā*) and increases charity.'⁷³

Ibn Taimīyah holds that the welfare of both the rich and the poor cannot be achieved, neither in this world nor in the Hereafter, without this approach. The right of the poor in the form of *zakāh* on the property of the rich is like a debt owed to the poor. So if a person is charging interest, it means he is not only denying what he owes to the poor, he is also indulging in further injustice (*ẓulm*) by taking interest. So it is the worst form of injustice.⁷⁴

In his discussion of the contrast between interest and *zakāh*, Ibn Taimīyah presents *zakāh* as the best substitute for interest. His intention is not piecemeal almsgiving but an organized institution for the removal of poverty and betterment of the condition of the have-nots. It should be noted that interest and *zakāh* represent two different attitudes towards fellow human beings and towards wealth. The practice of charging interest is rooted in selfishness and

individualism, whereas *zakāh* nurtures sympathy and brotherhood. We shall examine the economic significance of *zakāh* in the chapter on public finance.

D. Ibn Taimīyah's concept of money and monetary policy

Closely related to the topic of interest is money and monetary policy. Ibn Taimīyah's thoughts on this subject, though again very brief, are significant and thought-provoking. Some passages of his *Fatāwā* reveal that he had in mind what is called, in economics, Gresham's Law – two and a half centuries before the birth of the English merchant, Gresham (1519–79), to whom the idea is attributed. Ibn Taimīyah discusses also the nature of money, debasement of currency and related matters.

1. Nature and function of money

Modern economists would agree that the invention of money was the most significant incident in the economic history of man. It laid the foundation for economic development; it facilitated division of labour, establishment of industries, marketing of goods and services, etc. Geoffrey Crowther says of it: 'Money is one of the most fundamental of all man's inventions. Every branch of knowledge has its fundamental discovery . . . In economics, in the whole commercial side of man's social existence, money is the essential invention on which all the rest is based.'⁷⁵

Money circulates in an economy as blood does in our bodies. Just as high or low blood pressure is dangerous for health, in the same way too much or too little money creates a dangerous condition in the economy, in the form of inflation or deflation. Money has become a very important subject in economics. A. C. L. Day writes: 'A large part, indeed some would be inclined to say the major part, of the subject-matter of economics is concerned with the functioning and malfunctioning of money.'⁷⁶

Money is said to perform different functions, like measurement of value, medium of exchange, store of value and standard of deferred payments. In the opinion of many

economists its function as a medium of exchange is the most important of all. To quote Crowther again: 'Money must serve as a measure of value, as a medium of exchange, and as a store of wealth. Of these three functions, the second is the most essential . . . Money must be something that performs all three functions, and pre-eminently the function of being a medium of exchange.'⁷⁷ Day emphasizes the same point: 'The most important use of money is in settling by far the larger part of transactions between different individuals or organizations in modern economies.'⁷⁸

The two important functions of money – measurement of value and medium of exchange – are especially mentioned by Ibn Taimīyah in his discussion of the nature and functions of money. He says: '*Athmān* (sing. *thaman*, that is, price or that which is paid as price, money, etc.) are meant to be a measurement of objects of value (*mi'yār al-amwāl*), through which the quantities of objects of value (*maqādir al-amwāl*) are known; and they are never meant to be consumed.'⁷⁹ By this statement he clearly means that the essential function of money is to measure the value of goods and to be paid in exchange for different quantities of goods. His disciple, Ibn al-Qayyim, states the same fact more clearly: 'Money and coins are not meant for themselves but they are meant to be used for acquiring goods (that is, they are a medium of exchange only).'⁸⁰ How close that formulation is to the one that appeared more than six hundred years later in *An Outline of Money*: 'The essential characteristics of money, which sets it apart from all other substances, is that it is not desired by itself. It is, in the fullest sense, a medium or means, or mechanism of exchange.'⁸¹ Since Ibn Taimīyah considers the main function of money to be a medium of exchange, he is against trade in money because it diverts money from doing what it is meant to do. If money must be changed for money, the exchange must be completed simultaneously (*taqābud*) and without any delay (*ḥulūl*). In this way a man will be able to use money as a means for obtaining his requirements. If two persons exchange money for money, with one of them paying cash while the other promises to pay later, then the first person will not be able to use the promised money for transaction till he is actually paid. This

means a loss of opportunity. In Ibn Taimīyah's opinion this is the reason why the Prophet forbade such transactions.⁸²

2. Debasement of currency

Ibn Taimīyah was distressed by the repeated debasement of the coinage which occurred in Egypt under different Mamluk sultans.⁸³ He asked the Sultan to check erosion of the value of money, which caused such a disturbance in the economy. He opposes debasement in the currency and over-production of money. He says: 'The authority should mint the coins (other than gold and silver) according to the just value of people's transactions, without any injustice to them.'⁸⁴

It appears he has some idea of the relation between quantity of money, the total volume of transactions, and price level. What he is saying is that the volume of *fulūs* (copper currency) should be in such a proportion to the volume of transactions that 'just prices' are ensured. As the passage quoted below shows, he considered it necessary that the intrinsic value of coins, i.e. the value of the metal, should match their purchasing power in the market so that no one (including the ruler) could profit by either melting the coins and selling the metal or by converting metal into coins and putting them into circulation.

Ibn Taimīyah advises a ruler 'not to start business in money by purchasing copper and minting coins and thus doing business with them; neither should he invalidate the money in the people's possession and mint other kinds of coins. Rather, he should mint coins of real value without aiming at any profit by so doing, and while keeping in view the public welfare (*al-maṣlahah al-'āmmah*); he should pay the salary of workers from the public treasury (*bait al-māl*). Without doubt, trading in money means opening a great door of injustice for the people and of devouring their wealth by false pretences.'⁸⁵

It should be noted that some of the Mamluk Sultans were involved in the practice which Ibn Taimīyah refers to as 'trading in money'. They did not depend only on the domestic supply of copper but also imported it to mint coin.⁸⁶ And

naturally all the evil consequences of that action were seen in the economy.

Ibn Taimīyah asks the ruler not to demonetize the currency in the people's possession, and, if needed, to mint more money of real value, without making any profit for himself. He specifically prescribes that any such minting costs should be met by the public treasury. For example, to mint coins with a face value greater than their intrinsic value and then buy with them the people's gold or silver or other valuable commodities would be a kind of debasement of currency and result in inflation and counterfeiting. He considers the trade in money to be an injustice (*zulm*) to the people and against the public interest. But he does not elaborate on this. If we analyse what he says, the following points become clear:

- (a) Trading in money encourages counterfeiting and people lose confidence in the currency. This results in inflation.
- (b) Lack of confidence in the stability of value of the currency discourages long-term contracts and results in injustice to people with fixed incomes, e.g. recipients of pensions, rentiers, etc.
- (c) Internal trade is hindered by frequent changes in currency and the ratio between coins. Traders not only get bad money for their merchandise, the value of their earned income also decreases. Therefore, the incentive to enter or continue in trade is destroyed.
- (d) Frequent debasement of currency hinders foreign trade. Good merchandise from abroad is not brought into a country in which money is debased as the merchants prefer to sell their goods in those countries where they receive sound money.
- (e) Precious metals leave the country, destined for where they can command a higher value.

Ibn Taimīyah's recommendation that the wages of workers should be paid from the public treasury (*bait al-māl*) (and not out of money minted for this purpose) is very significant. Payment from the mint means an increase in the money supply. Minting money (other than gold and silver) to meet

government expenditure is similar to present-day deficit financing. Payment from the public treasury means using the money already in circulation, accruing to the treasury through *kharāj* and other revenues. This will not have the inflationary effect that the use of newly minted money would have.

3. 'Bad money drives out good money'

Ibn Taimīyah mentioned the idea which, in the West, is attributed to Thomas Gresham in 1857 and known as Gresham's Law.⁸⁷ The law simply states that where two coins have the same nominal value but are made from metal of unequal value, the cheaper will tend to drive the other out of circulation. The good money is hoarded, melted or exported – whichever is more beneficial. Especially under bi-metallism, when the mint ratio differs from the market ratio, Gresham's Law operates internationally and good money migrates towards those countries where it is more valuable. This happened in America during the period from 1792 to 1834, when the United States maintained an exchange ratio between silver and gold of 15 to 1, while the ratio of European countries ranged from 15.5 to 1 to 16.6 to 1. The result was that gold flowed out and silver flowed into the United States.⁸⁸

Ibn Taimīyah's description of the law is as follows: 'If the ruler cancels the use of a certain coin and mints another kind of money for the people, he will spoil the riches (*amwāl*) which they possess, by decreasing their value as the old coins will now become merely a commodity. He will do injustice to them by depriving them of the higher values originally owned by them. Moreover, if the intrinsic value of coins are different it will become a source of profit for the wicked to collect the small (bad) coins and exchange them (for good money) and then they will take them to another country and shift the small (bad) money of that country (to this country). So (the value of) people's goods will be damaged.'⁸⁹

In the above statement, Ibn Taimīyah mentions the effect of the introduction of a bad money on people's previously earned money-income. If the old coins are demonetized,

they will be treated as a commodity that may not have the same value as when it was used as money. On the other hand, people will get a lower price for their goods in terms of the new money. In the last lines, he describes the rule now known in economics as Gresham's Law. But he mentions only the flight of good money abroad and says nothing of its disappearance due to hoarding or melting.

E. Oresme's treatise

Ibn Taimīyah's views about money are stated very briefly. But if fully explained and developed they would make a substantial treatise. Ibn Taimīyah was far ahead of his time. We find in his work ideas whose formal introduction into economics had to wait centuries. It is interesting to compare his views regarding money with those of Nicole Oresme (1320–82),⁹⁰ whose treatise on money is considered to be the first treatise entirely devoted to an economic problem. But, as Schumpeter explains: 'It is mainly legal and political in nature and really does not contain much strictly economic material – in particular, nothing that was not current doctrine among the Scholastics of his time.'⁹¹ Nevertheless, it has its own importance, especially as it appeared in a period when economics had not become an independent subject, and writings such as Oresme's proved to be the foundation for later works.

Oresme was born in the last days of Ibn Taimīyah, but in a very different place – far away from Syria – they lived in different environments and spoke different languages.⁹² Oresme could not have been aware of Ibn Taimīyah's writings or even have heard his name, as the communication or cultural exchange between two remote nations was then neither speedy nor common.

Oresme first describes the nature and purpose of money. Then he discusses the materials to be used as money. According to him, the material from which money is made should be neither too scarce, nor too plentiful. Gold and silver are suitable. Where these two metals do not suffice, then money should be made of alloy or simply of base metals. He treats the problem of alteration of money in detail.

Alteration should not be made in monetary systems except under conditions of grave necessity or for the clear advantage of the whole community. The rest of his treatise is concerned with the problem of alteration in one way or another. He distinguishes five different types of alteration of coin. The profit from alteration or debasement is unjust because it is made at the cost of the community that owns the money. The alteration will tend to lessen the quantity of the monetary material in the country because gold and silver will go abroad where they command higher prices – a concept similar to Gresham's Law. He discusses the different bad effects of alteration and debasement on the economy. He bestowed the right to devalue currency on the community rather than on the prince.⁹³

We have already seen that these ideas have been expressed by Ibn Taimīyah also, in the context of a larger discussion on securing justice for the common man. It is a pity however that, unlike Oresme's work, Ibn Taimīyah's ideas on the subject have remained largely unnoticed till now.

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3. Cf. Abelson, H., 'Usury (Jews)', *Encyclopaedia of Religion and Ethics* (New York: Charles Scribners & Sons, 1967), Vol. 12, p. 556.
4. The Qur'ān 4: 161. .
5. Cf. Abelson, op. cit., Vol. 12, p. 557.
6. Al-Bustānī, 'al-Ribā', *Dā'irah al-Ma'ārif* (Beirut: Maṭba'ah al-Ma'ārif, 1884), Vol. 8, p. 513.
7. Cf. Spiegel, H. W., *The Growth of Economic Thought* (Englewood Cliffs, NJ: Prentice-Hall, 1971), p. 63.
8. Cf. ibid.
9. Cf. Thomas, op. cit., Vol. 27, p. 824.
10. Schumpeter, A. J., *History of Economic Analysis* (London: George Allen & Unwin, 1972), p. 65.

11. For details on this point see the contemporary thinker Mawdūdī's work, *Sūd* (Interest) (Delhi: Markazī Maktabah Islāmī, 1968), pp. 213–34.
12. Aquinas, *Summa Theologica*, 2: 2, Q. LXXVIII, art. 1.
13. Cf. Thomas, op. cit., Vol. 27, p. 824.
14. Don, J., 'Usury', *Encyclopaedia of Religion and Ethics*, op. cit., Vol. 12, p. 551.
15. The Scholastic philosophers did not point out this economic reason for the prohibition of interest (i.e. *ẓulm* - wrong, injustice) till as late as the twelfth century, and Western writers thought it a great discovery. In the words of O'Brien: 'Alexander III having given much attention to the subject of usury, had come to the conclusion that it was a sin against justice. This recognition of the essential injustice of usury marked a turning point in the history of the treatment of the subject, and Alexander III seems entitled to be designated the pioneer of its scientific study' (O'Brien, *An Essay on Medieval Economic Thought* (London: Longman, 1920), p. 175).
16. The Qur'ān 2: 275–81.
17. The Qur'ān 3: 130–2.
18. Muslim, *Ṣaḥīḥ*, 'Bāb Ḥajjah al-Nabī' 4 (Cairo: Matbū'āt Maktabah M. 'Alī Sabīh wa Aulāduhu, n.d.), Vol. 4, p. 41.
19. Ibn Taimīyah, *MFS (Majmū' Fatāwā Shaikh al-Islām)* (Riyad: Maṭābi' al-Riyāḍ, 1963), Vol. 29, pp. 418, 440.
20. Al-Rāzī, *al-Tafsīr al-Kabīr* (Cairo: al-Maṭba'ah al-Bahīyah al-Miṣrīyah, 1938), Vol. 5, p. 91.
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22. Subkī, Taqī al-Dīn, *Takmilah al-Majmū'* (Fajalah: al-Maktabah al-'Ālamīyah, n.d.), Vol. 10, p. 22.
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24. Ibn Taimīyah, *MFS*, op. cit., Vol. 19, p. 284.
25. Muslim, *Ṣaḥīḥ*, op. cit., 'Bāb al-Ṣarf', Vol. 5, p. 44.
26. Ibid., p. 44.
27. *Ribā al-faḍl* and *Ribā al-Nasī'ah* – a *fiqhī* discussion: apart from the six commodities enumerated in the *ḥadīth*, there are some other commodities also capable of interest (*māl ribawī*) deduced by the jurists, ascertaining the reasoning behind interest in those six commodities. Gold and silver form one group and other commodities form another group. *Ribā al-faḍl* exists when the same commodity capable of *ribā* is exchanged with inequality. For example, gold for gold or wheat for wheat. If the

commodity is not the same, the exchange with inequality is permitted provided the delivery is at the same time.

Exchange between different commodities of the same group at a late payment of one will be *ribā al-nasī'ah* if the exchange is done between gold and silver; or in a second group between the different foodstuffs. Again there will be neither *ribā al-faḍl* nor *ribā al-nasī'ah* in exchange of the commodity of one group for a commodity of a second group. (For fuller details reference can be made to Dr. Ḥamūd, S. H. A.: *Taṭwīr al-A'māl al-maṣrifīyah bimā yattafiq wa al-Sharī'ah al-Islamīyah*, n.p., Dār al-Ittihād al-'Arabī, 1976, pp. 198–205.)

28. Ibn Taimīyah, *MFS*, op. cit., Vol. 29, p. 418.

29. Ibid., pp. 419, 455.

30. For details, refer to Fazlur Rahman, *Tijārati Sūd – Tārīkhī aur Fiqhī Nuqṭa-e-Nazar sē* (Commercial Interest from the Standpoint of History and Islamic Law) (Aligarh: AMU, 1967), pp. 8–30.

31. Al-Rāzī, op. cit., p. 92.

32. Cf. Ibn Taimīyah, *MFS*, op. cit., Vol. 2, p. 247; Vol. 4, p. 472; Vol. 29, pp. 68, 455.

33. Ibid., Vol. 29, p. 24.

34. Cf. ibid., pp. 25–6.

35. Cf. ibid., pp. 428, 454.

36. Cf. Ibn al-Qayyim, *I'lām al-Muwaqqi'īn* (Egypt: Maktabah al-Tijāriyah al-Kubrā, 1955), Vol. 2, pp. 135–42.

37. Cf. ibid., p. 140.

38. Cf. ibid., pp. 141–2.

39. Ibn 'Abd al-Hādī, *Al-'Uqūd al-Durriyah* (Beirut: Dār al-Kutub al-'Ilmiyah, 1938), p. 323.

40. Cf. Ibn al-Qayyim, op. cit., p. 138.

41. Ibid., p. 139.

42. Ibid., p. 138.

43. Cf. Ibn Taimīyah, *MFS*, op. cit., Vol. 29, p. 470.

44. Ibid., p. 471.

45. Ibid., pp. 471–2.

46. Schacht, J., 'Ribā', *Encyclopaedia of Islam* (Leiden: E. J. Brill; London: Luzac & Co., 1936), Vol. III, p. 1150.

47. Ibn Taimīyah, *MFS*, op. cit., Vol. 29, pp. 30, 432, 439.

48. Schacht, op. cit., Vol. III, p. 1148.

49. Ibn Taimīyah, *MFS*, op. cit., Vol. 29, pp. 27–8, 452–3.

50. Cf. *ibid.*, pp. 28-9, 248.
51. Cf. *ibid.*, p. 445.
52. *Ibid.*, p. 447.
53. *Ibid.*, p. 434.
54. *Ibid.*, p. 28.
55. *Ibid.*, pp. 28, 29, 30, 31, 33, 62, 432-4, 436, 440, 441, 447.
56. *Ibid.*, p. 533; Vol. 19, pp. 283-4.
57. *Ibid.*, Vol. 29, pp. 455-6, 530-1.
58. *Ibid.*, pp. 455-6, 530-1.
59. Cf. Ibn Taimīyah, *al-Ḥisbah*, (Cairo: Dār al-Sha'b, 1976), p. 82; *MFS*, op. cit., Vol. 19, p. 99.
60. Cf. Ibn Taimīyah, *al-Ḥisbah*, op. cit., pp. 8, 116.
61. Cf. *ibid.*, p. 100.
62. Ibn Taimīyah, *al-Siyāsah al-Shar'īyah*, (Cairo: Dār al-Sha'b, 1971), p. 153.
63. Cf. Ibn Taimīyah, *al-Ḥisbah*, op. cit., p. 93.
64. *Ibid.*, pp. 93, 103, 104.
65. *Ibid.*, p. 110.
66. *Ibid.*, p. 92.
67. *Ibid.*, p. 27.
68. *Ibid.*, pp. 30, 34.
69. *Ibid.*, pp. 19-21.
70. *Ibid.*, pp. 13, 29, 45, 55, 69, 73, 82, 116, 117.
71. *Ibid.*, p. 41.
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73. The Qur'ān 2: 276.
74. Ibn Taimīyah, *MFS*, op. cit., Vol. 29, p. 24.
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77. Crowther, op. cit., p. 20.
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80. Ibn al-Qayyim, op. cit., p. 137.
81. Crowther, op. cit., p. 83.
82. Cf. Ibn Taimīyah, *MFS*, op. cit., Vol. 29, p. 472.
83. We discussed such actions and their consequences in the first chapter, see pp. 42–3.
84. Ibn Taimīyah, *MFS*, op. cit., Vol. 29, p. 469. (*Yanbaghī li'l-sulṭān an yaḍriba lahum fulūsan takūn bi-qīmat al-'adl fī mu'āmalātihim min ghair ḡulm lahum.*)
85. Ibid.
86. See above, Chapter I, p. 43.
87. *Encyclopaedia Britannica* (Micropaedia, ready reference and index), art. 'Gresham, Sir Thomas' (Chicago: Encyclopaedia Britannica Inc., 1975), Vol. IV, p. 733.
88. Ibid., p. 733; Klein, John J., *Money and the Economy* (Fourth ed., New York: Harcourt Brace Jovanovich, Inc., 1978), p. 159.
89. Ibn Taimīyah, *MFS*, op. cit., Vol. 29, p. 469, parentheses added.
90. Nicole Oresme (1320–82) was one of the most distinguished French Churchmen of the fourteenth century. He was a man of very diverse interests who also wrote on theology, mathematics and astronomy. The work in question, *Tractatus de origine et jure nec nor et de mutationibus monetarum*, was written between 1350 and 1360. The original was in Latin and was translated into French by the author himself. An extract is in Monroe's *Early Economic Thought*, (Cambridge: Harvard University Press, 1965), pp. 79–102, which is our source regarding his ideas.
91. Schumpeter, op. cit., p. 95.
92. Oresme was born in 1320 in or near Caen (Normandy); Ibn Taimīyah died in 1328 in Damascus.
93. For a detailed study of his thought, Monroe's book (op. cit.) may be consulted.

CHAPTER VI

Ibn Taimīyah's Views of Partnership and Other Forms of Economic Organization

A. Economic activities in Islam

Islam is perhaps the only religion that gives a high and positive value to lawful economic activity. The gain from economic activity is considered a 'bounty' from Allah. The following verses of the Qur'ān express this idea succinctly:

So they returned with grace and *bounty* from Allah, and no harm touched them. They followed the good pleasure of Allah, and Allah is of infinite *bounty*.¹

And let not those who possess *bounty* and ease among you swear not to give to the near of kin and to the needy and to fugitives for the cause of Allah.²

And when the prayer is ended, then disperse in the land and seek of Allah's *bounty*, and remember Allah much, that ye may be successful.³

He knows that there are sick folk among you, while others travel in the land in search of Allah's *bounty* . . .⁴

Along with the overwhelming majority of Muslim jurists, Ibn Taimīyah regarded all economic activities to be permissible except those explicitly prohibited by the *Shari'ah*.

It should be remembered that trade was considered a sin in scholastic attitudes until the twelfth century. Compared to this, the Qur'ānic stand is a revolutionary one and provides a vast scope for economic activity.

Ibn Taimīyah classifies human conduct, whether in words or deeds, in two categories – ‘worship through which their religion is maintained and customs to which they turn in mundane affairs’. He further says: ‘From a survey of the principles of *Shari‘ah* we infer that the acts of worship made obligatory by Allah or those that are desirable cannot be so established except by the *Shari‘ah*. As for customs, . . . they are patterns of behaviour adopted by people in their mundane affairs according to their needs. They are essentially permissible except those forbidden by Allah . . . ’⁵

1. Divine guidance about economic activities

In explanation of the above Ibn Taimīyah says: ‘People stand in need of trade, gift, hire and other practices in their economic life in the same way as they need food, drink and clothing. The *Shari‘ah* has laid down proper guidelines for these practices. Thus it has forbidden such practices as are corrupt (*fāsid*) and enjoined those that are desirable. It disapproves of the undesirable ones and prefers those in which there are great benefits. . . .’

‘From this it follows that people may engage in trade or hire in whatever manner they like, so long as the *Shari‘ah* does not forbid it. And even if some of these are desirable while some others might be undesirable, the people would adhere to these on the basis of essential permissibility unless specifically forbidden by *Shari‘ah*.’⁶

The question might be raised – why Ibn Taimīyah considers Divine guidance to be a decisive factor in the desirability or undesirability of transactions and whether this consideration is based on reason. The answer is that it is based on reason. The significance in the economic life of people of such values as honesty, justice, truth, sacrifice, co-operation, etc., is approved by reason and common sense. Equally, jealousy, fraud, dubious and vague transactions, usurious practices, dishonesty, cut-throat competition, etc., are disapproved by reason and common sense. The *Shari‘ah* gives effect to this universal approval or disapproval. He says: ‘The *Shari‘ah* has never prohibited a thing (whose prohibition) might create hindrance in economic life. It is against the spirit of

Shari'ah.⁷ 'And nothing which the people need in their economic life, unless that thing involves sin, like repudiation of an obligatory act or engaging in a prohibited act, has been prohibited.'⁸

The *Shari'ah* has proposed different norms and criteria for recognizing the validity or invalidity of business and economic organizations, in the light of which experts of Islamic jurisprudence have discussed different types of economic activities and their limits. It should be borne in mind that Islam was not revealed to innovate forms of economic activity or economic relation – these are left to custom, to man's inventiveness, his ability to learn from experience, etc. It is in that context that the Prophet, upon him be peace, said to his followers: 'You know better about your mundane affairs, but for your religious matters, these are to be referred to me.'⁹ The pre-Islamic methods of trade and other transactions were retained by Islam if they did not contradict Islamic principles. For example, Ibn Taimiyah refers to *muḍārabah* (partnership) that was practised by people in the pre-Islamic period (*jāhiliyah*). He says: ' . . . *muḍārabah* was common among them, especially the Quraish.¹⁰ Trade was their main occupation. Capital owners used to hand capital over to workers (to trade with it). The Apostle of Allah, upon him be peace, undertook trade expeditions with the capital of others before his Prophet-hood, and also with the capital of Khadijah.¹¹ The caravan headed by Abū Sufyān¹² (on the eve of the battle of al-Badr) consisted largely of capital in partnership with Abū Sufyān and others. When Islam came, it retained this form of transaction. The Prophet's Companions used to undertake trade expeditions with the capital of others on the basis of partnership and he never forbade it. The Prophet's teachings include his sayings, his actions and that which he approved. And since he approved of partnership, it is valid by his teaching (*al-Sunnah*).'¹³

Interestingly, the main form of capital investment practised in medieval Europe was also partnership. We shall look briefly at this practice before we turn to the details of Ibn Taimiyah's views on partnership and other forms of business organization.

B. Partnership in the medieval West

In the Middle Ages, the stay-at-home merchant could entrust his goods to an agent, and might bargain for a share of the profit from the venture. This partnership assumed many forms. But in all cases, the approval of the canonists required two conditions: (1) the investor remained the owner of his capital, and (2) he shared in the risk. This made him morally entitled to a share of the profit.¹⁴

A number of economic historians have described the form and importance of partnership in the Middle Ages. Alfred Marshal writes: 'The oldest and simplest plan for renovating the energies of a business is that of taking into partnership some of its ablest employees.'¹⁵ Gray says: '... the medieval doctrine did not condemn investment when investment took the form of a partnership, provided the partner did in fact share the risks of the business. The *commenda*, the original form of partnership, had always been regarded as entirely legitimate, and here one party might advance money to another and share in his profit, while refraining from taking any direct part in the enterprise.'¹⁶ In the *Cambridge Economic History of the Middle Ages*, there is a detailed description of the *commenda* and other forms of partnership. Here is an extract: 'From . . . Genoese and Venetian records, it appears that the two most typical contracts in overseas trade were the *commenda* and the *societas maris* – they were called *collegantia* in Venice, but the name has little, if any, importance.'¹⁷ Both contracts were partnership agreements, concluded not for a period of years, but for a single venture or voyage, usually a round trip to the Levant, Africa, Spain or even Provence. There were also *commenda* contracts *per terram*, that is relating to distant trade overland, or even to local undertakings, but these were relatively few.

'The *commenda* and the *societas maris* both involved co-operation between a travelling partner, called *tractator* or *procertans*, and an investing partner who stayed on land and was called *stans*. In the case of the *commenda* the venture was financed entirely by the *stans*; the travelling partner did not supply any capital, but he took the risk of embarking upon a dangerous sea voyage and had to endure all the discomforts that went with it. As a reward for his labours

and his hardship, he usually received only one-fourth of the profits; and the investing partner, who ran only the risk of losing his money, received the remaining three-fourths. This arrangement may seem unfair, but in the twelfth and thirteenth centuries life was cheap and capital scarce.

'In the *societas maris*, profits were shared equally by the two partners, but the *tractator* supplied one-third of the capital and the *stans*, two-thirds. Essentially, the two contracts were the same, since in both cases, one-fourth of the profits went to the *tractator* for his labour and three-fourths to the investors of capital. In the *societas*, however, the *tractator* received an additional fourth, or one-half of the profits in all, because he had supplied one-third of the capital. The only difference is really that the Genoese notaries called one contract a *commenda* and the other a *societas maris*.¹⁸

In the Middle Ages, in Europe as in the Islamic world, partnership was the preferred form of investment, and one that was not tainted by usury. It was exactly the assumption of the risk of failure by the capitalist that distinguishes the permissible partnership from the prohibited interest-bearing loan. Reflecting on private partnership, Marshal says: 'It is very strong and very elastic; it has played a great part in the past, and it is full of vitality now.'¹⁹

C. Two types of economic activity distinguished by Ibn Taimīyah

Ibn Taimīyah classifies all economic transactions and activities in two categories: transactions based on justice (*al-taṣarrufāt al-'adliyah*) and those based on generosity and benevolence (*al-taṣarrufāt al-faḍliyah*). Examples of the latter are acts of lending, gift and testaments. The transactions based on justice are further divided into two categories – transactions through exchange (*al-mu'āwaḍāt*) and transactions through partnership (*al-mushārahāt*). Examples of the first category are trade in which one person exchanges goods for goods or money with another, or hire (*ijārah*) of goods and services, in which one person offers his services or capital at a specific price for a certain period.

Partnership transactions are again divided into two categories – partnership in property (*shirkah al-amlāk*) and partnership in contracts (*shirkah al-‘uqūd*).²⁰

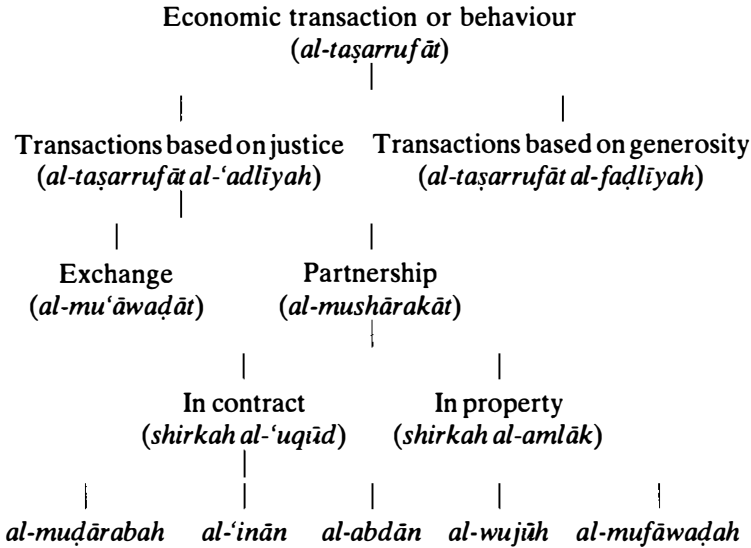
Partnership in property or *shirkah al-amlāk* is a term used for common property. We have dealt with Ibn Taimīyah’s views on common property in the chapter on property right. Here we shall concentrate on partnership contract or *shirkah al-‘uqūd*.

Ibn Taimīyah mentions, in different places, five forms of partnership. These are:

1. Partnership in capital and labour (*shirkah al-‘inān*):²¹ two or more persons pool their capital and work together and share in the profits.
2. Partnership in labour (*shirkah al-abdān*):²² artisans or labourers jointly undertake a task and agree to distribute their earnings amongst themselves.
3. Partnership in credit (*shirkah al-wujūh*):²³ one or more of the members procure goods on credit and sell them, and they distribute the profits.
4. Comprehensive partnership (*shirkah al-mufāwaḍah*):²⁴ the partners combine in every type of *shirkah*, namely, *al-‘inān*, *al-wujūh* and *al-abdān*.
5. *Muḍārabah* partnership (*shirkah al-muḍārabah*):²⁵ capital is provided by one party and labour by the other party.

Of the four famous schools of jurisprudence, the Ḥanafīs and Ḥanbalīs accept, in principle, all these forms of partnership with minor differences in details. The Shāfi‘īs approve *shirkah al-‘inān* and *shirkah al-muḍārabah* only and reject the other forms of partnership. The Mālikīs stand with the Shāfi‘īs in rejecting *shirkah al-wujūh*, and with the Ḥanafīs and Ḥanbalīs in approving the remaining four forms of partnership.

Ibn Taimīyah’s division of economic transactions may be summarized in chart form, as below:



As Ibn Taimīyah was not originating anything in pointing out these forms of partnership – they were current both before and in his time and had been fully discussed by earlier jurists – he did not need to provide a detailed description of them. However, he did stress that the essential thing in all these forms of partnership was that justice be maintained and observed. He writes: ‘The basis of business and partnership is justice from both parties. Therefore it is against justice that one party reserves the profit of some particular commodity or some specific quantity of profit to itself, or that only one party should bear the loss.’²⁶

The principle is that the partners should share in the fruits of their partnership whether positive or negative, profit or loss. No partner should be guaranteed any particular amount of profit: their contract should be on the basis of a percentage share in profit, mutually agreed beforehand, and not on a percentage to be earned on the capital supplied. In the event of a loss in a *muḍārabah* partnership (where one party provides capital and the other party labour), the capital loss is borne only by the party that provided the capital, while the second party bears the loss only of what he provided, namely labour which, in the event of loss, goes unrewarded.²⁷

1. Justice in partnership

Ibn Taimīyah emphasizes justice in partnership and advocates the shares of both parties in profit as well as in loss, because he considers both factors – capital and labour – equal participants in the process of production. He says: ‘Profit is an increment (*namā*) gained from the use of one man’s labour (*badan*) and another man’s capital (*māl*). So it should be divided among them as any increment resulting from two factors.’²⁸ But, ‘if there is any misconduct on the part of a (working) partner, if he has done something which was permitted neither by law nor by the capital owner explicitly or in the usage of custom, then he will be held responsible for his misdeed.’²⁹ This provision is intended to check any misuse of capital by the working partner. It means that after handing over his capital, the owner does not close his eyes to how it is used; he may appoint an inspector to look after the use of capital and he may establish an inquiry board to verify the genuineness of the reasons given for loss.

The partners may agree to share the profits in any proportion they wish. It may depend on the skill of the worker as well as on the easy availability or non-availability of capital; in other words on supply and demand. But, ‘if the partners start business without agreeing on any explicit ratio, they will share equally in work and benefit (*al-‘amal wa’l-ajr*). Even if one partner voluntarily works more than the other, he will get a share equal to the others. But if he had not done it voluntarily, he might ask either extra benefit according to his work or he might ask others to put in work equal to his. If the other partners agree to give such a person a greater share, it will be legitimate.’³⁰

If there is any chance of injustice or malpractice from any partner, the state may be asked to intervene and resolve their dispute. Ibn Taimīyah says: ‘When the worker, through negligence or inordinate use, harms the capital, he will be charged against it. Likewise, if the other partner denies the right of workers or conceals the money due from him or requires of them some unjustified labour, he will have committed a sin. And it will be a duty of the authorities to help the rightful owners to obtain their rights.’³¹

(a) *Allowance for working partners*

Although it is unjust that a partner should be entitled to any guaranteed amount out of the profits, the working partner is allowed to spend on himself if there is a stipulation to that effect. In the absence of such a stipulation he will spend according to what current usage or custom there is, if any. Otherwise, he may not enjoy such benefit. In all cases his expenses must be according to the custom and commonly accepted practice (*al-ma'rūf*).³²

These expenses are obviously being treated as part of the cost of business and not as part of the profits. But having agreed in principle the jurists have nevertheless differed on what expenses should and should not be allowed in this regard especially when travelling is involved.

One group of Islamic thinkers favours the working partner taking his necessary expenses according to commonly accepted practice (*ma'rūf*), from the partnership account. They consider it as a transportation cost (*ajr al-ḥammāl*). In the opinion of another group, it is unfair for a partner to take personal expenses from the partnership capital, as he has to bear such expenses even when he is not working for the partnership. They argue that since the two parties have agreed on a certain share in the profit, neither should enjoy more than that. If expenses are allowed, the working partner may try to realize his profit in the form of expenses in case there is no expectation of any profit other than that. But even thinkers of this persuasion allow the working partner to draw expenses for food, clothing, conveyance, etc., when doing so is already stipulated in the contract.³³

The opinion of the first group, which includes Ibn Taimīyah, seems to us to be more reasonable. Travelling cannot be considered on a par with staying at home, because when travelling a person faces many inconveniences not faced at home. The jurists' preoccupation with these details reflects their concern with ensuring a just deal between partners.

2. Partnership in land cultivation or sharecropping (*muzāra'ah*)

One important form of organization is partnership in land cultivation or sharecropping³⁴ and hire of land for cultivation. Ibn Taimīyah has discussed this form in detail, and examined the opinion of earlier jurists. He starts his discussion by referring to some jurists who are against sharecropping or *muzāra'ah*. He says: 'They hold that sharecropping is a kind of hire (*ijārah*); and in *ijārah* wage or price of the hired one should be determined and known, but in sharecropping this condition is not fulfilled. The crop may be large or small or it may fail altogether. In case of a total crop failure labour goes unrewarded which is against justice. This opinion is held by Abū Ḥanīfah.'³⁵

Ibn Taimīyah disputes this analogy. He says: 'This is a kind of partnership, and not a case of hire. The product is a result of two main factors – labour and bullocks owned and employed by the cultivator and land and trees owned by the landlord . . . The contribution of labour, bullock and plough is similar to the contribution (*manfa'ah*) of land and trees, and neither of them wants to acquire what the other contributes. Both share in the produce obtained by the joint contribution of all factors. In this case if some produce is available, both will share it, and if not, all will go without it. Thus, both will share in loss and gain as happens in all cases of partnership where produce is the result of factors owned by them.'³⁶

Moreover, Ibn Taimīyah argues that sharecropping is not a 'speculative' hire (*ijārah al-gharar*, analogous to gambling) where one party secures benefit while the other is exposed to chance. 'If there is no crop, the land owner cannot take anything from the cultivator, since the contract does not entitle him to it. But while the one party loses the fruits of his labour, the other loses the yield from his land. Both parties get nothing. On the contrary, one of the parties to the contract in *bai' al-gharar* ('speculative' sale) and *ijārah al-gharar* ('speculative' hire) gets his share while the other is denied anything. Such an arrangement leads to resentment and enmity between them.'³⁷

Here, Ibn Taimīyah tries to explain the ill-consequences

of partnership or sharecropping when one party's share is fixed and the other party's share is not. If such a contract were permitted, there might be some cases when the capital owner or landlord might get a full share of profit, while the working party got nothing. Without doubt, such conditions would create controversy between the two parties. Dishonesty and injustice would enter their relations which would, ultimately, hamper business activity.

To explain the economic feasibility and validity of the *muzāra'ah* (sharecropping) contract, Ibn Taimīyah considers it a kind of *muḍārabah* or profit sharing. He regards land as a factor that enables production, so it can be employed for production, in the same way as money (capital).³⁸ Significant in this discussion of sharecropping is a list of factors of production – capital, labour and land. He says: 'The crop is a result of land that consists of soil, water and air, of the physical use of labour (i.e. labour and organization) and of bullocks, and means (i.e. capital).'³⁹

(a) *Muzāra'ah in the light of Ḥadīth and economic history of early Muslims*

In the discussion summarized above, Ibn Taimīyah has sought to explain the economic justification of sharecropping (*muzāra'ah*), as well as its legitimacy. He has also discussed the problem from the point of view of the *Sharī'ah* which illustrates well his deep insight into *ḥadīth*, and the economic life of the early Muslims.

He examines the opinions of those experts who are against sharecropping. They have adopted this stand following a group of *ahādīth* (traditions) reported by Rāfi' bin Khadīj, Jābir bin 'Abd Allāh and Abū Hurairah, may Allah be pleased with them. These traditions prohibit sharecropping.⁴⁰ Ibn Taimīyah says 'that the Prophet, upon him be peace, himself entered into the contract of *muzāra'ah* and the history of the Islamic people tells that it was common in each period of Islam.'⁴¹ He proves that the prohibition reported above is not absolute. Only those kinds of sharecropping are prohibited where one party makes it a condition that he will get a specific quantity of product; or that the product of

some particular part of land (e.g. the fertile area) will go to him. This condition is evidently unjust.

Ibn Taimīyah asserts that the Companion of the Prophet, Rāfi' bin Khadīj, who is the main figure in those traditions, has himself explained the type of sharecropping that was prohibited. He has reported that 'we were owners of big farms in Madīnah and our people used to give land for cultivation on the condition that the product of a specific part of land would be for them and the rest would be for the cultivator. It happened that sometimes land earmarked for the owner produced the crop and the other part produced nothing. So the Prophet forbade them to do this.'⁴² In this way, Ibn Taimīyah establishes that sharecropping is permitted, and economically desirable and that it had been current in all times.

(b) Tenancy and hire of land (ijārah)

As far as hire of land (*ijārah*) on payment of cash or kind is concerned, Ibn Taimīyah allows it so long as the hire does not specify a fixed amount of the total produce of the land for one party.⁴³ He is against those thinkers who absolutely oppose the renting of land. He argues that the purpose of renting any object is to benefit from it and this holds equally true of land. Hence rent is due if a person gets use of land for the purpose of cultivation even if he does not in fact cultivate it.⁴⁴ The jurists, who are against *ijārah* support their stand by a *ḥadīth* according to which the Prophet, peace be upon him, has forbidden the renting of land.⁴⁵ Ibn Taimīyah indicates other *aḥādīth* which do allow renting of land. He reconciles the two views with the convincing argument that prohibition relates only to the hiring of land in exchange for the produce of some particular part of land while general hiring of land in exchange for cash is permissible.⁴⁶

D. *Iqtā'*: Allotment of land by the state

An important form of land cultivation is the *iqtā'*, the allotment of land by the state for the purpose of cultivation. The word *iqtā'* has wrongly been equated with the European

word 'fief'. Although there is some similarity between the two – both relate to the grant of land – the differences are fundamental. In the words of Cahen: 'With the solid intellectual and administrative tradition of the East, the distinction between public and private rights was never obscured as it was in the West. Whilst in Europe the rebuilding of a social system was attempted on the basis of personal relations, in the East the notion that all personal power was a delegation of public power remained clear. Even though personal subordination was known in the East, the feudal contract of fealty was never even imagined. Economically, a *mukṭā'* differed from the Western Lord in that he lived in the town and did not have to organize his rural lands with the *reservés*, *corvées*, etc. which would have been necessary had he lived there. He drew an income from the soil, and that is all. The fact that he was often a foreigner might be very important from various points of view, but this did not modify the structure of the *ikṭā'*, nor, since he was permanently established in the country, the use made of his income. In this sense, it is, for example, incorrect to speak, as has been done, of a colonial character of the Mamluk state.

'Even in places and times where the tendency to it was strongest, a number of factors limited the formation of a fully developed military aristocracy. First of all, a system of law and custom which had been firmly established for generations and was linked in some degree to the Islamic religion itself could hardly be modified at the pleasure of the *mukṭā'*. The Muslim law of succession ignoring primogeniture, shared out the inheritance and consequently rapidly weakened the power of great families. Furthermore, the *ikṭā'*, even when the right of inheritance to it was to some extent recognized, was still conditional on service . . . '47

Cahen clearly distinguishes between the Islamic system of *iqṭā'* and the Western system of fief; to confuse the two is a serious error.

Iqṭā' or grant of land had continued since the time of the Prophet, peace be upon him, and in the later period it took many forms. We have already described it in the general introduction to the Mamluk period and the discussion of the *iqṭā'* system in Egypt in Chapter I.

Ibn Taimīyah has distinguished two types of *iqṭā'*: *iqṭā'* of appropriation (*al-tamlīk*) and *iqṭā'* of usufruct (*al-istighlāl*). The former type of *iqṭā'* used to be granted by the head of the state, in the early ages of Islam, to a person who had played a great part in a war or who had appropriated land and made it cultivable (*ihyā' al-mawāt*). This grant was in fact a grant of ownership. *Iqṭā' al-istighlāl* was a grant of the benefit of the land – a man could cultivate it himself, lease it on a sharecropping basis or hire it – but he was not the owner of that land and was not therefore entitled to sell it, or donate it, neither was it transferable by inheritance. In Ibn Taimīyah's time only this type of *iqṭā'* was found.⁴⁸ The *iqṭā'* was granted to men of the army for their help, for the maintenance of weapons and war horses and for expenditure on their dependants.⁴⁹

According to Ibn Taimīyah, a *muqṭa'* (grantee) must be permitted to benefit from his land by leasing it on a sharecropping basis or hiring it out. Because if he is prohibited from doing so, he will face great difficulty, as some of the property, buildings, shops, etc., cannot be benefited from without hiring out. Similarly, property like gardens and farms can only be benefited from by leasing out on a sharecropping basis or hiring.⁵⁰

It seems that Ibn Taimīyah accepts the *iqṭā'* system as a social necessity, as the *iqṭā'* was granted to men of the army in lieu of salary. If *iqṭā'* were abolished, paying them would have become difficult in a period when monetary payment was not convenient or feasible. He is against any injustice on the part of the *muqṭa'* against the person who works the land. He says that if the men engaged in holy war need their land to be cultivated, then farmers may be obliged by law to do that for them (should they be willing). But justice requires that the army men should not tyrannize the tenants, as it is obligatory for the tenant to cultivate for the army.⁵¹ Elsewhere, Ibn Taimīyah observes that if army men were prevented from acquiring land and from sharecropping, they might themselves engage in cultivation and then no one would be available for defence.⁵²

E. Rebate due to natural calamity (*Waḍa' al-jawā'ih*)

The requirement of justice drew Ibn Taimīyah's attention to the problem of losses, after the completion of a hire or sharecropping contract, arising out of a natural calamity. His opinion is that, if a person hires land for cultivation and the crops are ready but, before he harvests them or takes them to his place they are destroyed, then a distinction must be made between the event caused by nature and that caused by man. The contract must be invalid if the destruction occurs due to natural factors. Ibn Taimīyah gives this opinion with reference to Qāḍī Abū Ya'la.⁵³

Similarly, when a person hires land for cultivation but the expected rain does not fall, he shall have the right to cancel the contract. And if the return has decreased (due to insufficient rain), he may decrease the rent in proportion to that loss. He has referred this view to Imām Aḥmad bin Ḥanbal and others. He explains how the contract will be established. Rent will be decided for both eventualities, of expected or inadequate rainfall; but the rent will actually be paid only according to what happens. Thus, if the rent is one thousand dirhams with expected rainfall and five hundred dirhams with inadequate rainfall, then in the event of the latter, the rent will be rebated in that proportion. The reason for this is that the tenant was not able to benefit from the land as expected and contracted. The matter will be resolved as if an object contracted upon had been destroyed partly before it could be possessed.⁵⁴

Ibn Taimīyah puts the destruction caused by war, fire, pest, etc. in the category of natural calamities and advocates reduction of rent in proportion to the loss.⁵⁵

Ibn Taimīyah has inferred his view from a saying of the Prophet, peace be upon him, who told a Companion that if he had sold a thing to his brother, and a natural calamity occurred, then he had no right to charge him anything; on what basis would he take his brother's property without right? In another tradition, the Prophet, peace be upon him, has been reported to have ordered the discount because of natural calamities (*amr bi waḍa' al-jawā'ih*).⁵⁶ According to Ibn Taimīyah 'these are the rules that must be agreed upon and followed by all sects and communities, because the

foundation of these rules is justice, on which the heaven and the earth are based, and with which Allah has revealed the Book.⁵⁷

We may infer from this that, according to Ibn Taimīyah, the state must cancel taxes or levies imposed upon certain public utilities and lands in the event of such calamities, as is done at the present time when such a demand is made by the inhabitants of a country. Ibn Taimīyah refers to this problem as *wada' al-jawā'ih*, meaning discounting because of natural calamities – a phrase taken directly from the *ḥadīth* of the Prophet.⁵⁸

F. Prohibited contracts

One of the characteristics of Islamic economics is that it is governed by the concept of *ḥalāl* and *ḥarām* (legitimate and illegitimate). All those economic activities which violate the basic moral values are prohibited or considered undesirable while others are permitted and considered desirable. These principles are given in or through the Qur'ān and *Sunnah*. In his writings, Ibn Taimīyah frequently quotes relevant verses and expresses his own opinions. It is relevant to examine here his views regarding such transactions before we conclude the chapter.

He says that the most fundamental principle in this connection is that 'Allah has prohibited us in His book to get our property through wrong means . . .'; then he says that taking property by wrong means is of two types revealed in the Book of Allah, namely, *al-ribā* (interest) and *al-maisir* ('speculation' or gambling).⁵⁹ Thus all businesses and contracts that contain elements of interest or gambling are against the spirit of justice and must be prohibited. He defines 'speculative' dealings as those 'whose result is not known . . . such transactions cause the evil of gambling; that is, they create jealousy and enmity, moreover it amounts to taking one's property through wrong means which is a kind of injustice. Thus speculative dealings bear three evils – injustice, enmity and jealousy.'⁶⁰ He explains that it is because of their speculative nature that the Prophet, peace be upon him, prohibited contracts such as 'sale and purchase

of animals not yet born or even conceived, sale of fruits before they have appeared on the trees, or of the crops before they ripen, or deals effected through touch or throwing of an object, etc.⁶¹

The indeterminacy and ambiguity involved in such dealings is obvious, and a little reflection will show that they would result in disputes and so disturb the peaceful functioning of the market.

As for usurious transactions, these are prohibited outright by the Qur'ān. *Hadīth* mention certain other forms of transactions such as *ribā al-faḍl* and *ribā al-nasī'ah*, which have a hidden or potential element of usuriousness, discussed in Chapter V.

Ibn Taimīyah's view is that interest is absolutely prohibited, while 'speculative' dealings that involve uncertainty and chance are, relatively, less vicious. For this reason, when 'speculative' and risky transactions are indispensable, they are allowed to the extent of necessity.⁶² For example, root crops grown below ground like carrots, onions, etc. may be sold as they are, even though the transaction is not free from the risk of being more or less than the expected amount. Here Ibn Taimīyah gives greater importance to people's real need. 'Speculative' businesses are prohibited, he argues, as a precaution and to avoid any suspicion of enmity or jealousy or taking others' property by wrong means. But in the case given, the need to do business is more important than to avoid possible suspicion. If such transactions were prohibited, people would face a lot of hardship, because they are frequently in need of making just such transactions. He supports his opinion on the broad humanity of the *Shari'ah* principles: 'The whole *Shari'ah* is based on the principle that any source of evil that requires its prohibition, if faced with a grave need, the prohibited action would be allowed.'⁶³ Ibn Taimīyah's argument avoids forcing hardship on people in such transactions. They may sell fruits and vegetables growing under the ground without undue inconvenience. The buyer can take them out according to his need. Ibn Taimīyah argues also that such transactions are free from 'speculativeness' as we can determine reasonably well the hidden part by looking at the visible upper part of the fruits and

vegetables. Moreover, knowledge of such goods is necessary only to the extent that is conveniently possible. In this regard, Ibn Taimīyah goes against the famous opinions of the learned scholars of the Ḥanbalite, Hanafite and Shāfi'ite schools.⁶⁴

Ibn Taimīyah's views are firmly governed by the Islamic concept of *ḥalāl* and *ḥarām*. He believes therefore that a Muslim may not engage in a business or industry with articles that are prohibited. For example, wearing silk is prohibited to Muslim men (though permitted to Muslim women). Muslims should not therefore manufacture it for men, nor should they sell it to men. He himself gives the reason, when he says that 'for a man it is not permissible to earn his livelihood by sewing silk for a person to whom its use is prohibited, because it will be a kind of help and co-operation in a matter of sin and disobedience. In the same way silk cannot be sold to a person for whom wearing it is prohibited. But it can be sold to women and non-Muslims.'⁶⁵ However he sees no harm in transacting business with a person whose belongings are mingled with *ḥalāl* and *ḥarām*. For example, one who takes interest by tricks, or who earns his livelihood by making pictures etc. (to prepare pictures of animate creatures is prohibited to Muslims). He says that if a person carries on a business believing it to be permissible, then Muslims can make transactions with him (in *ḥalāl* goods) even though they do not believe that the person's other business is permissible.⁶⁶

References

1. The Qur'ān 3: 174.
2. The Qur'ān 24: 22.
3. The Qur'ān 62: 10.
4. The Qur'ān 73: 20.
5. Ibn Taimīyah, *MFS, (Majmū' Fatāwā Shaikh al-Islām)* Riyad: Maṭābi' al-Riyāḍ, 1963), Vol. 19, pp. 16-17.
6. Ibid., p. 18.
7. Ibn Taimīyah, *al-Qawā'id al-Nūrānīyah* (Cairo: Maṭba'ah al-Sunnah al-Muhammadiyah, 1951), p. 143.

8. Ibid., p. 143.
9. Ibid., p. 127.
10. The famous Makkan tribe, to whom the Prophet, peace be upon him, belonged.
11. A wealthy lady of Makkah who later on married the Prophet, peace be upon him.
12. One of the leaders of the Makkan people who later on embraced Islam.
13. Ibn Taimīyah, *MFS*, op. cit., Vol. 19, p. 195.
14. Cf. Don, J., 'Usury', art. in *Encyclopaedia of Religion and Ethics* (New York: Charles Scribners & Sons, 1967), Vol. 12, p. 551.
15. Marshal, A., *Principles of Economics* (London: Macmillan, 1964), 8th ed., p. 251.
16. Gray, A., *The Development of Economic Doctrines*, (New York: Longman, Inc. 1980), p. 47.
17. On the origin of the *Commenda*, see *Cambridge Economic History of Europe*, Vol. 2, p. 267.
18. de Roover, R., *Cambridge Economic History of Europe*, Vol. 3, pp. 49–50.
19. Marshal, op. cit., p. 251.
20. Cf. Ibn Taimīyah, *MFS*, op. cit., Vol. 29, p. 99; and *al-Qawā'id al-Nūrānīyah*, op. cit., p. 166.
21. Ibn Taimīyah, *MFS*, op. cit., Vol. 29, p. 79.
22. Ibid., Vol. 30, p. 73.
23. Ibid., p. 74.
24. Ibid., Vol. 29, p. 32; and *al-Qawā'id al-Nūrānīyah*, op. cit., p. 122.
25. Ibn Taimīyah, *MFS*, op. cit., Vol. 30, p. 74.
26. Ibid., Vol. 30, p. 84.
27. Cf. ibid., pp. 78, 84, 104–5, 108–9, 324; and cf. *al-Qiyās fī'l-Shar' al-Islāmī*, (Cairo: al-Salafiyah, 1385 H), pp. 8–9.
28. Ibn Taimīyah, *MFS*, op. cit., Vol. 30, p. 87.
29. Ibid., p. 91.
30. Ibid., p. 97.
31. Ibid., p. 88.
32. Ibid., p. 90.

33. Cf. Ibn Qudāmah al-Maqdisī, *al-Mughnī* (Egypt: Dār al-Manār, 1367 AH), Vol. 5, p. 37.
34. In sharecropping one person provides land and the other cultivates it and the crop is shared by the two according to a ratio agreed beforehand.
35. Ibn Taimīyah, *MFS*, op. cit., Vol. 29, p. 88; and *al-Qawā'id al-Nūrānīyah*, op. cit., p. 159.
36. Ibid., *al-Qawā'id al-Nūrānīyah*, pp. 165–6; and *MFS*, op. cit., Vol. 29, p. 98.
37. Ibid., p. 100.
38. Cf. ibid., p. 101.
39. Ibid., p. 103 (Arabic text: *Bāb al-zarā' yahṣul bi manfa'ah al-arḍ al-mushtamilah 'alā al-turāb wa al-mā', wa al-hawā'; wa manfa'ah al-'āmil wa al-baqar wa al-ḥadīd*).
40. Cf. ibid., pp. 91–2.
41. Cf. ibid., pp. 95–7.
42. Cf. ibid., p. 106.
43. Cf. ibid., p. 112.
44. Cf. ibid., Vol. 30, p. 116.
45. Cf. ibid., Vol. 29, pp. 91, 111.
46. Cf. ibid., pp. 110–11.
47. Cahen, 'Iktā', *Encyclopaedia of Islam* (London: Luzac & Co., 1971), Vol. 3, p. 1090.
48. Cf. Ibn Taimīyah, *Mukhtaṣar al-Fatāwā al-Miṣrīyah (MFM)* ed. Muḥammad al-Ḥanbalī (Cairo: Maṭba'ah al-Sunnah al-Muḥammadiyah, 1949), pp. 272, 378.
49. Ibid., p. 272.
50. Ibn Taimīyah, *al-Ḥisbah* (Cairo: Dār al-Sha'b, 1976), p. 33.
51. Ibid., p. 30.
52. Cf. ibid., p. 36.
53. Ibn Taimīyah, *MFS*, op. cit., Vol. 30, p. 267.
54. Ibid., p. 257.
55. Ibid., p. 255.
56. Ibid., p. 268.
57. Ibid., p. 266.
58. Ibid., p. 278.

- 59. Ibn Taimīyah, *al-Qawā'id al-Nūrānīyah*, op. cit., p. 115.
- 60. Ibid., p. 116.
- 61. Ibid.
- 62. Ibid., p. 118; and *MFS*, op. cit., Vol. 29, p. 26.
- 63. Ibid., p. 49.
- 64. Ibid., p. 227; Ibn Taimīyah, *al-Masā'il al-Mardīnīyah*, (Damascus: al-Maktab al-Islāmi, 1964), pp. 105-6.
- 65. Ibid., pp. 290-9.
- 66. Ibid., p. 318.

CHAPTER VII

Role of the State in Economic Life

A. The need for a state

Ibn Taimīyah, like most Islamic thinkers regarded the institution of government as indispensable. Describing the need for a state, he says: 'It should be noted that to regulate the affairs of people is one of the most important requirements (*wājibāt*) of the religion (*al-dīn*).¹ Really speaking, *al-dīn* cannot be established without it. The well-being of the sons of Adam cannot be accomplished except through a well-organized society (*ijtimā'*) because they are in need of one another; and for such a society a ruler is indispensable.'²

He gives two reasons for regarding the state and leadership as a religious duty. First, the saying of the Prophet: 'If three persons set out on a journey, they should appoint one of them their leader.' Citing this *ḥadīth*, he argues: 'If a leader is considered necessary on a journey – a temporary association of a few persons – it is an instruction to have it in all kinds of greater associations.'³ He further argues that the duty of commanding good and forbidding evil cannot be completely discharged without power (*quwwah*) and authority (*imārah*). The same applies to all religious duties, like holy war (*jihād*), justice, establishment of pilgrimage and prayers, helping those who are wronged and meting out punishment in accordance with the legal penalties (*iqāmah al-ḥudūd*).⁴ Since all these tasks cannot be carried on without government and power, the institution of government and state is necessary from the religious point of view.

It is worth mentioning here that, on the same ground, some eminent Muslim scholars of the present age have strongly advocated the view that political power is a necessary means to enforce Islam fully in personal and social life.

Al-Māwardī (991–1058), Abū Ya‘lā al-Farrā’ (990–1065), al-Ghazālī (1031–1111), Ibn Jamā‘ah (1241–1333) and Ibn Khaldūn (1332–1406) have all emphasized the need for the state and its religious character. Al-Māwardī, Abū Ya‘lā and Ibn Khaldūn distinguish between two types of government, based on reason (*‘aqlīyah*) and the higher form of government based on revealed law (*Sharī‘ah*). The first merely guards against mutual injustice, discord and anarchy, and strives for worldly well-being, while the second provides for the positive enforcement of law and justice in mutual confidence and fellowship; above all, it takes into account the well-being of the community in the Hereafter as well as in this world.⁵

To Ibn Taimīyah authority is preferable to anarchy. Although he asks Muslims not to obey orders contrary to the commandments of Allah and forbids them to co-operate with an unjust ruler,⁶ he does not advocate open rebellion or encourage overthrowing him. He quotes the saying: ‘Sixty years of an unjust *imām* (ruler) are better than one night without a *sulṭān*.’⁷ Al-Ghazālī and Ibn Jamā‘ah also take the view that any effort to depose even a tyrannous sultan is liable to create chaos and lawlessness.⁸ Following the Greek philosophers, St. Thomas Aquinas also adopts this view, on which William Archibald Dunning has commented: ‘In respect to individual action in slaying tyrants, he observes that it is more often bad men than the good that undertake such an enterprise, and that, since bad men find the rule of kings no less burdensome than that of tyrants, the recognition of the right of private citizens to kill tyrants involves rather more chance of losing a king than of being relieved of a tyrant.’⁹

Behind the view that an individual should not try to remove an established unjust ruler may have been the bitter experience of these thinkers that the newcomer often proved a worse incompetent than the outgoing one. Moreover, the instability and chaos created by the overthrow of the regime always retarded economic growth and prosperity and affected adversely the social and academic institutions. However, it may be that these thinkers failed to suggest the proper way to get rid of a tyrant.

But this does not mean that for Ibn Taimīyah, as for the European mercantilists¹⁰ of the fifteenth and sixteenth centuries, the state was the be-all and end-all. As against the attitude of mercantilism in which 'the welfare of the state was substituted in place of the amelioration of the individual',¹¹ Ibn Taimīyah emphasizes that the necessary objective of those in authority (*wilāyah*) is to improve the material and religious conditions of the people in preparation for the life to come.¹² He expresses the need for close co-operation between those in authority and the people.¹³ By contrast, mercantilism was essentially amoral, as Hecksher explains: 'The mercantilists were amoral in a two-fold sense, both in their aims as also in the means for the attainment of their ends. This two-fold amorality arose from their widespread indifference towards mankind, both in its capacity as a reasoning animal, as also in its attitude towards the eternal.'¹⁴ Mercantilist thinkers like Machiavelli (1469–1527) and Jean Bodin (1520–96) freed politics from all moral and ethical considerations and held the state accountable to no one.¹⁵

In Ibn Taimīyah's view, the authority exercised by the state is not absolute. It is a trust (*amānah*) from Allah, and it is to be exercised in accordance with the terms laid down in the *Shari'ah*. He quotes a *ḥadīth* of the Prophet, peace be upon him, to support his argument. Abū Dharr, a Companion of the Prophet, reported that he said: 'It (sovereignty) is a trust, and on the day of judgement it will be a thing of sorrow and humiliation except for those who were deserving of it and did well.'¹⁶ Elsewhere, he observes that 'the government is a religious duty, to seek Allah's favour by fulfilling its obligations with all one's might is one of the noblest of good deeds (*afḍal a'māl al-ṣāliḥah*)'. He again quotes a *ḥadīth* that 'to Allah the most beloved of His creatures is a just sovereign (*imām 'ādil*) and the most hateful is a tyrannical one'.¹⁷

Ibn Taimīyah believes that for appointment to a public office the most suitable person should be chosen on grounds of relevant competence (*quwwah*) and integrity (*amānah*), the two most necessary qualities. However, since it is not always easy to find a person who possesses both in equal measure, the most essential quality for the particular office

should be determined.¹⁸ Erwin Rosenthal comments: 'Ibn Taimīyah is realistic enough to suggest that ability to fill an office – courage and bravery in a war-leader, judgement and power of enforcement in a judge – is more important than piety and loyalty if nobody can be found who combines all requirements. In support he appeals to the *Sunnah*. Muḥammad (upon him be peace) was always guided in the choice of a leader by the welfare of the *ummah* as the overriding consideration, even if his subordinates were to surpass him in knowledge and faith. If no one person is available who possesses in himself all the qualities needed for an office one has to appoint as many as together are endowed with them.'¹⁹ And he goes on to observe: 'This idea is strongly reminiscent of al-Fārābī and goes back ultimately to Plato, as does the idea of men forming an association to help each other to satisfy their need.'²⁰ It is strange that Rosenthal should first say that Ibn Taimīyah derives his view from the *Sunnah* and then say the view is reminiscent of al-Fārābī who, it is implied, got it ultimately from Plato, as if the true source of authority for Ibn Taymīyah were Greek. In fact, of course, that similar ideas are found in two different sources is not, without documentary evidence, proof that the later source is derived from the earlier one.

1. Goals of the Islamic state

Ibn Taimīyah does not discuss forms of government, nor how government is established. He accepts the state as it is. The emphasis of his discussion is rather on the religious character and the goals of government: 'The greatest goal of the state is to enjoin the good and forbid the evil; for example, performance of prayer, payment of *zakāh*, fasting, truth, honesty, obedience to parents, good relations with kinsmen, good conduct within the household, with neighbours, etc.'²¹

To 'enjoin the good and forbid the evil' is a very comprehensive goal; including enjoining socially and economically beneficial practices and forbidding social and economic evils. He emphasizes that 'the welfare of the people and the

country can be achieved only through commanding the good and forbidding the evil. The well-being of the people, their economic well-being, lies in obedience to Allah and His Apostle, which is possible only by enjoining good and forbidding evil.²²

Ibn Taimīyah clearly regards economics and religion as inseparable responsibilities. This is no idiosyncrasy on his part; it is characteristic of Islam. Al-Māwardī, listing the duties of a Caliph, mentions similar attributes. The Caliph's first duty is to guard the faith on its established principles and on the consensus of the early Muslims (*salaf al-ummah*). Second, he must execute and preserve justice. Third, he must secure the lives and property of those he governs, so that people may seek their livelihood freely. Fourth, he is obliged to see that punishment for offences (*hudūd*) is meted out so that the prohibitions of Allah are not violated and the rights of His bondsmen upheld. Fifth, he must garrison the frontiers with all proper means and with strength. Sixth, he must organize holy war against those who refuse the just message of Islam. Seventh, he must organize booty and the poor-dues according to the *Shari'ah*. Eighth, sound financial administration. Ninth, judicious selection of competent and loyal officials. Tenth, he should give his personal supervision to public affairs.²³

Ibn Taimīyah's discussion of the economic activities and responsibilities of the state is not found in any one place, but scattered throughout his writings. We study below his views on the economic goals of the Islamic state and its power to secure them.

The defining characteristic of a welfare state is that it explicitly accepts legal responsibility for the well-being of all its members, over and above its responsibility for the preservation of law and order and provision for common defence. The well-being and improvement of the individual are too important for them to be left to custom or to informal or private initiative. The state must accept the responsibility.

An Islamic welfare state seeks to guarantee social and economic justice for its citizens. In this regard, its primary tasks are fulfilment of such essential needs as food, clothing, shelter, health and education, and then price control, fixing

of wages and provision of employment, intervention (as the need arises) in property right, and the prohibition of usurious business activities. The state must strive to eradicate poverty and to realize economic stability and adopt the means of organization and planning necessary to these ends.

Writers on the subject have often claimed that the 'welfare state' is a new phenomenon in the politico-economic history of man.²⁴ This may be true of Western society, but it is not universally true. Islam, as a complete guidance for mankind, proposes a very comprehensive concept of the welfare state. The Islamic Caliphate in its flourishing period provided a fine historical example of just such a state. Islamic thinkers and jurists have always advocated such a system and held the state responsible, in the light of the Qur'ān and *Sunnah*, for the general welfare and well-being of its people.

2. The state and justice

Ibn Taimīyah regards justice as fundamental and crucial, the condition without which man cannot prosper either in this life or in the Hereafter.²⁵ With the Caliph 'Umar bin 'Abd al-'Azīz in mind, he writes of the influence the authorities can have on the working of the market: 'If expenditure is made on values like truth, justice, benevolence and honesty in the market, the same will be brought there. On the contrary, if expenditure is made on falsehood, vice, injustice, and dishonesty, the same qualities will be brought there.'²⁶ He means that if the ruler adopts and promotes the positive values he will inspire a positive response from his subjects.

Indeed, in Ibn Taimīyah's view that is the whole purpose of authority: 'To rule with justice and to render their dues to those who have a claim, constitute the essential principles of just government (*al-siyāsah al-'ādilah*) and the very purpose of public office (*al-wilāyah al-ṣāliḥah*).'²⁷

In economic terms justice from the ruler means, first, that he should demand from the people only such duties and taxes as are just, and the people ought to pay whatever is due from them without evasion. He says: 'More often injustice is done by both – the ruler and the subjects – the

former demands what is not legitimate while the latter denies even what is due.²⁸ Second, there is the question of distribution; the just policy is that the ruler reward all those who deserve to be rewarded and deny no one his due. Reciprocally, the people should not demand what they have not deserved.²⁹

It is also a requirement of justice that everyone should have an equal opportunity to be productive and/or to engage in business, and that no one should be allowed to create a monopoly and so deny others the right to produce or trade. In the same way, wages and prices may also have to be regulated by the state in order, as the situation demands it, to check exploitation and protect the interests of the people. Also, it is the responsibility of the authorities to prohibit usurious, fraudulent and 'speculative' transactions and in order to make fair trade possible, guarantee standard weights and measures and quality.

An important aspect of the justice required of a good ruler is the maintenance of a wise balance between the spiritual and material well-being of the people. Without such a balance, the state will fall short of the necessary qualities of an Islamic welfare state. Ibn Taimīyah always stressed this dual responsibility of the state: 'The necessary function of the state is the betterment (*iṣlāḥ*) of the religious life of the people . . . and promotion of material well-being as a pre-condition for the religious foundation.'³⁰ In this chapter, however, we shall confine ourselves to the role of the state in the economic life of the people.

B. Power of the state to secure its goals – the state vs. individual freedom

Ibn Taimīyah attaches very great importance to individual freedom in economic behaviour. In his view, all things are basically valid and permissible, unless there is some particular instruction to the contrary in the *Sharī'ah*.³¹ He also believes that the *Sharī'ah* has restricted only those activities which are injurious and harmful. In his *Fatāwā* he writes: 'We believe that Allah has permitted earnings (*makāsib*), trades (*tijārāt*), and industries (*ṣinā'āt*) and He has prohibited fraud and injury.'³²

In support of the legal rights of the individual in society, Ibn Taimīyah quotes Shāfi'ī (d. 820): 'Men have full rights on their property; nobody has a right to take it from them wholly or in part without their consent, with (only) the exceptions caused by necessity.'³³

The line Ibn Taimīyah takes conforms fully with Islamic principles, for in Islam the individual's freedom of action is the necessary condition of his accountability to Allah for all the actions he takes. But, alongside his right to property and freedom of action, the individual is enjoined to perform certain social duties and take part in the rebuilding of the society necessary to his own and others' welfare. At the same time, he is forbidden to inhibit the freedom of action of others or to inflict injury upon them. In the event that he does so, the state must intervene to limit the individual's abuse of his freedom.

Man is by nature social, that is, it is in his very nature to help and co-operate with others.³⁴ For this reason, the state should appeal first of all to his instinct and lay upon the individual certain moral and legal responsibilities. Ibn Taimīyah writes: 'Every person has certain obligations, for example, to support himself and his relatives and help them in payment of their debts. If he does not do so, he is really a wrongdoer.'³⁵ It is a basic duty of the individual that he earns a livelihood for himself and for his dependants and assists others. But moral exhortations and ethical considerations may not always be enough. The opposite tendencies – miserliness, selfishness, apathy and the like – are also active. Thus, the authority of the state must come into play: 'It is obligatory for people to help each other in matters of food, clothing, shelter, etc. The *imām* (head of state) should insist upon it and force them to do so.'³⁶ Sometimes, market forces operate against the public interest and the people, despite the best intentions and efforts, may not be optimally rewarded. In this case the state must step in to rectify the situation. When it does so, the state may well be thought to be hindering individual liberties. But, as Ibn Taimīyah says: 'The principle is to secure greater social benefits (*maṣāliḥ*) and to abolish injury (*maḥāsīd*) or minimize it. When a situation arises where realization of one kind of benefit

means the loss of another, then the greater benefit must be acquired in preference to the lesser. Conversely, the greater loss or injury must be avoided by tolerating a lesser one.³⁷ Clearly, Ibn Taimīyah believes the state has the right to interfere and limit individual freedom in order to secure the larger interests of the public – a stance quite the opposite of the *laissez-faire* advocated by, among others, Adam Smith.

We give below some of the economic functions of the state and cases where the state can interfere with individual rights for the sake of greater social benefits.

1. Eradication of poverty

According to Ibn Taimīyah, the ‘eradication of poverty’ is an obligation of the state. Unlike certain medieval philosophers and many religious thinkers, Ibn Taimīyah does not praise poverty. In his view, a man should seek prosperity and independence, since these are necessary for the fulfilment of a number of obligations and religious duties. If an obligation cannot be met without certain means, then acquiring these means also becomes an obligation.³⁸

It is the duty of the state to help people better themselves financially. Listing the heads of public expenditure, he writes: ‘There is a general consensus that whoever is unable to earn sufficiently must be aided with money to suffice him, no matter if he appears as a traditional beggar, or an army man, or trader, an artisan or a farmer. Revenue from poor-due (*ṣadaqah*) is not specific for any one kind of such persons. The artisan whose opportunity to work is not adequate or the trader whose trade is not adequate, or the army man whose land-grant (*iqṭāʿ*) is not adequate . . . all have a claim upon that revenue.’³⁹

We may properly infer from what Ibn Taimīyah has said that the state’s responsibility does not end with the provision merely of subsistence income and minimum living standard. It must strive to provide for its people a good living standard and help them to become independent. The prohibition of interest, the institution of *zakāh*, of *kaffārāt* (financial penalty on certain offences), voluntary giving (*al-ṣādaqāt al-nāfilah*), grants (*ʿaṭāyā*) by the government, the obligation

to spend on kinsmen and relatives, the rights of one's neighbour, the encouragement to work and do business and the condemnation of idleness – all these elements of Islamic principle or prescription are directed towards the removal of poverty.

According to Ibn Taimīyah: 'It is the best of deeds for the authorities to differentiate between the deserving and the undeserving and to do justice in the distribution of means of livelihood and of public offices.'⁴⁰ Redistribution of income between rich and poor to just and equitable levels is a specific responsibility of the state: 'It is the duty of the ruler to collect money from where it is due and put it where it is just and proper to do so and never to deprive the deserving.'⁴¹ Of course, the aim of eradicating poverty is not served only by negative means or only by redistribution of existing wealth; it demands also a commitment to wealth creation. Ibn Taimīyah does not deal explicitly with this aspect of the problem; but what he does say – that the state has the right to oblige producers and workers to provide those goods and services which people need but which are in short supply – implies this quite clearly.⁴²

2. Regulation of the market

We have already seen Ibn Taimīyah's views on price control (Chapter III above). That is a part of the state's responsibility for the market as a whole which we shall now discuss. The state has power to control prices or fix wages in the public interest. Ibn Taimīyah does not favour price control in normal conditions because people are, in principle, free to sell their goods at what rate they like; compulsion in this matter would be an injustice⁴³ and have adverse effects: traders may withhold merchandise or withdraw from the market in preference to selling at a lower price; down-grading of product quality and black-marketeering are also possible consequences. Unjust price fixing may, in short, do the opposite of what is intended, making the situation worse for the consumer.⁴⁴ But when high prices are a deliberately provoked imperfection in the working of the market, protecting the consumer may be impossible without price fixing,

and the state must do it.⁴⁵ However, price fixing must not be arbitrary; it must, instead, be decided through consultation, negotiation and discussion with the representatives of producers and consumers.⁴⁶ Prices determined in this way will be more acceptable for all, and the harmful effects of price fixing avoided.⁴⁷ (For a fuller discussion of this point the reader is referred to Chapter III.)

Wage fixing may become necessary as part of the state's responsibility for resolving employer-employee disputes which, generally, relate to wages. Ibn Taimīyah regards labour as a service carrying a market price, and therefore treats wage fixing analogously to price fixing – his term is 'pricing of labour' (*tas'ir fi'l-a'māl*).⁴⁸

As before, wage levels in principle must be left to market forces, i.e. supply and demand, and mutual understanding. However, when people are in need of certain services and goods, but the owners of these goods and services refuse to supply them or they demand a higher wage than the just one, wages must be fixed by the state.⁴⁹ Monopsony is not a desirable condition. As explained in Chapter III, wage fixing is necessary to resolve industrial disputes and to safeguard the interests of both employers and employees. The purpose of wage fixing, Ibn Taimīyah says, is 'so that the employer might not reduce their wages, nor the labourers demand more than their due wages'.⁵⁰

It is also the state's duty to remove unemployment and provide jobs for those who are unable to do their own business or fail to get jobs. This responsibility becomes more pressing in a society where the majority of the population depends on wage earning. Ibn Taimīyah has written little on this issue, probably because unemployment has been a problem mainly since the industrial revolution, and had not assumed significant dimensions in his time. Nevertheless, we can infer that provision of employment is a state responsibility on the analogy that he considers it an offence for a producer or seller to create an artificial monopoly and prevent others from entering the market – that is, charges high prices on the one hand and on the other prevents others from doing business.⁵¹ In this event the state must intervene to remove the obstacles the monopolist seeks to put in the way of others.

3. Monetary policy

Price and wage control are both measures intended to maintain justice and stability in the market, but monetary policy is also a threat to that goal. The state is responsible for controlling currency expansion and for checking erosion of the value of money, both major causes of economic instability. Ibn Taimīyah quotes a saying of the Prophet, peace be upon him, who warned against corrupting the currency of Muslims without any ground.⁵² This prohibition covers individual as well as state action. The state must, so far as possible, avoid deficit financing and unrestricted monetary expansion, because doing so results in inflation and creates distrust in the currency. Ibn Taimīyah has expressed this point in a text already quoted above.⁵³ Coins other than gold and silver also become price markers or measures of the value of goods. Therefore, the authorities should issue coins of just value, and never issue them as a form of business – as, for example, by purchasing copper and minting coins with a view to profit through currency trading.

Ibn Taimīyah clearly grasps the importance of monetary policy for economic stability. Money he regards as a measure of value and a medium of exchange; any measure that upsets these functions of money is hazardous to the economy, as we explained more fully in Chapter V above.

4. Economic planning

Economic development and independence are prerequisites for a stable state. An underdeveloped and dependent state is easy prey to the machinations of foreign powers and vulnerable to internal unrest. No government can neglect the need for overall economic development, one of the most effective means of achieving which is economic planning. Like many other concepts, economic planning is a relatively recent idea. Not surprisingly there is no explicit reflection on it in Ibn Taimīyah's work. But there are in his work certain ideas whose inevitable consequence is economic planning by the state. The most important such idea is Ibn Taimīyah's treatment of industries like agriculture, weaving,

etc. as *socially* obligatory. If voluntary action fails to supply enough goods to meet the people's need, the state has a duty to arrange for adequate supplies, which can only be done if the state keeps an eye on the working of the economy and stands in readiness to urge or arrange for increased production in the desired areas.⁵⁴

Ibn Taimīyah does not distinguish between different sorts of goods and services; his opinion is general. But there are certain so-called 'social' or 'public' goods, which are in fact never supplied by individuals. Provision of such goods is a permanent responsibility of the state. In the words of Musgrave: 'Social wants cannot be satisfied through the mechanism of the market because their enjoyment cannot be made subject to price payment . . . Consider, for instance, such items as flood control projects . . . expenditure for the judiciary system . . . or protection against foreign aggression . . . (Here) the government must step in, and compulsion is called for.'⁵⁵ There can be little doubt that Ibn Taimīyah, as any Muslim thinker, would regard 'public' goods as among the state's primary duties – we have already noted his explicitly stated view on defence of the country and the provision of justice.

Economic activity and development need 'social overheads' or infrastructure, such as transport and communication systems. Since the building of roads, bridges, canals, etc. involves high initial cost and a very long pay-off period, private investors do not come forward to finance it. Thus, it becomes the state's duty to do so. Some passages of Ibn Taimīyah's book *al-Siyāsah al-Shar'īyah* and his *Fatāwā* reveal that he had this idea in mind when he suggests, for example, that 'a considerable portion of public revenue should be spent on building of canals, bridges, roads, etc'.⁵⁶ He has written in several places that heirless property, unclaimed lost property and similar sources of state revenue should be spent on public utilities (*al-maṣāliḥ al-'āmmah*).⁵⁷

The state must also arrange for the education and training of its young so as to prepare its people to fulfil the society's needs: 'Although it is right to employ or appoint an incompetent person for a public office if he is the best of all available persons, it is necessary to make an effort for the

training and preparation of men so that they acquire the essential qualifications needed for the performance of state and other affairs. . . The principle is that provision of all those means is obligatory on which fulfilment of any obligation depends.⁵⁸ Thus, if it is accepted, as Ibn Taimīyah maintains, that it is the duty of the state to work for the spiritual and material well-being of the people, then it is also obligatory for the state to adopt all programmes and plans needed to carry out this duty.

From the preceding discussion it should be clear that it is nowhere Ibn Taimīyah's intention to deny the merits of private enterprise and to seek to eliminate the market place. Nor does he support authoritarian imposition of state decisions on all kinds of resource allocation, goods production and distribution, or centralized control of the economy. What he means is that since market forces cannot always work to meet all the requirements of the people, and since they do not necessarily lead to optimum use of resources, the state should play an active and conscious role in determining priorities and appropriately channelling the scarce resources, especially where the market mechanism fails to do so. Of course, the determination of priorities must be decided in consultation with reliable experts in the economy, for consultation is an obligation for the head of state.⁵⁹ This consultation must be the basis for economic planning. A plan achieved through consultation and consensus will be more in harmony with the needs of the society and more likely to get co-operation from all the people.

C. The institution of the *ḥisbah*

No discussion of the role of the state in the economic life of the society can leave out the institution through which a large number of economic activities were supervised and controlled, and any necessary intervention made, namely the institution of the *ḥisbah*. Its remit went beyond economic matters to include also moral and spiritual well-being and the supervision of social and civil projects. In view of its key role, the *ḥisbah* has been studied by many Islamic thinkers: Ibn Taimīyah devoted a full treatise to the subject.

1. Origin and brief history

The aim of the *ḥisbah* as defined by Ibn Taimīyah, is to enjoin what is commonly known as good (*al-ma'rūf*) and forbid what is commonly known as evil (*al-munkar*) in those areas where the authority of governors, judges, or other specified public officers does not obtain or cannot reach.⁶⁰ Al-Māwardī defines it as enjoining what is good when that has ceased to be the custom and forbidding what is bad when that has become the custom.⁶¹

According to a contemporary writer, Muḥammad al-Mubārak: 'It is a control function of the government through persons acting especially in the field of morals, religion and economy, and generally in the areas of collective or public life, to achieve justice and righteousness according to the principles of Islam and commonly known good customs of the time and place.'⁶² Nicola Ziadeh defines *ḥisbah* as the office to control market and common morals (*ādāb*).⁶³

The officer in charge of the *ḥisbah* was called the *muḥtasib*. Since supervision of the market was one of the functions of the *muḥtasib*, it is sometimes suggested that the *ḥisbah* owes its origin to a similar office in the Eastern Roman Empire. In fact, however, the early writers on the *ḥisbah* all ascribe its origin to verses of the Holy Qur'ān and to the example of the Prophet, peace be upon him. Al-Māwardī refers to the following verses of the Qur'ān to indicate the origin of the *ḥisbah*:

Let there arise out of you a band of people inviting to all that is good, enjoining the right conduct and forbidding what is wrong. Such are they who are successful.⁶⁴

Ibn Taimīyah says that all public offices in Islam are meant to enjoin good and forbid evil; and *ḥisbah* is such an office.⁶⁵ He quotes a number of Islamic teachings, in his book *al-Ḥisbah fi'l-Islām*, regarding fair trading and fair contract. He writes that the Prophet himself, peace be upon him, used to inspect the market. A Companion of the Prophet, Abū Hurairah, reports that he passed by a heap of grain and, putting his hand into it found it to be wet. He questioned the seller, who told him the grain had got wet. At this the

Prophet said: 'Why did you not put the wet grain on top so that people might see it? Those who cheat us are not among my people.'⁶⁶ This incident is a clear evidence that the *ḥisbah* goes back to the Prophet himself, peace be upon him – it was the precedent of his example that inspired the four rightly-guided caliphs to retain the office.

The *ḥisbah* remained in existence throughout the greater part of the Muslim world until the beginning of the twentieth century. During the Mamluk period, the institution assumed great importance, as is evident from the numerous works on it in that period. In Egypt, the system existed till the regime of Muḥammad Ali (1805–49). In Morocco, it was found till the beginning of this century.⁶⁷ The Roman East, which came into contact with the Muslim world through the crusades, adopted the institution of the *ḥisbah* as is clear from the word 'mathessep' (*muḥtasib*).⁶⁸

2. Works on the *ḥisbah*

Although the institution existed from the time of the Prophet, peace be upon him, the term *ḥisbah* was used for it only in later periods and writings on the subject appeared still later.⁶⁹ Works on the *ḥisbah* are of two kinds – those descriptive of the system in a general way, the virtues and obligations of the *muḥtasib*, and the religious and juridical aspects of his office; and secondly those descriptive of the practical and technical details of supervision. Since supervision was principally of the various crafts and trades, the books in the latter category are practical guides to the administrative control of the professions, and maintenance of product quality and standards.

Authors of works of the general kind include al-Māwardī, Abū Ya'lā, al-Ghazālī, Ibn Khaldūn and Qalqashandī. Authors of the more detailed guides include al-Shaizarī, Ibn al-Ukhuwwah, Ibn Bassām, Ibn Hādī and Muḥammad al-Saqtī.

Ibn Taimīyah's book *al-Ḥisbah fi'l-Islām* comes under the first category. Though brief, it is characteristically different from other works on the subject, not least in its excellence of style. Ibn Taimīyah relates the institution of the *ḥisbah*

to the establishment of the state. He deals primarily with theoretical matters concerning the essential nature of the institution. His book is uniquely valuable since it deals with a number of economic problems which are still relevant today, for example, the extent of state intervention in private enterprise, and the limits of restrictions on the rights of the individual. Ibn Taimīyah reviews critically the opinions of different schools and various scholars, and argues his own viewpoint convincingly with relevant quotations from the Qur'ān and the *Sunnah*. He outlines and explains many 'modern' economic concepts, though of course without modern terminology, such as the law of supply and demand, price control, wage fixing, competition, monopoly, monopsony, etc.

3. Economic functions of the *muhtasib*

The persons appointed for the role of *muhtasib* were of high moral integrity and competence in matters concerning the law and market and industrial affairs.⁷⁰

Through the *hisbah* the state used to exercise a comprehensive socio-economic control on trade and economic practices, the most important being supervision of industry, professional services, standardization of products, checks on hoarding, middlemanship and usurious practices. The *muhtasib* was also required to look after the people's social behaviour, their performance of religious duties, and municipal works. We shall describe briefly his economic functions:

Supply and provision of necessities. The *muhtasib* had to keep a check on the availability of essential goods (for example, foodstuffs) and services (for example, construction, cultivation, cloth manufacture, etc.).⁷¹ In the event of any shortage of necessary services, the *muhtasib* was empowered, through the authority of the ruler, to direct their provision.⁷²

Supervision of industry. In industry, the *muhtasib*'s main duty was standardization of products. He was also authorized to impose a ban on harmful industries. A clear example is that of alchemy, through which the chemists produced deceitful and unsound goods.⁷³ He could resolve industrial

disputes arising between employers and employees and if necessary fix the minimum wages.⁷⁴ There is no specific reference regarding the *muhtasib*'s authority to limit maximum working hours. But since we know that he had to see that no animal was overburdened or deprived of sufficient subsistence,⁷⁵ we may infer that the fixing of maximum working hours did come under his jurisdiction.

Supervision of services. Deception is perhaps easier in the case of services than goods. The *muhtasib* was authorized to check whether physicians, surgeons, pharmacologists, etc. were doing their jobs properly or not; and that they were not deceitful in their work.⁷⁶ In the same way, teachers, grinders, inn-keepers, etc. were also regularly inspected by the *muhtasib*.⁷⁷

Supervision of trade. The *muhtasib* had to supervise the market in general and different trade practices in particular. He had to check weights and measures, and product quality, to ensure that merchants and agents did not resort to practices calculated to deceive the consumer about merchandise or the prices charged for it. He also made sure that the merchants did not indulge in any operation which was connected with the prohibited practices of interest and other usurious transactions.⁷⁸

The *muhtasib* used to check the 'interception' of supplies, potentially a most harmful practice. Ibn Taimiyah and other writers who prescribed this duty of the *muhtasib* support their opinion with a group of *aḥādīth* in which the Prophet, peace be upon him, has forbidden the purchasing of goods before they reach the market.⁷⁹ Such 'interception' can create artificial shortages and then exploit the needs of consumers.

Hoarding was also considered an offence subject to intervention by the *muhtasib*. He was empowered to fix the price of the hoarder's goods, so cutting his hope of pushing up the price later on; or he could force him to sell his goods at the prevailing price. The justification for this power of the *muhtasib* is the condemnation of hoarding by the Prophet, peace be upon him.⁸⁰

Apart from these activities, the *muhtasib* had the municipal function of ensuring that, in the building of houses or shops,

nothing was done prejudicial to public safety or which impeded traffic.⁸¹ Similarly, he had to oversee, in the interest of public safety, the location of industries and business. He was empowered to keep different industries apart if they offered some danger or nuisance to each other. For example, industries creating some smoke and pollution might not be allowed to set up beside pharmacies or cloth merchants.⁸² In general, the *muhtasib* would persuade people to establish similar industries in one area.

There is no clear account of supervision of agriculture in works on the *hisbah*. This may be because the city was the centre of all kinds of social and economic activities, which gave rise to the problems with which the *hisbah* had to deal. Agriculture was a relatively simple function where malpractice was less possible. Ibn Taimīyah's only reference to it is that if people were in need of the services of cultivators, the cultivators could be obliged to provide them, as was the case in other industries.⁸³ His discussion of regulations concerning sharecropping and land rent was studied earlier in Chapter VI.

Ibn Taimīyah summarizes the *muhtasib*'s religious, social and economic functions as follows:

The *muhtasib* shall order for the Friday prayers, other congregational prayers, truthfulness, repayment of deposits, and he shall forbid bad things like telling lies, dishonesty, insufficient weight and measures, fraud in industries, trades and religious matters, etc.⁸⁴

In view of his many duties the *muhtasib* could be assisted by a number of experts in different areas. He could also employ a number of other assistants to help him in the enforcement of his orders and decisions.⁸⁵

In our own age, no single office can be compared with the *hisbah*. The work of the *hisbah* is now done by different ministries, and departments of ministries.

D. The Islamic welfare state

Ibn Taimīyah's concept of the state and its role in economic life is most aptly compared to the welfare state in

the modern sense. In most contexts the state's responsibility for the general welfare of its people is his main emphasis, and nothing that concerns the welfare of the people falls outside the responsibilities of the state as he conceives it. But his concept is of course an Islamic one with its characteristic emphasis on spiritual as well as material welfare. In this respect Ibn Taimīyah's concept has a vital edge over the narrower modern concept of the welfare state. Ibn Taimīyah never loses sight of the fact that the moral and material improvement of man has always been the chief burden of prophethood (*risālah*).⁸⁶ Nor does he forget that the basic moral values of honesty, sacrifice and co-operation have a direct bearing on the prosperity and sanity of a society. He never separates the economic from the moral health of the society.

References

1. By '*al-dīn*' he means the religion of Islam which provides not only a unique system of worship and moral rectitude but also a code of life. No aspect of man's behaviour, including politics and economics, is outside it.
2. Ibn Taimīyah, *al-Siyāsah al-Shar'īyah* (Cairo: Dār al-Sha'b, 1971), p. 184.
3. Ibid., p. 185.
4. Ibid.
5. Cf. Ibn Khaldūn, *Muqaddimah* (Beirut: Dār al-Fikr, n.d.), pp. 150-1; cf. Al-Māwardī, *Al-Aḥkām al-Sulṭānīyah* (Egypt: M. al-Bābī, 1973), p. 5.
6. Ibn Taimīyah, *al-Siyāsah al-Shar'īyah*, op. cit., pp. 16, 61.
7. Ibid., p. 185.
8. Cf. Rosenthal, Erwin I. J., *Political Thought in Medieval Islam* (Cambridge University Press, 1962), p. 44.
9. Dunning, W. A., *A History of Political Theories* (Allahabad: Central Book Depot, 1966), p. 200.
10. Mercantilism developed at the end of the Middle Ages. According to the mercantilist writers it is very important that the state should be economically strong and powerful, and this can be done only through foreign trade.

11. Heckscher, Eli F., *Mercantilism*, trans. by Shapiro. (London: George Allen & Unwin Ltd., 1962), Vol. 2, p. 286.
12. Ibn Taimīyah, *al-Siyāsah al-Shar'īyah*, op. cit., p. 36.
13. Ibid., pp. 42, 60.
14. Heckscher, op. cit., p. 285.
15. Gray, A. and Thompson, A., *The Development of Economic Doctrine* (New York: Longman, 1980), p. 56.
16. Ibn Taimīyah, *al-Siyāsah al-Shar'īyah*, op. cit., p. 22.
17. Ibn Taimīyah, *al-Ḥisbah*, (Dār al-Sha'b, 1976), p. 11.
18. Cf. Ibn Taimīyah, *al-Siyāsah al-Shar'īyah*, op. cit., pp. 25–33.
19. Rosenthal, Erwin I. J., op. cit., p. 54.
20. Ibid., pp. 54–5.
21. Ibn Taimīyah, *al-Siyāsah al-Shar'īyah*, op. cit., pp. 90–1.
22. Ibid., p. 89.
23. Cf. Al-Māwardī, op. cit., pp. 15–16.
24. *Encyclopaedia Americana* gives: 'The term welfare state with its specific meaning of social and economic security of basic minimum came into widespread use only during and after World War II. Such general publicly sponsored programs of social and economic welfare were first called "Welfare State" programs in Britain.' (Ebenstein, W., *Encyclopaedia Americana*, Vol. 28, p. 606.)
25. Ibn Taimīyah, *al-Ḥisbah*, op. cit., p. 95; and *al-Siyāsah al-Shar'īyah*, op. cit., p. 178.
26. Ibid., pp. 44–5.
27. Ibid., p. 16.
28. Ibid., p. 56.
29. Cf. ibid., p. 42.
30. Cf. ibid., p. 36.
31. Cf. Ibn Taimīyah, *MFS*, (*Majmū' Fatāwā Shaikh al-Islām*) (Riyad: Maṭābi' al-Riyāḍ, 1963), op. cit., Vol. 29, p. 18.
32. Ibid., Vol. 5, p. 81
33. Ibn Taimīyah, *al-Ḥisbah*, op. cit., p. 38.
34. Ibid., pp. 8, 116.
35. Ibn Taimīyah, *MFS*, op. cit., Vol. 29, p. 280.
36. Cf. ibid., p. 194.

37. Ibn Taimīyah, *al-Siyāsah al-Shar'īyah*, op. cit., p. 63, and *MFS*, Vol. 1, p. 376; Vol. 29, p. 271; Vol. 30, pp. 193, 234.
38. Ibn Taimīyah, *MFS*, op. cit., Vol. 29, p. 279.
39. Ibid., Vol. 29, p. 570; cf. Vol. 31, p. 16.
40. Ibid., p. 572.
41. Ibn Taimīyah, *al-Siyāsah al-Shar'īyah*, op. cit., p. 45.
42. Cf. Ibn Taimīyah, *al-Ḥisbah*, op. cit., pp. 30, 34.
43. Cf. ibid., p. 25.
44. Cf. ibid., p. 41.
45. Cf. ibid., pp. 24, 26.
46. Cf. ibid., p. 41.
47. Cf. ibid.
48. Cf. ibid., p. 34.
49. Cf. ibid., p. 30.
50. Cf. ibid., p. 34.
51. Cf. ibid., pp. 25-6.
52. Ibn Taimīyah, *MFS*, op. cit., Vol. 29, p. 469.
53. See above, Chapter V, p. 141.
54. Cf. Ibn Taimīyah, *al-Ḥisbah*, p. 30.
55. Musgrave, Richard A., *The Theory of Public Finance* (International Student Edition, Tokyo: Kogakusha Company Ltd., n.d.), pp. 9-10.
56. Cf. Ibn Taimīyah, *al-Siyāsah al-Shar'īyah*, op. cit., p. 65; and *al-Ḥisbah*, op. cit., p. 34; and *MFS*, op. cit., Vol. 28, p. 566.
57. Cf. ibid., p. 568; and *al-Siyāsah al-Shar'īyah*, op. cit., p. 62.
58. Cf. ibid., pp. 31-3.
59. Ibid., p. 181.
60. Ibn Taimīyah, *al-Ḥisbah*, op. cit., p. 18.
61. Al-Māwardī, op. cit., p. 240.
62. Al-Mubārak, M., *Ārā' Ibn Taimīyah* (n.p., Dār al-Fikr, 1973), pp. 73-4.
63. Ziadeh, N., *Al-Ḥisbah wa'l Muḥtasib fī'l-Islām* (Beirut: Catholic Press, 1963), p. 32.
64. The Qur'ān 3: 104.
65. Ibn Taimīyah, *al-Ḥisbah*, op. cit., p. 14.

66. Ibid., p. 20.
67. Ziadeh, op. cit., p. 44.
68. Ibid., p. 39; Cahen and Talbi, M., 'Hisbah', *Encyclopaedia of Islam* (London: Luzac & Co., 1971), Vol. III, p. 486.
69. The oldest writings on *hisbah* include a chapter in the works of al-Māwardī and Abū Ya'lā. They were contemporaries and their books bear the same name, *al-Aḥkām al-Sultānīyah*. Al-Ghazālī's book, *Ihyā' al-'Ulūm*, also contains a few sections on *hisbah*. A full volume on the subject was written by 'Abdur Raḥmān bin Naṣr al-Shaizārī (d. 1193). The name of his book is *Nihāyah al-Rutbah fī Ṭalab al-Ḥisbah*. This book has been used as groundwork for further writing on *hisbah*, for example *Ma'ālim al-Qurbah fī Aḥkām al-Ḥisbah* by Muḥammad bin Muḥammad al-Qurashī known as Ibn al-Ukhuwwah (d. 1329), *Nihāyah al-Rutbah fī Ṭalab al-Ḥisbah* by Ibn Bassām, Muḥammad bin Aḥmad. This author has used the text of al-Shaizārī with many additions and even the name of his book. Among the contemporaries of Ibn Taimīyah, Ibn Jamā'ah, Ibn al-Qayyim, al-Subkī etc. have discussed the subject of *hisbah* in their writings. Some other independent books on *hisbah* appeared in Muslim Andalusia, e.g. *Ādāb al-Ḥisbah* by Muḥammad al-Saqṭī. He was appointed *muḥtasib* in Andalus at the end of the eleventh century AD. Another, Yūsuf bin 'Abdul Hādī (d. 1503) wrote a book named *Kitāb al-Ḥisbah*. Ibn Khaldūn discusses the office of *hisbah* in one section of his famous *Muqaddimah*. These are only a few names out of the vast literature on the institution of *hisbah*.
70. Ziadeh, op. cit., pp. 34, 55.
71. Cf. ibid., p. 40.
72. Cf. Ibn Taimīyah, *al-Ḥisbah*, op. cit., p. 30.
73. Cf. ibid., p. 21.
74. Cf. ibid., p. 34.
75. Cf. Ziadeh, op. cit., p. 96.
76. Cf. ibid., pp. 34, 38, 100-2.
77. Cf. ibid., pp. 118-21.
78. Cf. Ibn Taimīyah, *al-Ḥisbah*, op. cit., pp. 21-2.
79. Cf. ibid., p. 23; and Ziadeh, op. cit., pp. 96, 150.
80. Cf. Ibn Taimīyah, *al-Ḥisbah*, op. cit., p. 24; and Ziadeh, op. cit., pp. 54, 96.
81. Cf. Ziadeh, op. cit., pp. 48, 49, 93.
82. Cf. ibid., p. 95.
83. Cf. Ibn Taimīyah, *al-Ḥisbah*, op. cit., pp. 27, 30.

84. Ibid., pp. 19–20.
85. Cf. Ziadeh, op. cit., pp. 29, 37, 39, 95, 111, 130.
86. Ibn Taimīyah, *MFS*, op. cit., Vol. 19, p. 99.

CHAPTER VIII

Ibn Taimīyah on Public Finance

A. Public finance in the early Islamic state

Public finance, traditionally defined, is concerned with the provision, custody and disbursement of the resources needed for the conduct of public or government functions. Revenue, expenditure of public authorities and financial administration are its three main divisions.

In the history of Islam, public finance evolved with the Islamic community and the establishment of the Islamic state by the Prophet, peace be upon him, and his successors. Before that state was established, the Divine instruction was to spend voluntarily on the poor. In the Makkan chapters of the Qur'ān, there are many such injunctions: 'So give to the kinsman his due, and to the needy and to the wayfarer. That is the best for those who seek Allah's countenance. And such are they who are successful.'¹ 'And in their wealth the beggar and the outcast have a certain right.'²

1. Sources of public revenue

(a) *Zakāh*

After the *Hijrah* and the establishment in Madinah of the Islamic state, the believers were enjoined to pay a definite amount in the form of *zakāh*. Payment of *zakāh* is a religious duty and one of the five pillars of Islam. It is imposed on every adult Muslim both free and sane and who has enjoyed for one complete year full ownership of his estates or effects (termed *niṣāb* in Islamic jurisprudence). *Zakāh* is levied on gold, silver, merchandise, certain livestock, mines, treasure

trove and crops. The heads of expenditure of *zakāh* have been clearly stated in the Qur'ān. It lays down that 'the alms are only for the poor, and the needy, and those who collect them, and those whose hearts are to be reconciled, and to free the captives, and the debtors, and for the cause of Allah, and for the wayfarer; a duty imposed by Allah.'³

Zakāh was the first and the most important source of revenue of the early Islamic state. The other sources of income were *ghanimah* (spoils of war), *fai'* (booty), *kharāj* (land tax) and *jizyah* (poll tax). It should be noted here that *zakāh* is not a state revenue in the ordinary sense of the word, as is clear from its heads of expenditure. Though the state is responsible for its collection and proper use, the revenue from *zakāh* cannot be mixed with other public receipts.⁴

(b) *Ghanimah or spoils of war*

This refers to movable possessions taken in battle from the enemy. Four-fifths of it were divided among the troops; for the remainder, the Qur'ān prescribes:

'The remaining fifth belongs to Allah, and to the Messenger, and to the kinsman (who has need) and orphans and the needy and the wayfarer.'⁵

In the early days of Islam, land was also considered *ghanimah* and it used to be divided among those who had fought, but the second Caliph, 'Umar, excluded it from *ghanimah* and left it in the hands of its previous owners who were to pay tax to the state. *Ghanimah* was a significant source of income in a period of numerous and frequent holy wars. 'Spoils of war' and its heads of expenditure were revealed after the battle of Badr in the second year of *Hijrah*.

(c) *Fai'*

As distinct from *ghanimah*, *fai'* refers to booty surrendered by non-believers at war but without fighting. *Fai'* as a revenue of the Islamic state and its heads of expenditure were prescribed in the Qur'ān in the fourth year of *Hijrah*, as follows:

‘And that which Allah giveth as spoil unto His Messenger from them, ye urged not any horse or riding-camel for the sake thereof, but Allah giveth His Messenger lordship over whom He wills. Allah is able to do all things.

‘That which Allah giveth as spoil unto His Messenger from the people of the township, it is for Allah and His Messenger (i.e. for the state) and for the near kin and the orphans and the needy and the wayfarer, that it becomes not a commodity between the rich among you.’⁶

In short, *fai*’ was managed by the Prophet, peace be upon him, as state property and the proceeds of it were used for the general good, like the fifth of *ghanīmah*. Allocation of shares to the different heads has been left to the discretion of the head of state and his consultative council.

(d) *Kharāj*

Kharāj simply means land-tax, of two kinds: *proportional* and *fixed*. The former is imposed proportionally as a share of the total agricultural produce of the land, e.g. one-fourth, one-fifth, etc.; the latter is a fixed tax on the land. The proportional *kharāj* is variable with output and charged on each crop; the fixed *kharāj* is collected once a year.⁷

Under Islamic law, *kharāj* must be imposed on all lands conquered by force and not divided among the army but left to the original owners or allocated to non-Muslim settlers brought from elsewhere.⁸ The *kharāj* was first introduced after the battle of Khaibar, when the Prophet, peace be upon him, allowed the Jews of Khaibar to return to their lands on condition that they paid half of the produce as *kharāj*. In all ages, *kharāj* constituted a major source of revenue for the Islamic state; it belonged to the community as a whole and not to a particular group.

(e) *Jizyah or poll tax*

Christians and Jews, being exempt from military service under the Islamic state, were given the concession (later

extended to other non-Muslims) that the Islamic state would guarantee the security of their persons and property in exchange for payment of *jizyah*. This measure was based on a direct injunction of the Qur'ān:

‘Fight against such of those who have been given the Scripture as believe not in Allah nor the last Day, and forbid not that which Allah hath forbidden by His messenger, and follow not the religion of truth, until they pay the tribute readily, being brought low.’⁹

Jizyah was levied on non-Muslim adult males who had the means to pay it: women, children, old men and monks were exempted as non-combatants, who could in no event be expected to do military service. Paupers, unable to find work, and beggars were not taxed. The amount of tax usually varied from twelve to forty-eight dirhams annually according to their financial condition. If a person embraced Islam, liability to the poll tax lapsed. The amount collected from *jizyah* was to be spent on general welfare.

2. Expansion in the sources of income

The above-mentioned sources of revenue, evolved in the days of the Prophet, peace be upon him, were continued more or less unchanged during the short caliphate of Abū Bakr. It was the second Caliph, ‘Umar, who expanded them. At the first stage he excluded conquered lands from the *ghanimah* and treated them as *fai*: he left them in the hands of their original owners and imposed land tax on them. In this way, he maintained them as a permanent source of revenue for the needs of the state and for posterity.

Secondly, ‘Umar allowed his governors to extract custom duties from the foreign merchants crossing into the Islamic state from enemy lands, just as Muslims were charged when they crossed the border, and the rate charged was, when known, kept the same. When the amount was not known, the rate was one-tenth of the total value of the goods, imposed once a year or in a single entry.

Custom duties or tolls were later extended to *dhimmi* (protected non-Muslim) and Muslim merchants of

Islamic states who also wanted to use the highway. The rate charged from *dhimmīs* was five per cent, while it was two and one-half per cent from Muslim traders.

3. Financial administration

During the days of the Prophet, peace be upon him, revenue was collected by officials sent for that purpose. In remote cities the task was assigned to the governors of that area. For example, when the Prophet, peace be upon him, sent his Companion Mu'ādh bin Jabal to Yemen as his governor there, he advised him to collect *zakāh* from the rich and distribute it among the poor.

When collectors returned, their accounts were checked. Any gifts made to collectors were considered public income, not personal income, removing in this way the possibility of corruption. Collectors were paid salaries in compensation for their labour.

Revenue and wealth were modest in the early society of Islam, leaving little surplus after the needs of the people and current requirements of the state. There was therefore no need to set up a formal treasury. The financial policy adopted by the Prophet, peace be upon him, was to distribute the income as soon as it was received. Maintenance of a register and *dīwān* (financial secretariat) was also unnecessary in that period. Abū Bakr continued this policy.¹⁰ But conditions changed during the caliphate of 'Umar, when the Islamic state expanded from Persia in the East to Egypt in the West, and revenue from different sources greatly increased. The size of the army and the population grew many times. For all these reasons streamlining of the financial administration became necessary and the Caliph organized the *bait al-māl* or public treasury. Although the functions of the *bait al-māl* can be traced back to the Prophet himself, peace be upon him, as there already existed in his time the notion of a treasury of the community, supplied from different sources, the formal institution of the *bait al-māl* must be accredited to the Caliph 'Umar.

Ibn Khaldūn says 'Umar was the first man to create *dīwān* in the Islamic state.¹¹ The Caliph 'Umar did not distribute the land conquered in Iraq and other regions; instead, he

allotted a share to the fighters in the *kharāj* collected from those lands. For this purpose he ordered experts to measure the land, set a reasonable tax for it, and maintain a register of it. ‘Umar also started a system of ‘*aṭā*’ (financial grants or pensions) for distinguished service to Islam or in response to need. As state income increased, and new heads of expenditure emerged for the management of all these matters, ‘Umar established the public treasury. It is said, one of his men had visited Rome and seen that the rulers had established *dīwān* there. He suggested the same to ‘Umar who accepted the suggestion.¹² The *bait al-māl* was continued in subsequent caliphates. By the end of the first century *Hijrah*, the administration of public finance was much more advanced than existing systems, as the caliphs supplemented from their experience the Persian and Roman models.

B. Public finance during Ibn Taimīyah’s time

In the context of our discussion of the economic background of the Mamluk regime, we described the fiscal system of the Mamluk period in some detail in Chapter I. We shall now describe the state of public finance in Ibn Taimīyah’s time and his interpretation of it.

Mamluks were originally Turkish slaves who subsequently embraced Islam. Their legal and administrative set-up was not essentially based on Islam; rather, it was a mix of local custom, Islam, and their own pagan laws called ‘*al-yasah*’. This is reflected in their financial system also.

1. Sources of income

Revenue sources in the Mamluk period included: land tax, taxes on mines, fisheries and industries, *zakāh*, *jizyah*, customs duties, property without legal heirs, taxes on vice and celebrations, compulsory contributions to the war effort or the cost of receiving the sultan. In most cases the Islamic limits on the levying of taxes were neglected. Examples may be seen in a chapter of Ibn Taimīyah’s *Fatāwā*, in which he has enumerated such illegal taxes as:

'levies imposed on heads of people, or numbers of their animals, or numbers of their trees, or on the amount of their wealth; amounts charged in *zakāh* beyond the *Shari'ah* limit; taxes on land more than the *Shari'ah* limit; imposition of levies on goods essentially exempt under the *Shari'ah* – these are imposed on the sale and purchase of food, cloth, animals, fruits, etc., and charged sometimes from the seller, and sometimes from the buyer. . . Also an example of illegal taxation is the amount collected by rulers from the people of their town after a certain period, on the pretext that they need financial help to meet their (public) programmes. Sometimes, such taxes are levied by governors spontaneously – on the arrival of an army or on particular occasions such as the reception of the sultan, or a birth in the palace. The compulsory selling of commodities at a higher price than they are worth, must also be counted (as illegal taxation). Charges from people on caravan pilgrimage to Makkah or from groups of traders are further examples of illegal taxation.'¹³

Ibn Taimiyah's list gives a quite unambiguous picture of taxation in his time; a picture supported by the histories of that period. The Mamluk authorities both exceeded the limit of legal and just resources for state income and also exceeded the limits on the amount of tax prescribed by the *Shari'ah*. *Zakāh* or *kharāj* were not levied on the proper goods – they even imposed *zakāh* on certain goods exempted by the *Shari'ah*. They did not limit the rate to two and a half per cent of the value of goods or one-tenth of the agricultural product.¹⁴ Sometimes *zakāh* was collected without a complete year having passed. The amount of *jizyah* also varied. To increase treasury income, they imposed taxes on certain vices like prostitution, programmes of songs and music: in effect they provided licences for such character-destroying customs.¹⁵ Certainly such taxes were subject to abolition and re-imposition by different sultans as they responded to criticism from the '*ulamā*' of the period. Sulṭān Nāṣir bin Qalāwūn, for example, abolished a number of such taxes at the same time as he carried out his land reform.

2. Financial administration

For financial administration, a number of *dīwāns*, or departments of the *bait al-māl* were set up. For example, the wages and salaries of army and other officials were managed by *dīwān al-rawātib*; poll taxes and properties without heir by *dīwān al-jawālī wa'l-mawārith al-hashriyah*. For the collection of *kharāj*, there was *dīwān al-kharāj*. Monthly taxes were collected under *dīwān al-hilālī*.¹⁶

3. Pattern of expenditure

As with revenue, so with expenditure – the Mamluk pattern did not conform to *Sharī'ah* rules and guidelines. The salaries of ministers, governors, viziers, *qādīs* and holders of religious posts were paid out of the *bait al-māl*; also there was expenditure on the construction of dams, canals and roads. But the major part of revenue was spent on the Sultan's palace and his army. Describing the misuse of public money, Ibn Taimīyah writes: 'In the government revenues, right and wrong has been mixed up. So a number of religious, learned and needy people are not paid their subsistence, while there are a great number of people getting a pension many times more than their need. There are groups of people getting grants in spite of their wealth and having no need for it . . . Some other people lying idle in their places receive what they do not deserve, or get more than their rights; they deny the rights of more rightful people than themselves. This situation prevails in most places.'¹⁷

From the above it appears Ibn Taimīyah believed that the right to a grant from the public treasury should be based on a man's genuine need and for his contribution to public life, in the educational and religious field, for example: those who were not actually in need, or who lived an isolated monastic existence were the least deserving of grants from public money.

C. Ibn Taimīyah's approach

Ibn Taimīyah condemned the unjust taxation and illegal sources of revenue of the period. The reason for it, he

believed, was the unfair policies of the authorities and their indifference to the *Shari'ah*. In his book *Iqtidā' al-Ṣirāṭ al-Mustaqīm* (Demands of the Straight Path), he complains that the authorities have invented different types of unjust policies for raising funds which are not legitimate; had they, instead, collected only what was just and put it to its proper use, they would never have needed to impose illegal taxes and duties.¹⁸

It should not be inferred from this critique of the Mamluk authorities that Ibn Taimīyah was absolutely against any tax beyond the *Shari'ah* taxes, such as *zakāh*, *'ushr*, *kharāj*, etc. As we shall see, he advocates other monetary obligations also if there are good external reasons for them and, of course, if the *Shari'ah* taxes are already in place. The extravagance of the rulers and their unnecessary expenditure – at the same time as the imposition of a number of non-*Shari'ah* taxes – led Ibn Taimīyah to the conclusion that if the *Shari'ah* taxes had been applied and properly spent, they would have sufficed.

After an analysis of the treasury, Ibn Taimīyah divides the revenue of *bait al-māl* into three main categories. The first category includes *fai'*, *zakāh* and the fifth of *ghanimah*; injunctions about these are public knowledge. The second category includes treasury revenue from other sources, for example, heirless property. In this category some sources are agreed upon by all experts of jurisprudence and some of them are controversial. The third category includes all those revenues obtained without any right or excuse; all of these should, to the extent possible, be traced and returned to their rightful owners. An example of this category of revenue is confiscation by governors – who amass gifts and property from Muslims to which they have no right; another is revenue obtained from newly invented and improper duties.¹⁹ As we shall discuss later, Ibn Taimīyah recommends that all such revenue should be spent on the welfare of Muslims, if the rightful owners cannot be located.

(a) *Tax evasion*

Ibn Taimīyah condemns injustice on the part of both tax payers and collectors. He says: 'Very often injustice (*zulm*)

is done by the authorities as well as their subjects, the former demand what is not justifiable and the latter deny what is due.²⁰ He advises both parties to fulfil their obligations. 'Both must pay what is due. The Sultan and his officials should give to every rightful person his due share and the tax collector and office in-charge should surrender the amount payable to him.'²¹ He forbids tax evasion, especially when the tax is levied collectively on a group or community,²² even when the tax is unjust. The reason for this is that, if a person evades his share of tax, that share will fall on the others in the group who will thus have an even greater and more unjust burden to carry. He gives such taxes the name of *al-mazālim al-mushtarakah* (collective tyranny or injustice). He says that such people in groups who are unjustly forced to pay a certain amount must do so. The individual should either pay his own share in order to be considered just or voluntarily pay more than his share in order to be considered generous. He may not refuse payment of his share or seek to diminish it through bribery, etc., so that he increases the burden of others.²³ Ibn Taimīyah illustrates his point with the example of a Sultani tax,²⁴ imposed on a village. Suppose ten thousand dirhams are levied on the village. Now if an individual of some means, or with connections to a lord or shaikh, can manage to get himself exempted, he will force his fellow villagers to pay more. This is plainly an injustice from him inflicted on others.²⁵

(b) *'Justice in injustice'*

Ibn Taimīyah advises the taxing authorities to be just in their taxation procedures, even when the tax is an illegal one. They should impose the tax on everyone who is liable to pay it and make no exceptions or exemptions in lieu of favours or any other such consideration. The words he uses are interesting: 'Even though the tax is basically unjust (the taxing authority) must do justice in this injustice.' He should not multiply injustice by charging one person and not another, thereby increasing the burden of tax on the first. The reason behind this advice is a psycho-economic one: 'People might accept it if a thing is wrongfully taken from

them (but taken) equally (from all). But they do not accept it if some of them are exempted.²⁶ In Ibn Taimīyah's view, if improper exemptions are allowed, the weaker members of the society who lack influence and support will have to pay all the taxes while the stronger ones will get away with it altogether, even though their property is larger than the others, who have paid. Ibn Taimīyah warns that malpractice would cause disorder, the extent of which was known only to Allah. Indeed he observed that such disorders were actually taking place, in his time.²⁷

Ibn Taimīyah wrote *al-Siyāsah al-Shar'īyah* at the request of the then Sultan as a guide.²⁸ This work gives an account of the heads of revenue and expenditure of an Islamic government. We have been unable to discover how far the Sultan was directly affected by this book and how far he reformed his treasury as a result of it. But it is known from the history of that period, that Sultan Nāṣir abolished a number of improper taxes and carried out a comprehensive land reform.²⁹ In the following section we shall examine Ibn Taimīyah's discussion of public finance.

D. Ibn Taimīyah's account of revenue

1. Three different views on public finance

Ibn Taimīyah believes that all instructions given in the *Shari'ah* are based on justice, whether they relate to economic affairs or any others. The sources of government revenue prescribed by the *Shari'ah*, he believes, represent the middle way between two extremes. He presents three situations, giving the example of three types of ruler.³⁰ One type of extremist ruler is very ambitious in worldly matters and he neglects the Hereafter. He thinks that he can only sustain his rule by extravagant and enormous expenditure which necessitates his collecting money from improper as well as proper sources. Thus he becomes both a thief and a spendthrift, spoiling his hopes in this world and in the Hereafter.

The second type of extremist ruler is of those who do fear God but think that the state can only be run by unjust

methods, by illegal revenue and expenditure. He therefore refrains both from raising any revenue and from spending it: he desires only to keep himself away from it all.

The third and best type follows the middle course of those who are on the path of the Prophet Muḥammad, peace be upon him, and his successors. He thinks money should be spent for the benefit of the people, and to make easy the establishment of their religion and the necessary course of their worldly affairs. Rulers of this type are pious people who collect only that money to which the government has a right, who prove themselves mature, wise administrators, providing funds for the necessary and obligatory things and refraining from all that is prohibited.³¹

Since sources of revenue had been discussed in detail in the works of his predecessors, and since his intended focus was on principles, Ibn Taimīyah does not go into much detail in his discussion of sources of revenue.³²

2. Three kinds of public revenue

Ibn Taimīyah sums up all the *Shari'ah* sources of public revenue under three heads as he says: 'Government revenues based on the Book and the *Sunnah* are of three types, *ghanimah*, *sadaqah* and *fai*'.³³ As we shall see, in classifying all sources of revenue, he has considered the nature of all the revenues collected by different sources and their expenditure, including all sources of income, other than *ghanimah* and *zakāh*, under the heading *fai*'.

(a) *Ghanimah*

Ibn Taimīyah says that *ghanimah* (spoils of war) is that property which has been acquired from non-Muslims after a war, which is stated in the *Sūrah al-Anfāl*.³⁴ After quoting the relevant verse from the Qur'ān and a few traditions that mention spoils of war as a source of income, he describes its distribution and disbursement.

(b) *Zakāh*

In his *Fatāwā* Ibn Taimīyah explains that *ṣadaqāt* are *zakāh* charged on the property of Muslims. It includes *zakāh* on crops, i.e. tithe (*‘ushr*) or half of the tithe (*niṣf al-‘ushr*) collected from crops and fruits; *zakāh* on animals like camels, cows and sheep; *zakāh* on merchandise and *zakāh* on the two precious metals, gold and silver.³⁵

Zakāh is the cornerstone of the fiscal system of an Islamic state. It is a compulsory tax imposed on the rich members of the Muslim community. Ibn Taimīyah says: ‘It is the right of people as *ṣalāh* (prayer) is the right of God.’³⁶ Thus it is a religious sanction too, which makes the realization of this income easy. The two main purposes of any tax – finance for the state, and reduction of the gap between rich and poor – are effectively fulfilled by *zakāh*. Ibn Taimīyah has emphasized this aspect of *zakāh*. He says that *ṣadaqāt* (*zakāh*) are due in order to bring about equality. He infers his opinion from the Qur’ānic verse that says (give to the poor) the average diet that you provide for your family.³⁷ At another place he says that the basis of *zakāh* is fellow-feeling (*mu’āsāh*).³⁸ Perhaps this is the reason that the principle in disbursement of *zakāh* is to spend it from where it has been realized on the have-nots of the city, unless there is a crying need to shift it to other places. According to Ibn Taimīyah, *zakāh* has been imposed on productive property – whether productive of itself, like livestock and crops, or productive by alteration or exchange like precious metals and trade goods.³⁹ This provides an incentive to investment because in the case of wealth lying idle, there will be a fear that *zakāh* would eat it up. But the fixed rate is such that incentive to work and invest is not suppressed. Ibn Taimīyah has pointed out that the rate of *zakāh* is fixed according to the labour involved in different goods. The greater the amount of labour involved in the procurement of an income the lower the rate and vice versa. Thus the least labour is spent when a person finds treasure, in which case the highest rate is imposed, i.e. one-fifth of the entire amount. The rate is one-tenth in case of crops irrigated by rainfall where the labour involved is ploughing the land and sowing seeds. The rate is one-twentieth where the land has to be artificially irrigated, as more

work is involved. Finally, in the case of income that requires labour throughout the year, the rate of *zakāh* is reduced to one-fortieth, for example accumulation of gold and silver and merchandise.⁴⁰

The fact that labour, which is a very important economic factor, has been considered in fixing the different rates of *zakāh* fulfils the requirement of justice, economy and equality. If the same rate were levied for all kinds of property, it would have created a disincentive to work. But Ibn Taimīyah says nothing about the practical implications of this analysis. That is, if in a different time and place, trade or mines also can be shown to involve hard work like that involved in agriculture during the days of the early jurists, then can we, by analogy, amend the rate or subtract the cost before we assess *zakāh*?

Zakāh should be paid from the goods or money on which it is imposed. On the question of paying money in place of goods, there are three opinions among scholars of Islamic jurisprudence. The Ḥanafī school allows it, without any condition, while the Shāfi‘ī school totally rejects it. Ibn Taimīyah takes a stand between the two extremes. According to him, sometimes it is good to pay in kind while at others it is better to pay in money.⁴¹ He is more explicit in another place where he says: ‘If payment in money is unconditionally allowed the money-value of the commodity subject to *zakāh*, may be understated (by the *zakāh*-payers). Moreover, the spirit of *zakāh* is fellow-feeling and equality which is better realized in payment of the same commodity on which *zakāh* is due. But payment of money in lieu of commodity is permissible where it is difficult for the *zakāh*-payer to provide it, or it is in the interest of *zakāh*-beneficiaries to receive money, or it is otherwise required by justice.’⁴²

Ibn Taimīyah’s views are based on sound economic considerations. In case of an inflationary trend in the economy, payment in kind is more likely to be in the interest of the beneficiaries. In a sound and stable economy, payment of *zakāh* in kind or in cash may not make any difference. But insistence on payment in kind all the time could create difficulties for both *zakāh*-payers and beneficiaries. It would involve costs of transportation, storage, etc. Ibn Taimīyah

takes a realistic view of the matter and leaves it for the authorities to adopt either of the two methods of collecting *zakāh* according to the circumstances.

(c) *Fai' and miscellaneous income*

Unlike *ghanīmah* and *zakāh* revenues which are earmarked for specific categories of people, the benefit of *fai'* extends to the entire population and even to future generations. For Ibn Taimīyah, all revenue other than *ghanīmah* and *zakāh* fall under this category which includes the following, apart from booty received from the enemy without actual combat, for which the term *fai'* was first used:⁴³

1. Poll tax (*jizyah*) imposed on Jews and Christians.
2. Tribute paid by the enemy.
3. Gifts presented to the head of the state.
4. Custom duties or toll taxes imposed on traders of the enemy country.
5. Financial penalties.
6. *Kharāj*.
7. Unclaimed property.
8. Heirless property.
9. Deposits, debts or usurped property whose actual owner is not known and which therefore cannot be returned.
10. Any other new source of income.

As we shall see, contrary to some other Islamic thinkers Ibn Taimīyah does not limit the sources of income to *zakāh* and other explicitly mentioned sources; he leaves the door open for new taxes, if necessary.

Ibn Taimīyah does not discuss the sources listed above in detail, for the simple reason that they were well-known to the authorities of his time. Perhaps, the matter of public expenditure was more important to him, for he devotes the major part of his discussion to this aspect of public finance.

Before proceeding to his views on public expenditure we note some particular points raised by Ibn Taimīyah in regard to some of the sources of revenue he lists. He opposes the opinion of those jurists who think that *jizyah* cannot be

imposed on Arab non-Muslims of Arabia. He argues that *Sharī'ah* rules are general for all and there is no distinction of Arab and non-Arab in this regard.⁴⁴

According to him, the aim of financial penalties should not be to raise funds, but to abolish evils. If financial penalties are used to raise funds, this may help to diffuse the evils, and so contradict the motive and justification of the penalties.⁴⁵

He notes the differences of opinion on the question of whether *kharāj* and tithe (*'ushr*) should both be charged from a Muslim acquiring *kharājī* land or if he is liable only to *kharāj*. He quotes Imām Abū Ḥanīfah's opinion that *'ushr* is also charged on land, therefore both taxes may not be collected from the same land. The majority of *'ulamā'* argue that *'ushr* is due on the crop and *kharāj* is due on the land. Moreover, since the beneficiaries of *zakāh* are different from the beneficiaries of *kharāj*, both can be charged. Their argument is also based on the fact that *kharāj* is imposed on all fertile *kharājī* land whether it produces or not, while *'ushr* is levied on grown crop only.⁴⁶

3. Collection and administration

A passage from his *Fatāwā* shows that Ibn Taimīyah was a strong supporter of budgeting and strict administration of finances. He says: 'The revenue in the trust of the head or ruler must be soundly administered in ways approved by the Book of Allah. Administrators should be appointed if there is no one to look after it . . . An inspector-general should be appointed to supervise all administrators and collectors according to need. Sometimes this appointment becomes a most urgent and important need if in the absence of such an appointment, revenue may not be collected and spent properly. Because, when fulfilment of an obligation depends on other things, the latter also becomes obligatory; sometimes, the head himself may assume the portfolio of inspector-general if the work is not excessive and he is able to run the department efficiently.'⁴⁷ In brief we may say that, according to Ibn Taimīyah, the ruler has a free hand as regards organizing financial administration and control for the public good, learning from his own experience as well

as from the experiences of others. In all cases he must choose honest and able persons for that purpose.⁴⁸

E. Ibn Taimīyah's account of public expenditure

The fundamental point of principle emphasized by Ibn Taimīyah is that public revenue is a trust in the hands of the authority who should spend it in the best interest of the public according to the instruction of Allah. He says justice should be maintained among people regarding finance, as enjoined by Allah and His Messenger,⁴⁹ and the managers of revenues have no right to distribute them according to their whim, as an outright owner has to distribute his personal property. Rather, they are only caretakers, viceroys and trustees, *not* owners.⁵⁰ According to him, the head of state has no more right to public revenue than a common citizen. He quotes the example of the second Caliph 'Umar bin Khattāb who was asked to increase the expenditure on himself. The Caliph replied: 'Do you know the likeness of myself and these people? It is that of a group of people who are on a journey and who have gathered their belongings and deposited them with one person of their number to spend on them. How would it be proper for that man to prefer himself to them in their property?'⁵¹

Ibn Taimīyah forbids the ruler to make gifts to individuals beyond what they have deserved, to please his own whim or to make favourites, etc. He is also strictly against expenditure on evil institutions like prostitutes, singers, comedians.⁵² When spending public money, priority should be given to the most important items and the next most important and so on, in the context of the general welfare of Muslims.⁵³

The main heads of expenditure, in his view, are as follows:

- (a) the poor and needy;
- (b) the upkeep of the army for *jihād* and defence;
- (c) the maintenance of internal law and order;
- (d) pensions, and salaries of officials;
- (e) education;
- (f) infrastructure; and
- (g) general welfare.

Of course, Ibn Taimīyah does not mean that any public revenue may be spent indiscriminately on the above heads. As we have already mentioned, his division of public revenue into three categories is based on the differences of their sources as well as their beneficiaries. The first two types of revenue – *ghanimah* and *ṣadaqāt* – have restricted heads of expenditure while the third is meant to cover all general expenditures of the state. We can look at this in a little more detail:

1. Distribution of *ghanimah*

Ghanimah, which consists of moveable property, would be divided into five parts. Four parts for those who were present in the battle, whether they actually fought or not, and the remaining one-fifth for the state; the beneficiaries of this fifth are mentioned in the Qur’ān: ‘Whatever you take as spoil of war, a fifth thereof is for Allah and for the Messenger, and for the kinsman and orphans and the needy and the wayfarer, if you believe in Allah.’⁵⁴ The right of Allah and His Messenger does not mean that it is the personal property of the Messenger, but that that portion be spent for public purposes.⁵⁵

As for immovable property, like land, Ibn Taimīyah opposes Shāfi‘ī’s view that the Imām must distribute it also. He says that it depends on him; if he thinks that its distribution is advisable, he may distribute it following the example of the Prophet, peace be upon him, and if he thinks that the interest of the community requires not to distribute it, then he may do so following the practice of ‘Umar – the second Caliph.⁵⁶

2. Expenditure of *zakāh*

There is no controversy over the heads of expenditure of *zakāh* because its beneficiaries are explicitly named in the Qur’ān. Ibn Taimīyah says that all Muslims have agreed that the disbursement of *ṣadaqāt* cannot be varied from the eight heads mentioned in the Qur’ān, namely (1) the poor (*fuqarā’*); (2) the needy (*masākīn*); (3) those who are engaged

in collection and management of *zakāh* (*‘Āmilīn*); (4) those whose hearts are to be reconciled (*mu’allafah al-qulūb*); (5) to free the captives (*al-riqāb*); (6) the debtors (*al-ghārimīn*); (7) for the cause of Allah (*fī sabīl Allāh*); and (8) for the wayfarers (*ibn al-sabīl*).⁵⁷ Ibn Taimīyah has given a brief description of each of these heads.⁵⁸ According to him, the first two refer to needy persons who have insufficient income; the difference between them is that one type begs while the other does not. A rich person or an able-bodied person capable of earning will not be given from *zakāh*. ‘Workers on *zakāh*’ include collectors, caretakers and those engaged in maintenance of accounts etc. *Mu’allafah al-qulūb* refers to both Muslims and non-Muslims, rich and influential people who at the award of money, may become sincere to Islam instead of being hostile; such people may be prevented in this way from doing evil and then co-operate in the collection of *zakāh*. This distribution of *zakāh* to rich persons seems to be very unfair, but it is done in the larger interest of the community and is a form of expenditure to save the community from internal disorder.⁵⁹ *Al-riqāb* includes financial help to slaves who can obtain their freedom after paying a certain amount; and is also used to obtain the release of captives. *Ghārimūn* are those people who have no money to pay their debts so with the *zakāh* money their debt can be paid. But if they become indebted as a result of vice, then they would not be helped unless they repent. *Fī sabīl Allāh* is expenditure for those warriors who are not fully supported from other sources of the public treasury. Some warriors would be provided with all expenditure of war – weapons, mounts and maintenance. *Hajj* is also included in *sabīl Allāh* according to one tradition. *Ibn al-sabīl* is wayfarers who travel from city to city – such persons, even if rich at home but lacking sufficient means during their journey, will be given from *zakāh*.

According to Ibn Taimīyah, it is not obligatory to spend *zakāh* on all the eight heads equally. Their share may be decided in respect of need and importance.⁶⁰ If one head is more important than others, then more may be spent on it. He infers two criteria for distribution of *zakāh*: fulfilment of the Muslims’ need (*sadd khallah al-Muslimīn*) and support

to Islam (*Mu'ūnah al-Islām*). If a would-be beneficiary does not satisfy either of these criteria, he is not entitled to receive from *zakāh*.⁶¹

Ibn Taimīyah is of the view that if the ruler is not just and he does not spend *zakāh* revenue on its proper beneficiaries, people may refuse to pay *zakāh* to him and they have a right to hand it directly to the beneficiaries.⁶² The reason for this is that the amount of *zakāh* is fixed and its beneficiaries are also known; so, by paying them directly the same objective is gained, whereas the mediation of an unjust ruler may harm the interests of the beneficiaries. As regards other types of government revenue, Ibn Taimīyah argues that it should be paid even if the rule is not just.⁶³ This is because he regards the institution of government as inevitable even though it may not be just.⁶⁴

3. Expenditure of *fai'* revenue

The heads of expenditure of the third category of public revenue – in which Ibn Taimīyah includes all types of incomes other than *ghanīmah* and *zakāh* – are as numerous as the economic duties of state. It is a fact that the expenditure side of public finance has received very little attention from economic thinkers until recently. As Dalton puts it: 'English economists as a body have had surprisingly little to say concerning the principle of public expenditure.'⁶⁵ As opposed to this, Ibn Taimīyah paid considerable attention to public expenditure, and rightly so, as the public authority's expenditure determines the amount of its necessary income. Broadly speaking, we may distinguish two main objectives of public expenditure from his discussion of the subject: (a) to preserve the social life of the community against violent attack, whether internal or external; and (b) to improve the quality of social life.

(a) *Expenditure on defence*

One of the prime duties of the state is to defend its people from external attack. Even in the modern age, a sizeable portion of public expenditure of various governments is

directed to this end. In the age of Ibn Taimīyah, defence was of the utmost necessity, in the wake of the crusades and Mongol attacks. He therefore puts great emphasis on expenditure on the army and auxiliary forces. Aside from *zakāh* and *ghanīmah*, revenue from *fai'* should be spent on them. In one sense they are the most deserving of *fai'* strictly defined (i.e. income obtained from the enemy without actual fighting) – because they are the means of obtaining such income.⁶⁶ War-widows and their children will also be supported from public revenue.⁶⁷

As for internal peace and security, Ibn Taimīyah stresses that *fai'* income should also be spent on the salaries and wages of those who guard the territory.⁶⁸ An example of such expenditure is the amount dedicated to 'reconciliation of hearts'. According to him, such money can be given both to Muslims and non-Muslims, so that they might accept peaceful co-existence and mischief between them be avoided.⁶⁹ Expenditure on police and other peace-keeping forces may easily be included in this category, or they may be counted with the administrative and ministerial machinery of government.

(b) Other heads of expenditure

As we have seen above, defence is so important that it should be financed both by *ghanīmah* and *zakāh* as well as by *fai'*. We have seen also that the needy and poverty-stricken people should be mainly supported by one-fifth of *ghanīmah* and *zakāh* revenue. Social security has a high priority in a welfare state. Ibn Taimīyah suggests that if *zakāh* and *ghanīmah* do not suffice for the needy and the poor, they should be supported from *fai'* revenue.⁷⁰ The basic principle is to satisfy want and fulfil need.

The other heads of government expenditure, as described by Ibn Taimīyah, are:

- (a) expenditure on governors, ministers and other government officials – inevitable for any government – must come from *fai'* revenue;⁷¹
- (b) maintenance of justice is also one of the important functions of the state. According to Ibn Taimīyah,

- the state has to arrange for it and judges and *qāḍīs* must be paid from the public treasury;⁷²
- (c) to help its people become good citizens the state must provide educational facilities. Those who engage in teaching and guide people in religious matters or devote themselves to learning should be supported from public revenue;⁷³
 - (d) public utilities, infrastructures and economic tasks not generally undertaken by individuals, should also be carried out by the government. Ibn Taimīyah suggests that roads, canals, bridges, etc. should be constructed from *fai'* revenue.⁷⁴

This is, of course, only a tentative list of the items of public expenditure, and is by no means complete. In principle, *fai'* revenue is to be spent on every sort of welfare project;⁷⁵ which projects have priority is left to the discretion of the ruler, but public health, child allowances, pensions and other forms of social security, price subsidies, the promotion of industry and commerce, postal and transport services, etc., must figure significantly. The principle laid down by Ibn Taimīyah regarding choice of priorities is to start from the most important and work downward, with preference for productive expenditure above unproductive.⁷⁶ Since the poor and the needy have a large share in *zakāh* and a fifth of *ghanīmah*, in *fai'* revenue other social and welfare projects should be given preference.⁷⁷ In the event that revenue from *zakāh* is not sufficient and revenue from *fai'* leaves no surplus, additional funds may be raised, as we shall see shortly.

F. Analytical insights

Ibn Taimīyah's discussion of expenditure is fuller than that of income. His division of public income into three categories corresponds to a like division in categories of public expenditure. He forbids tax evasion and advises authorities to be just in imposition and collection of taxes, even if illegal taxes, so that the sacrifice is equal. He warns against the consequences of discrimination and injustice in tax imposition.

Of the sources of income enumerated by Ibn Taimīyah, the most important is *zakāh*, but the items of expenditure from it are limited. The income from *ghanimah* is uncertain, and can be expected only in the case of a war with non-believers. The third source of income, i.e. *fai'*, which includes poll taxes, taxes on land and all miscellaneous taxes, may not prove to be sufficient at all times for a government for its defence and development expenditure. Now, the question is whether the state may impose new taxes and demand more money over and above *zakāh*. The issue has been a very controversial one. One group of thinkers believes that after payment of *zakāh* a man has no monetary obligations to the state, and the state has no right to charge any new amount except in the most grave emergency, such as war, when the *bait al-māl* is without funds.⁷⁸ Ibn Taimīyah does not agree with this opinion. He argues that the necessity of contribution to war effort is very clear even when the ruler is not very just. The approach is the common sense one that it is wiser, for those who have the means, to contribute to war effort and pay their own rulers, though corrupt, for their own defence, than to allow an enemy to take all of their property unrightfully.⁷⁹ Apart from traditions that seem to support the view that any taxation other than *zakāh* is unjust except in the case of war, the proponents would argue that revenue from sources prescribed in the *Sharī'ah* is adequate to meet the financial needs of the state and war is the only emergency that may require unusual finance. They had observed that heads of state were extravagant and most of their expenditure was not for public welfare. This is clear from the stand taken by Imām Nawawī (1223–77) who refused to give a legal ruling in favour of imposition of new taxes, at the request of the then Sulṭān Zāhir Baibars, unless he surrendered all ornaments owned by his family and household to the *bait al-māl* and desisted from extravagance.⁸⁰

Ibn Taimīyah, however, since he prescribes a number of duties for the state and is aware of the possibility of financial deficiency, holds firmly to the view that there may legitimately be other financial obligations upon Muslims apart from *zakāh*. His statement that 'people should help each

other in the matter of food, clothing and shelter; that the head of state should take this responsibility and he can oblige them to do it',⁸¹ favours further taxes if needs cannot be met from the regular income of the state. He strongly criticizes the thinkers who deny the right of the state to impose new taxes. He says that those pseudo-jurists with imperfect knowledge who have denied the obligation imposed by the *Shari'ah* and who believe that 'there is no right in one's property except *zakāh*' is a general rule, must be unaware of the tradition reported by Fāṭimah in the book of Tirmidhī that there is a claim on one's property other than *zakāh*.⁸² Ibn Taimīyah's synthesis of the two apparently contradictory traditions is most impressive. He says that *zakāh* and obligations other than *zakāh* are due on one's property for two different reasons. The reason behind the imposition of *zakāh* is the very possession of property itself – above a certain minimum. It is therefore true that there is no right on one's property by reason of having property except *zakāh*, which is thus, in the modern expression, a wealth tax. As for financial obligations other than *zakāh*, the reason for these is not the mere fact of property or wealth above a certain minimum, but the emergence of need in the society. For example, expenditure on or other help to relatives in time of calamity, etc. In such cases property is the enabling condition, not the basis of financial obligation. Each must contribute according to his means. Thus, it is clear, for Ibn Taimīyah, that there are rights other than *zakāh* when needs arise in the society, a positive response to which the *Shari'ah* has stressed irrespective of the level of one's wealth. Imposition of *zakāh* is due to the existence of wealth in a certain amount and it has to be paid even if there is no beneficiary of *zakāh* in that city, when it must be spent elsewhere.⁸³

Before Ibn Taimīyah no other thinker had so strongly advocated financial obligation other than *zakāh*, except Ibn Ḥazm (994–1064), who says that it is the duty of the rich of every country to support the poor, and that the ruler has a right to force them to do so, if *zakāh* and other public revenue is not sufficient.⁸⁴

References

1. The Qur'ān 51: 19.
2. Ibid., 3: 38.
3. Ibid., 9: 60.
4. Al-Qarḏāwī, Yūsuf, *Fiqh al-Zakāh* (Beirut: Mu'assasah al-Risālah, n.d.) Vol. II, p. 757.
5. The Qur'ān 8: 41.
6. Ibid., 59: 6–7.
7. For the resulting difference between the two types of *kharāj*, see Abū Yūsuf, *Kitāb al-Kharāj* (Cairo: al-Maṭba'ah al-Salafīyah wa Maktabatuhā, 1392 AH), p. 52. We discuss the matter below, in Chapter IX.
8. Aghnides, Nicolas, P., *Mohammaden Theories of Finance* (Lahore: The Premier Book House, 1961), p. 365. Land originally owned by Muslims or conquered land distributed among soldiers subject to the '*ushr*' (tithe). This source of income does not need separate mention as it is included in *zakāh*. '*Ushr*' is actually *zakāh* on crops. Aghnides has discussed in detail the different kinds of land that are subject to '*ushr*' or *kharāj*. See Aghnides, op. cit., pp. 358–75.
9. The Qur'ān 9: 29.
10. Ibn Taimīyah, *al-Siyāsah al-Shar'īyah* (Cairo: Dār al-Sha'b, 1971), p. 55.
11. Ibn Khaldūn, *Muqaddimah* (Beirut: Dār al-Fikr, n.d.), p. 192.
12. Ibid.
13. Ibn Taimīyah, *MFS (Majmū' Fatāwā Shaikh al-Islām)* (Riyad: Maṭābi' al-Riyād, 1963), Vol. 30, pp. 337–8.
14. Ibid., pp. 343, 344.
15. Ibid., Vol. 29, p. 591.
16. Details of these offices were given above in Chapter I, p. 48.
17. Ibn Taimīyah, *MFS*, op. cit., Vol. 28, p. 572.
18. Ibn Taimīyah, *Iqtidā' al-Ṣirāṭ al-Mustaqīm* (Makkah al-Mukarramah: al-Majd Commercial Press, n.d.), p. 281.
19. Ibn Taimīyah, *MFS*, op. cit., Vol. 28, p. 568.
20. Ibn Taimīyah, *al-Siyāsah al-Shar'īyah*, op. cit., p. 56.
21. Ibid., p. 42.
22. Such taxes were imposed on a community or inhabitants of a village to collect a lump sum to finance the movement of the army, reception of the Sultan or celebration of a state function. An example of

a collective levy is found in Islamic law when a person is murdered and the murderer is not known; in this case, the people inhabiting the area where the incident occurred would be summoned and oaths taken to enquire whether they know the murderer or not. In case of there being no trace of the murderer, *diyyah* would be imposed on all those people and the whole amount realized from them collectively.

23. Ibn Taimīyah, *MFS*, op. cit., Vol. 30, pp. 338–9.
24. By Sultani taxes, is meant all those taxes invented by the Sultan and his officials over and above the *Sharī'ah* taxes to meet their different expenses.
25. Ibn Taimīyah, *MFS*, op. cit., Vol. 30, p. 340.
26. Ibid., pp. 340–1.
27. Ibid., pp. 341–2.
28. Ibid., Vol. 28, footnote, p. 244.
29. See above, Chapter I.
30. Ibn Taimīyah, *al-Siyāsah al-Shar'īyah*, op. cit., pp. 73–6.
31. Ibid., pp. 73–6.
32. Ibid., p. 50.
33. Ibid., p. 45; and *MFS*, op. cit., Vol. 28, p. 562.
34. Ibn Taimīyah, *al-Siyāsah al-Shar'īyah*, op. cit., p. 45.
35. Ibn Taimīyah, *MFS*, op. cit., Vol. 28, p. 567.
36. Ibn Taimīyah, *Kitāb al-Tawassul wa'l Wasilah* (Egypt: al-Manār, 1327 AH), p. 50.
37. Ibn Taimīyah, *MFS*, op. cit., Vol. 25, p. 64 (. . . *min awsaṭ mā tuṭ'imūn ahlīkum*) with the average of that wherewith you feed your own folk. The Qur'ān 5: 89.
38. Ibn Taimīyah, *MFS*, Vol. 25, pp. 8, 84.
39. Ibid., p. 8.
40. Ibid.
41. Ibid., p. 46.
42. Ibid., pp. 82–3.
43. Ibn Taimīyah, *al-Siyāsah al-Shar'īyah*, op. cit., pp. 53–4.
44. Ibn Taimīyah, *ʿIdāh al-dalālah fī ʿUmūm al-Risālah* (Egypt: al-Mūniriyyah, 1343 AH), p. 12.
45. Ibn Taimīyah, *Siyāsah al-Shar'īyah*, op. cit., pp. 87–9.
46. Ibn Taimīyah, *MFS*, op. cit., Vol. 25, p. 150.

47. Ibid., Vol. 31, pp. 86–7.
 48. Ibn Taimīyah, *al-Siyāsah al-Shar'īyah*, op. cit., pp. 20, 31.
 49. Ibid., p. 178.
 50. Ibid., p. 43.
 51. Ibid., p. 44.
 52. Ibid., p. 67.
 53. Ibid., p. 64.
 54. Ibn Taimīyah, *MFS*, op. cit., Vol. 28, p. 562.
 55. Ibid., Vol. 10, p. 280.
 56. Ibid., Vol. 28, pp. 581–2.
 57. Ibid., pp. 567–8.
 58. Ibn Taimīyah, *al-Siyāsah al-Shar'īyah*, op. cit., pp. 51–2.
 59. Ibid., pp. 66–70,
 60. Ibn Taimīyah, *MFS*, op. cit., Vol. 19, pp. 257–8.
 61. Ibid., Vol. 25, pp. 40, 76; Vol. 29, p. 182.
 62. Ibid., Vol. 25, p. 81.
 63. Ibn Taimīyah, *al-Siyāsah al-Shar'īyah*, op. cit., p. 43.
 64. Ibid., p. 185.
 65. Dalton, Hugh, *Principles of Public Finance* (London: Routledge & Kegan Paul, 1966), p. 139.
 66. Ibn Taimīyah, *al-Siyāsah al-Shar'īyah*, op. cit., p. 65.
 67. Ibn Taimīyah, *MFS*, op. cit., Vol. 28, p. 586.
 68. Ibid., p. 566; and *al-Siyāsah al-Shar'īyah*, op. cit., p. 65.
 69. Cf. *ibid.*, p. 69.
 70. Cf. Ibn Taimīyah, *MFS*, op. cit., Vol. 28, pp. 526–67, 576.
 71. Cf. Ibn Taimīyah, *al-Siyāsah al-Shar'īyah*, op. cit., p. 65.
 72. Cf. *ibid.*
 73. Ibn Taimīyah, *MFS*, op. cit., Vol. 28, pp. 562–7; Vol. 31, p. 14.
 74. Cf. *ibid.*, pp. 562–7.
 75. Ibid. His words are: *Bal Yuṣraf fī'l maṣāliḥ Kullihā*. (Really, it will be spent on welfare items.)
 76. Cf. *ibid.*, p. 566.
- Wa yubda' fīhi bi'l-ahamm fa'l-ahamm, fa yuqaddam dhawī'l manāfi' alladhīna yaḥtāj al-muslimūn ilaihim 'alā dhawī'l hājāt alladhīna lā*

manfa'ah fihim. Translation: 'Disbursement should be started from the most important and then to the next important item. Priority should be given to those whose benefits are required by Muslims over those needy men who have no benefit in themselves.'

A similar statement quoted above on p. 213 is found in his book *al-Siyāsah al-Shar'iyah*, op. cit., p. 64, in which he says: '*Wa amma al-maṣārif, fa'l wājib an yubda' fi'l qismat bi'l-aḥamm fa'l-aḥamm min maṣāliḥ al-Muslimīn al-'āmmah ka 'aṭā' man yaḥṣul li'l muslimīn bihī manfa'ah 'āmmah.*' Translation: 'As for expenditure, it is necessary in allocation to start with the most important general utilities of Muslims then take up the next important, like grants to one from whom a general utility is derived for Muslims.'

77. Ibn Taimīyah, *MFS*, op. cit., Vol. 28, pp. 575-6.

78. Al-Māwardī holds this opinion, cf. *al-Aḥkām al-Sulṭānīyah* (Egypt: al-Bābī, 1973), p. 113; al-Nawawī thinks it invalid to demand from people any amount while the *bait al-māl* has any money, goods, land and gold. Cf. Suyūṭī, *Husn al-Muḥāḍarah* (Cairo: Dār Iḥyā' al-Kutub al-'Arabīyah, 1968), Vol. 2, p. 99.

79. Ibn Taimīyah, *MFS*, op. cit., Vol. 30, p. 342.

80. Suyūṭī, op. cit., Vol. 2, p. 105.

81. Ibn Taimīyah, *MFS*, op. cit., Vol. 29, p. 194.

82. Ibid., p. 187; and *Kitāb al-Īmān* (2nd ed.) (Beirut: al-Maktab al-Islāmī, 1392 AH), p. 299.

83. Ibid.

84. Ibn Hazm, *Kitāb al-Muḥallā*, ed. Aḥmad Shākir (Cairo: al-Muniriyyah, 1347 AH), Vol. 6, pp. 156-9.

CHAPTER IX (CONCLUSION)

An Evaluation of Ibn Taimīyah's Economic Concepts and Theories

A. Sources of thought for Muslim scholars

The economic concepts and theories of Ibn Taimīyah and of other Muslim thinkers, as the foregoing discussion has illustrated, are rooted in Islamic jurisprudence. This is the sum total of clear injunctions from the Qur'ān and the *Sunnah*, from legal reasoning by analogy and from the consensus of experts of the time. The Qur'ān declares explicitly that its teachings are not revealed for any one place or people but for all peoples in all times to come. It contains a number of injunctions and general principles for man's individual and social conduct, and encourages its followers to use their power of reasoning.

One natural result of the Qur'ān's injunctions and its encouragement was the appearance of a chain of jurist scholars and a vast literature on Islamic jurisprudence that touches every aspect of life including the economic. Among the Companions of the Prophet, peace be upon him, there were a number of experts in Islamic jurisprudence from whom people asked legal rulings on the new issues confronting them. Toward the end of the first century after *Hijrah*, when the Caliphate extended over the greater part of the then civilized world, jurisprudence had a firmly established system and character. The Muslims faced new cultures and civilizations and hence new problems regarding their social life, business contracts, trade and commerce, etc. A number of schools of thought in jurisprudence emerged. They analysed basic tenets and teachings of Islam, and inferred the fundamental principles applicable to the new situations.

Schumpeter's following remarks about Christian jurists are much more apt, in fact, to the Muslim jurists:

'They produced principles that were not only normative, but also explanatory. They created a juristic logic that was applicable to a wide variety of social patterns. So far as their facts were economic, their analysis was economic analysis.'¹

1. Fundamental sources – primary and secondary

Though reasonably well known, a brief discussion of the sources of Islamic jurisprudence may be helpful at this point. The first and most fundamental sources are the Qur'ān and the *Sunnah*, and after these *qiyās* (analogical reasoning) and *ijmā'* (consensus of the '*ulamā'*'). These are in turn supplemented by some secondary sources such as *istiḥsān* (preference for the better), *istiṣlāḥ* or *maṣāliḥ mursalah* (consideration of public interest), *ḍarūrah* (necessity), etc. We shall consider these further and see how they relate to specific economic problems.

(a) *The Qur'ān*

The injunctions and the authority of the Qur'ān are unconditionally binding for a Muslim. Apart from certain injunctions of a fundamental nature regarding man's social problems, the Qur'ān lays down broad, essential maxims and legally cognizable value-judgements. Over-specification that might have created rigidity and hardship is avoided. Some fundamental Qur'ānic teachings on economic matters will be discussed below to show how these were used as points of departure by Muslim scholars.

(b) *The Sunnah (Tradition)*

The *Sunnah* covers the sayings (*qawl*) of the Prophet, peace be upon him, his actions (*fi'l*) or his tacit approval of something said or done in his presence (*taqrīr*).² The *Sunnah* is the second primary source of Islamic jurisprudence, whose authority derives explicitly from the Qur'ān: 'Whatever the Prophet orders you, adopt it and whatever he forbids, refrain from it.'³

In most cases, the *Sunnah* is an explanation or interpretation of the Qur'ānic verses. It gives relatively more detailed commandments and rules for conduct in various aspects of life. However, it should be remembered that there is a distinction between traditions of a strictly legal and those of a non-legal character. The latter are concerned with non-revelatory matters, e.g. use of scientific methods and technology and other technical problems. Once, when the Prophet's suggestion about an agricultural technique was proved wrong, he affirmed: 'I am but a human being. Only when I order something regarding your religious matters, must you abide by it. But if I give an advice based on my personal opinion, it is merely an opinion and I am only a human being. Rather, you may know your worldly affairs better.'⁴

This declaration of the Prophet, peace be upon him, provided an impetus to the development of original thinking and progress in the arts and humanities, in physical and social sciences, as also in technology and other aspects of civilization.

(c) *Ijmā'* (consensus of opinions)

This is a secondary but nevertheless fundamental source of Islamic jurisprudence. The consensus referred to is that of the opinions of Muslim scholars on a particular issue at a particular time.⁵ Recourse to *ijmā'* is based on the saying of the Prophet, peace be upon him, that his people could never all agree on a wrong course.⁶ Besides, *ijmā'* follow naturally from the system of *shūrā* ordained by the Qur'ān, that is, 'Their (Muslim) matters are decided through mutual consultation.'⁷ *Ijmā'* can be reached, on matters on which there are no clear injunctions in the Qur'ān and the *Sunnah*, through discussion and debate among the scholars of Islamic jurisprudence. The opinion adopted by all scholars acquires the *Shari'ah* sanction through *ijmā'*. *Ijmā'* has the beneficial side-effect of enlarging the spirit of consultation among thinkers.

(d) *Qiyās (analogical reasoning)*

In *qiyās* the basis (*'illah*) of a *Sharī'ah* injunction is determined and the same rule applied to new problems by analogy.⁸ For example, in some traditions the exchange of gold for gold or of silver for silver is prohibited if there is inequality in amounts together with late payment. Ibn Taimīyah's analysis shows that the basis (*'illah*) of the prohibition is *thamanīyah* (having the character of money). Using the *qiyās* he applies the same ruling in cases of exchange of copper for copper if the copper is used as money. (This point was more fully explained in Chapter V above.)

Qiyās is a very important source of Islamic jurisprudence. The rules and commands contained in the Qur'ān and *Sunnah* are, after all, limited in number, while the problems faced by mankind are in principle unlimited. *Qiyās* provides a reliable means for discovering the law for new situations. This function of *qiyās* is significant in view of the fact that the *Sharī'ah* is binding for all times to come and for all peoples in all places.

2. Supplementary sources

Other principles of jurisprudence, closely related to *qiyās*, are *istihsān* (preference for the better) and *istiślāḥ* (consideration of public interest). *Istihsān* means to prefer a relatively less clear *qiyās* over a more clear one for some other strong (religious) motive,⁹ for example, decreasing hardship. *Istiślāḥ* refers to the enactment of new laws or new rulings, guided by the public interest,¹⁰ for example, imposition of new taxes, fixing prices, etc. Sometimes *istihsān* and *istiślāḥ* are considered synonymous.¹¹ The essential principle of *istihsān* or *istiślāḥ* is roughly comparable to modern 'general welfare' or 'public welfare'. Of course, *istiślāḥ* must be in accordance with the spirit and objectives of the *Sharī'ah*; it must be logical and rational; and the motive for it must be to remove some general hardship.¹²

B. Some aspects of Islamic economic thought

The importance of the vast literature in Islamic jurisprudence and its role in the economic analysis done by Muslim scholars will be clearer from the examples relating to economic affairs cited below.

1. Redistribution of income and wealth

The Qur'ān lays down the guiding principles for redistribution following the rules relating to *fai'*. After naming the beneficiaries of *fai'*, the Qur'ān says: ' . . . In order that it may not circulate (only) between the wealthy among you.'¹³ Islam is against concentration of wealth and the Islamic state must ensure that this does not happen. This teaching is reinforced by the Qur'ānic system of *zakāh*, the Qur'ān emphasizes voluntary expenditure on the poor, relatives, and the weaker members of the community, and by the system of inheritance. If we take all these together, it is not difficult to grasp the spirit of the Islamic economy; means of livelihood must be ensured for everyone, concentration of wealth is undesirable and there must be a conscious effort to reduce inequality and bridge the gap between rich and poor.

2. Land and agriculture

Agriculture has been emphasized in the *Sunnah*. A tradition reports the Prophet, peace be upon him, as saying: 'He who grows a crop or plants a plant – from which a person, or beast or bird eats – that will be accounted as an act of *sadaqah* by him (i.e. he will be rewarded for it).'¹⁴

Bringing wasteland into cultivation is encouraged while holding it idle is discouraged in the following tradition:

'The original rights of ownership in land are Allah's and His Prophet's and then yours afterwards. He who revives dead land has the best claim to it.'¹⁵

The principle in early Islam was to distribute conquered land among the soldiers, but the second of the rightly-guided caliphs, 'Umar, left such lands in the hands of their former owners on the condition that they paid *kharāj*. The Caliph's stand was based on considerations of public welfare, viz. to

curb large landed properties that might result in inefficient use of land; to obtain revenue from these lands which would be available for the welfare of future generations and for defence purposes.

3. Industry

Exclusive reliance on agriculture is considered unhealthy. Due importance should be given to all sectors of the economy. All kinds of industries needed by the society have been considered by Islamic jurists to be 'socially obligatory'.¹⁶ Enough people must engage in them, if not it becomes the state's responsibility to provide for their organization.¹⁷

4. Trade

Trade and commerce have been very common among Muslims since the earliest days. The Prophet, peace be upon him, himself used to engage in trade before his Prophethood. In one of his sayings he encouraged his followers to engage in trade as it constituted nine-tenths of the means of livelihood.¹⁸ He also said: 'A person who imports goods and provides them is favoured in his livelihood while a person who hoards goods is a wrongdoer and a cursed one.'¹⁹ The subject of trade, not surprisingly, is one of the most frequently discussed topics in the whole of Islamic jurisprudence.

5. Labour and social security

Labour is considered a worthy activity while indolence is condemned in Islam. The Prophet, peace be upon him, encouraged his followers to work by saying 'that the noblest livelihood is the one a man obtains by (the work of) his own hand'.²⁰ In another tradition, he has said about subordinates that they should not be given work beyond their capacity, and if that happens they should be helped.²¹ In the light of this tradition, the Islamic *Shari'ah* desires normalization of working hours, and extra payment for additional working hours. There are a number of traditions that require social

security for labourers. For example, the Prophet, peace be upon him, said 'the person who has been assigned some work by us, must get a house if he does not have one, he must get married if he has no wife, he must get a conveyance if he has none.'²² He stressed that a man has obligations towards his soul and his body.²³ This expresses the economic value of leisure. Most important among his instructions regarding social security is his saying that if a person dies leaving wealth it will be for his inheritors; but if he leaves helpless dependants they will be his (the Prophet's, i.e. the state's) responsibility.²⁴ From this tradition, the early writer on the Islamic financial system, Abū 'Uбайд, derived his view that such children should get support from the public treasury.²⁵

6. Prohibited economic practices

Besides its positive teaching in economic matters, Islam also proposes some negative ones too – i.e. it makes prohibitions of a number of economic practices which are harmful to the society. The Qur'ān and *Sunnah* have prohibited them explicitly.

7. Interest

The Qur'ān and *Sunnah* strictly forbid the practice of interest, a matter discussed in Chapter V in the context of Ibn Taimīyah's attitude to it. Here, it seems worthwhile to reiterate, that the Qur'ān promises prosperity and well-being on the abandonment of interest. However, it is beyond the scope of this study to substantiate this point through detailed argument.

8. Hoarding

Hoarding is also condemned in the traditions as this practice amounts to exploitation of people's needs, and misuse of market freedom. The Prophet, peace be upon him, said: 'The hoarder is a wrongdoer.'²⁶

9. Fraudulent, 'speculative' and usurious businesses

Economic activity in the Islamic perspective is inseparable from moral values. Islam has prohibited all economic practices in which fraud, gambling or interest are involved. The Qur'ān asks believers not to take the wealth of others by wrongful means; business and trade must be legitimate and by mutual consent.²⁷ The *Sunnah* says that one who practises fraud is not from among us (true Muslims).²⁸

10. Literature on Islamic jurisprudence

These are but a few examples from a number of such teachings – our aim is not to cover them all, but simply to show how significant a place economic issues have in the fundamental sources of Islamic jurisprudence. It is then no wonder that subjects like sale and purchase, price, money, interest, loans, deposits, profit-sharing, sharecropping, public income, heads of expenditure etc., occupy hundreds of pages in the literature of Islamic jurisprudence. Opinions may differ on its place in the history of economic analysis, but its importance in the history of economic thought generally cannot be denied.

C. Ibn Taimīyah's views and those of his predecessors

Most of the early discussions on economic issues are found in legal works where no special attention is paid to economic analysis as such. There are, however, several noted scholars who have discussed certain economic issues at length, some of them exhibiting an impressive analytical insight. Ibn Taimīyah belongs to this latter group.

Ibn Taimīyah, working in the seventh century of the Islamic era, had the benefit of the achievements of the eminent jurists before him. He makes frequent references to them and gives explicit reasons when he differs from them. In earlier chapters we compared in passing his ideas with those of others. Because of the usefulness of such comparisons, we shall now formally put his views on certain key issues alongside those of some of his predecessors and contemporaries in the Islamic and Western civilizations.

1. Sources of public revenue

The most important subject discussed by the experts of Islamic law is the different sources of public revenue and their items of expenditure. Abū 'Ubaid and Abū Ya'lā have divided the state's revenue into three categories – *zakāh*, *ghanīmah* and *fai'*. As we have already explained, the opinions of Islamic scholars were based on the Qur'ān, the *Sunnah*, *ijmā'* and *qiyās*. Ibn Taimīyah also adopted this division of public finance, quite naturally so as all were relying on the same source and the same principles. Ibn Taimīyah's concept of *fai'*, as we noted in Chapter VII, is a much broader and more inclusive one.

(a) *Zakāh*

In the case of *zakāh* all scholars agree that its expenditure must be confined to only the eight categories of need mentioned in the Qur'ān. But they differ on whether it must be spent on all needs equally or if some can be given lower priority or even cut out altogether. Al-Māwardī is of the opinion that *zakāh* must be spent on all beneficiaries if this is possible.²⁹ Abū 'Ubaid and Abū Ya'lā have adopted the view that it is not necessary to spend on all the categories of beneficiaries.³⁰ More may be spent on some items than others, while others may be left out if the need to spend on them is negligible. Abū Yūsuf has excluded the *mu'allafah al-qulūb* (those whose hearts are to be reconciled) from the heads of expenditure of *zakāh*,³¹ because he thinks that, in his age, the need to spend on such people has passed. Islam and the Islamic state were strong enough to manage without their goodwill and support. Al-Māwardī and Abū Ya'lā have given four reasons for spending *zakāh* on *mu'allafah al-qulūb*: to secure their support for Muslims; to avoid their hostility; the hope that they might embrace Islam; the similar hope that their tribes and kinsmen might embrace Islam. Now, if such people have declared their Islam they may be given from *zakāh*, according to Al-Māwardī, but if they are idolaters they cannot be given from the receipts of *zakāh*, although they can be given from other sources.³² Abū Ya'lā says that they will be given from *zakāh* in both cases.³³ Ibn

Taimīyah also analysed the expenditure on *mu'allafah al-qulūb* and he gave it a broader purpose in which he included the maintenance of law and order and internal peace. (For a fuller discussion of this point, see Chapter VIII.)

(b) *Financial obligations other than zakāh*

Al-Māwardī disputes that there are financial obligations upon Muslims other than *zakāh*, quoting a tradition which we have discussed earlier (Chapter VIII) in the context of Ibn Taimīyah's views on this matter. Many other thinkers before Ibn Taimīyah adopted the view that there are obligations other than *zakāh*. Abū 'Ubaid favours this opinion and he quotes Sha'bī (d. 721) who held the same view.³⁴

In his analysis of the principles of *zakāh*, Ibn Taimīyah points out that the rate of *zakāh* is based on the labour involved in acquisition of the assets.³⁵ The more the labour, the lower the rate and vice versa. This line of analysis is not found in the writings of other early scholars. His disciple Ibn al-Qayyim, also analyses the rate of *zakāh* in the same way,³⁶ but gives a further reason for the different rates of *zakāh*, namely rate of increase of different incomes. He says: 'Increase in crops and fruits is more than increase in trade, therefore its duty is more than trade goods. Growth in crops watered by rainfall is more than growth in crops irrigated by wells and canals. And the most obvious and the greatest increase takes place when someone finds a treasure.'³⁷

Ibn al-Qayyim's opinion may have been valid in a period when there was hardly any large-scale industry. Small businesses and petty trading constituted the majority of commercial activities. Means of irrigation and agricultural equipment were simple. But in the present-day situation of large-scale domestic and foreign trade and highly developed means and techniques of farming and cultivation, it is difficult to justify.

(c) *Ghanīmah*

Experts have differed on the question of distribution of conquered land. We have already discussed Ibn Taimīyah's

opinion and that of some others in Chapter VIII above. Of his predecessors, Yaḥyā bin Ādam al-Qurashī and Abū ‘Ubaid also held the same opinion, namely, that it should be left to the discretion of the *imām* (head of state) to distribute such land or treat it as *fai’* and leave the land in the hands of its owners on the condition that they paid *kharāj*.³⁸

(d) *Fixed kharāj or proportional land tax*

According to Abū Ya‘lā it was Abū ‘Ubaid who persuaded Caliph al-Mahdī (d. 785) to change the fixed *kharāj* on land to sharecropping (*muqāsamah*).³⁹ This was an improvement on the earlier situation. Abū Yūsuf also recommended the same system with an explanation that illustrates his penetrating analytical insight. According to him, if the amount of tax is fixed (as it is in the case of *kharāj*), then it will overburden the tax-payers in the event of a shortfall in production; while it will mean a loss of potential revenue to the state if the production is considerable.⁴⁰ The reason is that if a person has to pay a fixed amount of tax then, in the event of low production, he has to pay a high amount in money terms, which is against his interest. Conversely, if production is high, fixed tax means a low amount in money terms which is unfavourable for the state which has, nevertheless, to meet its expenditure commitments for the maintenance of the army and for defence of the territories. Thus Abū Yūsuf advocates proportional tax on the produce of land, a method that is fair and equitable for both parties whether the crop is good or bad.⁴¹ Ibn Taimīyah did refer, in his writings, to these changes in land tax,⁴² but he did not analyse the problem in the way that his predecessors had done.

(e) *Kharāj and ‘ushr on a Muslim’s kharājī land*

If a Muslim acquires *kharājī* land, he must pay *kharāj* as well as *‘ushr*. This line was adopted by most scholars, like Abū ‘Ubaid, al-Māwardī and Ibn Taimīyah. Al-Māwardī is silent about the reasons why.⁴³ But Abū ‘Ubaid has said that

these are two separate rights and that the objectives of *kharāj* are not the same as those of *'ushr*.⁴⁴ Ibn Taimīyah also gives the same reasons, as we noted in Chapter VIII.

2. Public expenditure

Public expenditure has always been a special concern of Islamic thinkers. It must be remembered that they divided public revenues into three categories, corresponding to the difference in their heads of expenditure. The heads of expenditure of *zakāh* and *ghanīmah* are prescribed by the Qur'ān, and only very minor, if any, differences of opinion regarding expenditure of *zakāh* and *ghanīmah* existed.

The third type of revenue, *fai'* and its auxiliaries, provided a much wider scope for original thinking (*ijtihād*). Al-Ghazālī gives this source the name of *fai'* and 'welfare revenue' (*māl al-maṣāliḥ*). According to him, such income should be spent only on those heads whose benefits return to all Muslims, for example, building of roads, places of worship, inns, roads leading to Makkah, and other similar projects whose benefit is shared by every Muslim.⁴⁵ He maintains that welfare needs take different forms and the head of state should act according to the needs of the time.⁴⁶

Elsewhere, he writes that unclaimed property and 'welfare revenue' may be spent only on either persons from whom some public service is to be expected, or on needy persons unable to earn their own livelihood. In the first category he includes students, *mu'adhdhins* (those who call for prayer), government employees, the army, secretaries, ministers, physicians, etc. – in short, all those whose services are needed in the fields of education, medicine, defence, industry, etc.⁴⁷ Ibn Taimīyah's views on this matter were discussed in detail earlier. His approach is very similar to that of al-Ghazālī. But it is difficult to tell from his writings if he was influenced, directly or indirectly, by al-Ghazālī on this particular issue.

Before al-Ghazālī, Qāḍī Abū Ya'lā dealt with the problem of public expenditure in a more technical way. He quotes an earlier scholar, al-Khiraqī, who maintains that the share of Allah and His Apostle in *ghanīmah* is to be spent on the general welfare of Muslims – on, for instance, the mainte-

nance of the army, the preparation of arms and ammunition, construction of bridges and dams, payment of judges, and of *imāms* and other welfare heads. Priority should be given to the most important, then to the next most important.⁴⁸ As we noted in Chapter VIII, Ibn Taimīyah holds much the same view on *ghanimah* and other public expenditure.

Abū Ya'lā is very clear on the role of public spending. As a rule 'every income that needs to be spent on the welfare of all Muslims is due from the *bait al-māl*'.⁴⁹ He divided public expenditure into two categories. One, expenditure on those who have a claim to it in lieu of services to the state, for example the army. Their claim is not subject to the availability of funds but must be met whether there is money or not. Two, expenditure on general welfare, which must be made provided there is money in the treasury and after claims of the first category have been met.

The question arises, however, whether, in the event of shortage of funds, general welfare expenditure will be made or not. Abū Ya'lā answers the question by distinguishing between projects whose benefit is common to all and projects whose benefit is limited to individuals only and for which substitutes might be available. Expenditure on the first category of projects will be the duty of all Muslims. In the second case, however, every Muslim cannot be obliged to pay.⁵⁰ The principle adopted by Abū Ya'lā is clear, the cost of a project should be realized from those who benefit from it. Where the benefit is common, the responsibility to bear the cost will be general. But where the benefit is limited to a particular group, it cannot be realized from every person. In spite of frequent reference to Qāḍī Abū Ya'lā in his writing, Ibn Taimīyah does not take note of this particular analysis.

3. Public borrowing

Qāḍī Abū Ya'lā is among the few Islamic thinkers who explicitly mention the subject of public borrowing, though not in detail. He writes: 'If the treasury is short of funds for the two types of expenditure, the authority has a right to borrow money on behalf of the *bait al-māl* to spend on

government obligations only, not on welfare heads, provided that the state fears disturbance and trouble. The successors of such government will also be responsible for those debts.⁵¹

The above statement shows clearly that he allows public borrowing only as a last resort and in very rare cases. The reason is that he thinks that authorities may borrow and fail to repay the loans or they may resort to extra taxation. He is not in favour of spending borrowed money on welfare programmes as the provision of funds for such programmes is the common duty of all people (*fard kifāyah*). They might be taxed in order to meet such expenditure, if there is need for it and the treasury cannot otherwise bear the cost.

Only at one place in his *Fatāwā* does Ibn Taimīyah report, in some other context, borrowing by the Prophet, peace be upon him, for public expenditure, on the ground that the loan would be repaid when *zakāh* or *fai'* was realized. On the basis of this example Ibn Taimīyah is also of the opinion that if the imam is forced to borrow money for public purposes he may do so and repay it from the public treasury.⁵²

4. Demand, supply and price regulation

The earliest record, that we have been able to discover, of increase and decrease of production with respect to price changes, is in Abū Yūsuf (d. 798). But instead of attempting any theoretical account of demand and supply and their effect on prices, Abū Yūsuf states: 'There is no definite limit of cheapness and expensiveness that can be ascertained. It is a matter decided from heaven; the principle is unknown. Cheapness is not due to abundance of food, nor expensiveness due to scarcity. They are subject to the command and decision of Allah. Sometimes food is plentiful but still very dear and sometimes it is too little but cheap.'⁵³

In the above, Abū Yūsuf denies the common impression of a negative relationship between supply and price. It is in fact true that price does not depend on supply alone – equally important is the force of demand. Therefore, increasing or decreasing price is not necessarily related to decrease or increase in production. Insisting upon this point, Abū Yūsuf says that there are some other reasons also, but these he

fails to mention 'for the sake of brevity'.⁵⁴ What are these other reasons? What did he have in mind? Perhaps shifts in demand, or in the country's money supply, or hoarding and hiding of goods, or all of these? It remains to be explored whether Abū Yūsuf or any of his contemporaries touched on those points. Ibn Taimīyah's concept of the demand-supply-price relationship was examined in Chapter III. He discussed the problem in full and analysed it from an economic viewpoint, explaining the forces that determine price – an idea that matured in economics only in the eighteenth century.

The problem of price regulation is also discussed in detail by Ibn Taimīyah. We made a comparative study of the different opinions of various '*ulamā*' on this issue. It is worth recalling that Ibn Taimīyah's account of price regulation is more comprehensive than others': he favours price fixing in the case of all necessary commodities whose price has been artificially increased. Moreover, Ibn Taimīyah suggests the provision by the state of certain industries, and fixing of wages also if these are not satisfactorily determined by the free play of market forces.

The reason is that he, like al-Ghazālī (whom he quotes on this point)⁵⁵ considers different industries and services a collective duty for all Muslims (*farḍ kifāyah*). The implication of calling it a collective duty is that if the industries or services are not adequately provided anyway, it becomes the duty of the state, as the representative of all, to arrange for this. Describing the industries and trades as common religious duties, al-Ghazālī states: 'If these industries and trades were abandoned, the economy would collapse and people would perish.'⁵⁶

5. Money

Reflections on money are very rare with the early thinkers, with the exception of al-Ghazālī. We have already discussed Ibn Taimīyah's views in detail. Before him, al-Ghazālī had also explained the functions of money as a medium of exchange and measure of value.⁵⁷ Describing the inconveniences of barter, he points out problems like double coinci-

dence of wants and the difficulty of sub-division of goods. He considers the creation of dirhams and dīnārs (silver and gold money) as one of the greatest bounties of Allah, because it saves people from the inconveniences of barter.⁵⁸ Al-Ghazālī also warned about the consequences of debasement of the monetary unit. He says: 'To put a bad money into currency is an injustice for the reason that the person who makes a transaction with that money is harmed.' He further writes: 'Circulation of one bad dirham is worse than theft of a hundred dirhams, as theft is one sin and it is finished once and for all; while spending bad money is an act of evil which affects all those who use it.'⁵⁹ Of course, what al-Ghazālī has written is concerned with the act of an individual. But if we extend it to government, we have an embryonic concept of inflation, because where coin is the only monetary unit, debasement of it is the main reason for inflation. Ibn Taimīyah is a little clearer on this point as he suggests that the government issue money only with its real value.

D. Ibn Taimīyah compared with his contemporaries

So far we have compared Ibn Taimīyah's views with those of some of his predecessors'. Among his contemporaries, Ibn al-Qayyim, a great thinker in his own right, also discussed many economic issues. He was a very close disciple of Ibn Taimīyah, and follows the reasoning and the ideas of his teacher in many cases. For example, in his book *al-Ṭuruq al-Ḥukmīyah*, he touched on the same topics as Ibn Taimīyah in *al-Ḥisbah fī'l-Islām* – topics such as inspection of the market, price regulation, monopoly and monopsony, etc.⁶⁰ On several occasions, Ibn al-Qayyim reproduces Ibn Taimīyah's discussion verbatim – something not surprising for a student to do as he frequently acknowledged himself to be the disciple of his '*shaikh*', Ibn Taimīyah.⁶¹

1. Ibn al-Qayyim and interest

Ibn al-Qayyim's contribution on interest, especially on interest due to late payment (*ribā al-nasī'ah*) and interest due to unequal exchange of the same kinds of goods (*ribā*

al-faḍl), is worthy of mention. He says: 'It is a well-known fact that interest is not prohibited only on the basis of its form and its name, but also on account of its nature, its implications and its consequences.'⁶² He condemns all those practices which attempt to legalize interest by mere trickery, such as changing the name or external form. In his age, some people did try to practise interest: they would use the word 'business' or 'transaction' (*al-mu'āmalah*) instead of 'interest' and changed its form by introducing a middle man or a pretended sale and re-purchase transaction. Ibn al-Qayyim says that interest is present with all its effects and reality in these usurious tricks, just as it is in cases of explicit interest. In one sense, the harshness and severity of the lender might increase in such cases as he would feel he was demanding something legally his due.⁶³ This is a psycho-economic analysis of interest practices very similar to Ibn Taimīyah's (see Chapter V above).

Ibn al-Qayyim's treatment of *ribā al-faḍl* (interest in exchange of commodities with unequal amounts of the same) is certainly an improvement on Ibn Taimīyah's treatment of the subject. Ibn Taimīyah says that *ribā al-faḍl* is prohibited as a precautionary measure and it is, therefore, allowed in some cases of necessity. But Ibn al-Qayyim has more thoroughly analysed the prohibition of such kinds of interest in his famous work *I'lām al-Muwaqqi'īn*.⁶⁴ We examined his views in some detail when we discussed Ibn Taimīyah's stand against interest. He distinguishes two kinds of interest – *ribā al-jalī* (clear or explicit interest) and *ribā al-khaḥfī* (disguised or implicit interest) – and explains the evil inherent in both. According to him, one of the objectives of prohibition of *ribā al-faḍl* is to provide facilities of exchange for those who do not usually have money and their exchange is mainly in the form of commodity for commodity.

E. Economic thinking in the Christian world at that time

We now turn to economic thought in the Christian West. Contrary to Islam, in whose basic sources a large number of economic teachings are found, and which considers economic activities as a part of the religion,⁶⁵ Christianity has tradition-

ally discouraged man's engagement in economic enterprise. Trade and commerce, in the Middle Ages, were considered sinful, the urge to earn more an expression of mere avarice. We find some opinions on economic subjects like ' . . . believers should sell what they have and give it to the poor, or . . . they should lend without expecting anything (possibly not even repayment) from it.'⁶⁶ It is self-evident that no economic theory can be built on such idealistic imperatives. Thus the early Christian scholars did not find any base or incentive for looking into economic problems and formulating theories. This attitude accounts for 'the great gap'⁶⁷ from early Christianity up to the middle of the Middle Ages. Lamenting on this situation, Joseph Schumpeter writes: 'Whatever our sociological diagnosis of the mundane aspects of early Christianity may be, it is clear that the Christian church did not aim at social reform in any sense other than that of moral reform of individual behaviour. At no time even before its victory, which may have roughly dated from Constantine's Edict of Milan (313 AD), did the church attempt a frontal attack on the existing social system or any of its more important institutions. It never promised economic paradise, or for that matter any paradise this side of the grave. The How and Why of economic mechanisms were then of no interest either to its leaders or to its writers.'⁶⁸

As we have noted in detail in the preceding pages, the opposite was the case with Islamic thinkers. Economic problems had been a major preoccupation from the very beginning of Islam. Islam has promised prosperity on this side of the grave not only to its followers but also to Christians and Jews provided they follow the true teachings of their Holy Scriptures. The Qur'ān says: 'If they had observed the Torah and the Gospel and that which was revealed unto them from their Lord, they would surely have been nourished from above them and from beneath their feet.'⁶⁹ The head of state in Islam has always regarded himself as responsible for the economic well-being of the *ummah*.

1. Aristotle – the framework for Christian scholars

In the Christian West, thinking on economic problems began in the twelfth century with the discovery, through

Arab mediation, of the ideas of Aristotle. To quote Schumpeter again: 'Access to Aristotle's thought immensely facilitated the gigantic task before them not only in metaphysics where they had to break new paths, but also in the physical and social sciences, *where they had to start from little or nothing*'⁷⁰ (italics added).

The first of the prominent names is that of Albertus Magnus (1193–1280) who touched on some economic issues, like just price and usury. His disciple, St. Thomas Aquinas (1225–74), who flourished after him and died before him, absorbed his teacher's ideas and applied them to some other problems. He is considered the best representative of his age and his thought governed the whole scholastic period; he is almost a contemporary of Ibn Taimīyah. A comparison of Aquinas' views with his ideas should therefore be sufficient for our purpose.

2. St. Thomas Aquinas and Ibn Taimīyah

The problems discussed by Aquinas which fall within the scope of this study are those concerned with trade, just price, property and usury. These ideas were inherited from Aristotle and Aquinas adopted them whole-heartedly, though in certain cases he had to modify and improve them according to the need of his time and in order to synthesize them with Christian teachings. Ibn Taimīyah was also acquainted with the ideas of Aristotle but, unlike Aquinas, he did not regard Aristotle as *the* philosopher and *the* universal teacher. On the contrary, he thought Aristotle wrong or astray, criticized him in his writings,⁷¹ and refused to follow his opinion. It is worth noting that Thomas Aquinas was conversant with the writings of Muslim scholars like Ibn Rushd (Averroes), Ibn Sīnā (Avicenna) and others, and appears to have benefited from them. But there is no evidence that Muslim thinkers of that period were familiar with the contributions of the West.

(a) *Just price*

One of the important topics discussed by Aquinas is just price. The germs of this idea were found in Aristotle.

Albertus Magnus introduced labour cost analysis into the discussion of just price, in which, with some further refinement, Aquinas followed him. We reviewed these ideas in Chapter III. Ibn Taimīyah's treatment of the subject is much more comprehensive. For the reasons given, he does not base his thinking on the Greek philosopher. He found the term used in one of the sayings of the Prophet, peace be upon him, and it occurred frequently in the literature of Islamic jurisprudence. There is, nevertheless, a great resemblance between Ibn Taimīyah's concept of just price and that of Aquinas. For both, the just price must be a competitive market price and there must be no fraud. Both of them advocate price fixing in the event of a price different from the just price being charged. But whereas, in the act of price fixing, Aquinas considers the subjective value of an object to only the seller, Ibn Taimīyah also takes into account its subjective value for the buyer, which makes his analysis relatively more correct than Aquinas'.

(b) Market mechanism and pricing

Ibn Taimīyah was a pioneer in his explanation of price determination in relation to supply and demand. According to Schumpeter: 'As regards the theory of the mechanism of pricing there is very little to report before the middle of the eighteenth century.'⁷² Ibn Taimīyah also discussed price regulation by the state and gave an account of monopoly, oligopoly and monopsony. Such ideas are found neither in Aquinas, nor in the scholastics of the following centuries. In addition to just price, Ibn Taimīyah also discussed the concepts of just profit, just wages and just compensation.

(c) Interest and St. Aquinas

Aquinas' views on interest are self-contradictory. On the one hand, he tries to follow Aristotle's view that money is barren, therefore, no additional amount should be charged on loans. On the other hand, he makes concession for extra payment on the basis of damage through loss of enjoyment or potential profit sacrificed. This is a clear divergence from

the earlier stand. Ibn Taimīyah is very strict on the matter of interest and no such dichotomy is found in his view.

(d) Money

In Aquinas' writings there are no reflections on money. Nicole Oresme, a French churchman who was born almost half a century after him, wrote a treatise in which the concept of money is discussed in detail. All the points he makes and some others can be found in the writings of Ibn Taimīyah, even though what Ibn Taimīyah wrote on the subject is relatively brief. The similarities are the more remarkable as there is no possibility of Oresme having been aware of Ibn Taimīyah's work.

(e) Property right

As against the early teachings of Christianity on property which were affected by the Platonic or communistic view, Aquinas favoured Aristotle's position and defended private property. But his work on the matter is very brief. Ibn Taimīyah by contrast discusses it in considerable detail. He lays down the principles of acquiring ownership as well as the constraints on property right. We can distinguish three types of property in his writings, namely, private property, collective or social property and the state property. All his ideas in this connection were, of course, derived from Islamic sources.

(f) Other topics

Ibn Taimīyah described in detail the forms of business contracts, the economic role of the state in public life, sources of public revenue and expenditure, etc. In such areas, Aquinas' contribution is relatively slight. In sum, the work of Muslim thinkers, and in particular Ibn Taimiyah, on economic problems was far ahead of their counterparts in the Christian Middle Ages.

F. Ibn Taimīyah and the thinkers of following generations

1. Ibn Taimīyah and Ibn Khaldūn

Our evaluation of Ibn Taimīyah's views would be incomplete without a comparison of his ideas with those of Ibn Khaldūn (1332–1406). Ibn Khaldūn was born in Tunis four years after the death of Ibn Taimīyah and he spent most of his life there. He also visited different states and met their heads. He spent his last days in Egypt where he died. His brilliant work, *Muqaddimah* (An Introduction to History), considered the most sublime and intellectual achievement of the Middle Ages, is a treasury of many sciences like history, psychology, sociology, geography, economics, etc. Its fifth chapter is devoted to economic problems, business and different occupations. Apart from this, one section of the first chapter, ten of the third chapter and six sections of the fourth chapter are also concerned with economic problems.

It must be noted from the outset that the nature of Ibn Khaldūn's discussion is very different from Ibn Taimīyah's. As will be clear from our analysis, the most appropriate description of his inquiry is 'Economic Sociology' while Ibn Taimīyah's discussion is best described as 'Islamic Political Economy'. In the light of his experience, Ibn Khaldūn first proposes a theory then supports it with evidence. Thus, his economics is a positive economics or, let us say, based on empirical study. Ibn Taimīyah's stress is on the desirable economic practice of the individual and just economic policy of the state. So it is generally a normative economics.

(a) Demand and supply

Ibn Taimīyah and Ibn Khaldūn both point out the effect of increase in demand or decrease in supply on prices. In the *Muqaddimah*, under the heading 'Prices in Town', Ibn Khaldūn divides goods into necessities and luxuries. According to him, when a city expands and its population increases, the prices of necessities decline comparatively while those of luxuries increase. His explanation is that the production of foodstuffs and similar commodities (the necessities of life) gets the attention of everyone and so their supply increases,

causing prices to fall. The production of luxuries and conveniences by contrast does not attract the attention of everyone, while their demand increases due to changes in life pattern, causing prices to rise. In this way Ibn Khaldūn gives a reasonable account of demand and supply and their effect on prices. He also notes the role of competition among those who demand, and the increasing cost of supply due to taxation and other kinds of duties in towns.⁷³

At another place Ibn Khaldūn describes the effect of increased or decreased supply on prices. He says: ‘ . . . When goods (brought from outside) are few and scarce, their prices go up. On the other hand, when the country is near and the road safe for travelling, there will be many to transport the goods. Thus, they will be found in large quantities, and the price will go down.’⁷⁴

The above quotations show that, like Ibn Taimīyah, Ibn Khaldūn also considers both demand and supply to be important in determination of prices. Ibn Khaldūn then goes on to say that moderate profits boost trade whereas very low profits discourage traders and artisans and very high profits decrease demand.⁷⁵ Indeed, Ibn Khaldūn goes further than Ibn Taimīyah in his explicit mention of the elements of competition and the different costs of supply – matters on which Ibn Taimīyah is not explicit. After his comment on demand and supply, Ibn Khaldūn cites examples of different countries and their high or low prices according to the availability of goods. He makes and records these observations but does not prescribe any price control policy. He seems to be concerned with the facts, while Ibn Taimīyah is interested rather in policy issues. Ibn Taimīyah does not confine his analysis to discussing the effect on prices of increase and decrease in demand and supply; he opposes any fixing of prices while market forces are functioning normally. In the case of imperfection in the market or injustice on the part of suppliers he recommends price control. At one point in the *Muqaddimah*, Ibn Khaldūn does examine the depressing effect of state trading on the prices of goods sold by private competitors and suppliers,⁷⁶ but it has nothing to do with the price control policy.

(b) *Functions of money*

In the *Muqaddimah*, we also find references to money but the comment is limited to certain of the functions of money. Ibn Khaldūn writes: 'God created the two mineral "stones", gold and silver as the measure of value for all capital accumulations. Gold and silver are what the inhabitants of the world, by preference, consider treasure and property (to consist of). Even if, under certain circumstances, other things are acquired, it is only for the purpose of ultimately obtaining gold and silver. All other things are subject to market fluctuations, from which gold and silver are exempt. They are the basis of profit, property and treasure.'⁷⁷

Here Ibn Khaldūn has mentioned that gold and silver are created to be used as money and perform the function of the medium of exchange, measure and store of value. Ibn Taimīyah's account of money is similarly brief but he covers more aspects of it. Since his main concern is with stability in the value of money, he discusses debasement of currency and warns against its consequences. He also discusses the important question of interest, something that Ibn Khaldūn does not touch upon.

(c) *Co-operation*

Co-operation in economic activities is emphasized by both Ibn Taimīyah and Ibn Khaldūn, and both consider it natural for human beings. Ibn Taimīyah writes: 'Mankind cannot live in isolation. Now, when two or more persons live together, then there must be co-operation to do certain things and to refrain from others.'⁷⁸ At another place, he says: 'Mankind's welfare in this world or the Hereafter cannot be achieved without getting together and co-operating. So there should be co-operation and association to achieve good and alliance to remove injury. Thus it is said that man is by nature a social being.'⁷⁹ Ibn Taimīyah does not elaborate upon the idea nor on its economic implications. Ibn Khaldūn is more explicit on this subject. He starts his *Muqaddimah* with the same statement, that 'man is by nature a social being'.⁸⁰ According to him, prosperity and business activity depends on the degree of co-operation among

people. He says: 'As it is known and well established, the individual human being cannot by himself obtain all the necessities of life. All human beings must co-operate to that end in their civilization. But what is obtained through the co-operation of a group of human beings satisfies the need of a number many times greater (than themselves). For instance, no one, by himself, can obtain the share of the wheat he needs for food. But when six or ten persons – including a smith and a carpenter to make the tools, and others who are in charge of the oxen, the ploughing of the soil, the harvesting of the ripe grain, and all the agricultural activities – undertake to obtain their food and work toward that purpose either separately or collectively and thus obtain through their labour a certain amount of food, (that amount) will be food for a number of people many times their own. The combined labour produces more than the needs and necessities of the workers.'⁸¹

This long extract illustrates Ibn Khaldūn's understanding of the importance of co-operation as well as the advantage of division of labour on which the *Muqaddimah* has several passages.⁸² On this subject he is doubtless the equal of many modern economists.

(d) *Labour value of goods*

From different passages of the *Muqaddimah* it appears that Ibn Khaldūn clearly understood the theory of the labour value of goods, and that profit comes out of labour. For example, he says: ' . . . profit is the value realized from labour.'⁸³ At another place, he says: ' . . . it should be further known that the capital a person earns and acquires, if resulting from a craft, is the value realized from his labour'⁸⁴ . . . it has thus become clear that gains and profits in their entirety or for the most part, are value realized from human labour.'⁸⁵ Ibn Taimīyah, it will be remembered, gives equal weight to land, labour and capital in the realization of the value of goods.

(e) *Taxation*

Ibn Khaldūn discusses problems of public finance but not in the traditional way, by which we mean a discussion of state revenue, types of taxes, their consequences, items of expenditure, etc. Instead of doing that, Ibn Khaldūn makes an assumption that 'at the beginning of a dynasty, taxation yields a large revenue from small assessments. At the end of the dynasty, taxation yields a small revenue from large assessments.'⁸⁶ His explanation is that in the beginning the state follows the religious rules and imposes only those taxes which are prescribed by the *Shari'ah* and these are few and small. People are certain about their amount and so they work efficiently and pay taxes happily. By contrast, when the state reaches its climax, the ruler and officials become involved in luxuries, for which they impose different new taxes and increase the amount of earlier taxes. This leads to disincentive on the part of people, so that their productivity decreases and they seek to evade taxes. Again the authorities increase taxes and again productivity and thus revenue decreases and a vicious circle starts. As a result the city faces ruin.⁸⁷ Ibn Khaldūn recommends minimum taxes: 'The strongest incentive for cultural activity is to lower as much as possible the amounts of individual imposts levied upon persons capable of undertaking cultural enterprises. In this manner, such persons will be psychologically disposed to undertake them, because they can be confident of making a profit from them.'⁸⁸ Ibn Khaldūn is also against state trade: 'Commercial activity on the part of the ruler is harmful to his subjects and ruinous to the tax revenue.'⁸⁹ The reason is clear: in this case competition ensues between the ruler and his subjects, in which the latter are badly disadvantaged due to the former's power and resources.

(f) *The role of the state*

From Ibn Khaldūn's writings it appears that he does not wish the state to interfere in the economic life of the people: in other words, he seems to be an adherent of *laissez-faire*. Ibn Taimīyah, however, considers the state should play an active role in the economic life of the people.

The reason for these two approaches is a different view of social change. Ibn Khaldūn considers social change to be a result of natural forces, a view which leaves little scope for any effort to change the prevailing conditions. According to him, once a decline sets in in a state, it cannot be reversed.⁹⁰ Ibn Taimīyah, however, believes that society is man-made and there must be conscious effort to improve the conditions of the people, the society and the state. Ibn Khaldūn states what happens; while Ibn Taimīyah emphasizes what ought to happen. In practical life also, these two prominent thinkers participated in different ways. Ibn Khaldūn's career is that of a man of a harmonizing and compromising disposition, while Ibn Taimīyah's is that of a fighter, a man of struggle.

2. Ibn Taimīyah's influence on Ibn Khaldūn

Was Ibn Khaldūn aware of and influenced by Ibn Taimīyah's ideas? He mentions Ibn Taimīyah in two places in his famous history *Kitāb al-'Ibar* and reports the latter's meeting with the Mongol king Ghāzān along with other 'ulamā'.⁹¹ Apart from this, there are no other references to Ibn Taimīyah in his writings. But it seems most probable that he was aware of Ibn Taimīyah's ideas and contributions in different branches of knowledge.

During Ibn Taimīyah's confinement in Alexandria, Maghribis from Morocco and Tunis met him.⁹² It is likely that they carried his writings to their countries and introduced his work to their 'ulamā' and scholars.⁹³ Thus Ibn Khaldūn might have become acquainted with his ideas while resident in Tunis and Morocco. Even if we assume that he did not come across Ibn Taimīyah's views there, it seems very likely that he did so during the last twenty years of his life, which he spent in Egypt. When Ibn Khaldūn reached Egypt, Ibn Taimīyah had been dead only fifty years. Many of his disciples were alive at that time. In the opinion of Dr. Ali al-Wardī, Ibn Khaldūn was influenced by al-Ghazālī and Ibn Taimīyah in his criticism on Logic:⁹⁴ a number of the arguments in the *Muqaddimah* are expressed by Ibn Taimīyah and al-Ghazālī in their criticism of reason and logic. These ideas appear in

the *Muqaddimah* sometimes in similar words and sometimes in different words but with the same meaning.⁹⁵ It is interesting to note that Ibn Taimīyah had pointed out a hierarchy in creation,⁹⁶ which we also find in the same detail in the *Muqaddimah*.⁹⁷

3. Economic thinking among Muslims in the later period

Reflection on economic problems and economic analysis never ceased in the Islamic world. We find a number of scholars after Ibn Taimīyah who discussed economic problems. Apart from Ibn Khaldūn there were al-Maqrīzī (1364–1441), Jalāl al-Dīn Dawwānī (1427–1501), Shāh Walī Allāh al-Dihlawī (1703–76), Ibn ‘Ābidīn (1784–1836), etc. But none of these surpasses Ibn Taimīyah or Ibn Khaldūn, nor was the theory expounded by these two men improved upon to any degree until the Western economics of the eighteenth century onward. Unfortunately, Ibn Taimīyah and Ibn Khaldūn were born on the eve of a decline in Muslim sciences and culture. In the twentieth century, Muslim thinkers have revived their efforts to analyse and solve economic problems in an Islamic framework. These thinkers are deeply influenced by Ibn Taimīyah. Muḥammad Rashīd Riḍā of Egypt and some others have tried to adopt Ibn Taimīyah’s and Ibn al-Qayyim’s views about *ribā al-faḍl* and *ribā al-nasī’ah*.⁹⁸ Riḍā was very fond of collecting Ibn Taimīyah’s works and published many of them. Sayyid Abu’l A’lā Mawdūdī, who has contributed considerably to Islamic economics, is highly appreciative of Ibn Taimīyah’s works.⁹⁹ Muḥammad al-Mubārak quotes Ibn Taimīyah extensively in his book *Nizām al-Islām – al-Iqtisād* and has devoted a complete book to examining Ibn Taimīyah’s opinions on the state and its intervention in the economic field.¹⁰⁰ Similarly, the work of the younger generation of Islamic economists, associated with the conferences and seminars held on Islamic economics in recent years, as also those linked with the Association of Muslim Social Scientists in the USA, shows the deep imprint of Ibn Taimīyah’s views. Some of them have discussed Ibn Taimīyah’s contributions in detail.¹⁰¹

These are a few examples of Ibn Taimīyah’s influence on

modern Islamic thinkers and writers on economic problems. In the words of W. Montgomery Watt: 'Ibn Taimīyah has profoundly altered the course of theological thought in Islam and his influence is still pregnant for the future.'¹⁰²

G. Significance of Ibn Taimīyah's economic views

From the foregoing chapters it will be clear that Ibn Taimīyah was neither a pure theorist nor a pure economic historian. His attitude is rather that of a practising doctor who investigates and looks into a disease, prescribes the remedy and lays down certain rules for healthy growth. Price regulation is a good illustrative example. In Ibn Taimīyah's opinion, there are certain basic human needs like food, clothing, shelter, etc. that must be fulfilled, and the state is responsible for arranging their provision. In this regard the state may fix the price of goods. But this right is not absolute, because, as Ibn Taimīyah knows, price is determined by the forces of demand and supply. Only in cases where the price is increased due to injustice or imperfection created by sellers should the state fix the price. He is also aware of the bad effects of price regulation, and so favours the idea of forming a committee where the interest of both buyers and sellers is represented so that they can trade whole-heartedly and the possibility of black-marketing and hiding goods is eliminated. Such or similar measures are, to this day, recommended for controlling rising prices.

In the same way, Ibn Taimīyah's thoughts on the role of the state are highly relevant and valuable. He discussed the need for a state and its duties towards the economic well-being of the people. In public finance, he condemned the unjust taxes of his time and advocated a just taxation policy. On the expenditure side, which was neglected until the beginning of the present century, his contribution was quite remarkable.

Our study of Ibn Taimīyah has revealed the maturity of his thinking on economic matters and the concern for justice which guided him in all his policy suggestions relating to economic matters. Though there is a vast literature on Ibn Taimīyah, his economic views, have to the best of our

knowledge, not been studied adequately. This work may begin to meet that need.

The economic thought of past Muslim scholars in general is a much neglected subject. The neglect is most unfortunate in the case of Ibn Taimīyah who belongs to a period when economic thinking in the West had yet to begin. By reporting the contribution of so eminent a thinker of the Middle Ages, we hope to fill, to some extent, a gap in the history of economic thought in general.

The Islamic world today is on the threshold of a resurgence, with many Muslim scholars looking to their intellectual heritage for guidance. Economic issues have a special significance in this connection. Among the various policy questions facing Muslim economists and statesmen is the economic role of the state and problems relating to prohibition of interest, and implementation of *Shari'ah* taxes. Our study may usefully direct the attention of these scholars and statesmen to Ibn Taimīyah's works as he has much of relevance to offer on precisely these issues and problems.

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Glossary of Arabic Terms

Note: This glossary explains only important Arabic terms that occur frequently in the text. Each term is also explained where it first occurs. Terms that occur only once in the text are not included in this list.

Ajnād: army, military personnel.

Al-Amwāl al-Hilāliyah: revenue collected on a monthly basis.

‘Aṣā’: financial grant, pension.

Athmān (sing. *thaman* – price): price or the objects used as money in payment of price, like gold, silver, coins, etc.

Bait al-māl: public treasury.

Dhimmi: non-Muslim protected subject of Muslim state.

Dinār: gold unit of currency.

Dirham: silver unit of monetary system.

Diwān: department.

Fai’: spoils of war.

Fals (pl. *Fulūs*): copper coin

Fallāḥīn (sing. *Fallāḥ*): farmer or land-tiller

Farḍ ‘ain: individual obligatory duty.

Farḍ Kifāyah: social or collective obligatory duty.

Fatwā (pl. *fatāwā*): legal ruling or opinion on a point of Islamic law issued by a competent authority.

Feddān: measure of land, acre.

Fiqh: science of the *Sharī'ah* (q.v.), Islamic jurisprudence.

Ghaban fāḥish: charging an exorbitant price from an uninformed person which would not be accepted if the person were informed.

Ghanimah: booty.

Gharar: hazard, uncertainty, indeterminacy.

Ḥadīth: oral tradition of the Prophet, peace be upon him.

Ḥalāl: legitimate, a thing permitted by the *Sharī'ah*.

Ḥarām: illegitimate or a thing prohibited by the *Sharī'ah*.

Hijrah: migration of the Prophet and the first Muslims from Makkah to Madinah.

Hilālī: tax collected by lunar month.

Ḥisbah: an institution for supervision over economic and social conditions.

Ḥudūd: *Sharī'ah* punishments for certain offences.

Ijārah: hire or lease contract.

Ijārah al-gharar: dubious hire.

Ijmā': consensus of Islamic scholars on a point of Islamic law.

Ijtihād: original thinking.

'Illah: true cause, essential nature.

Imām: head of state, authority, caliph.

Iqāmah al-ḥudūd: meting out the *Sharī'ah* punishments.

Iqṭā': administrative grant of land.

Iqṭā' khāṣṣ: land in possession of Sultan.

‘Iwaḍ al-mithl: just compensation or compensation of the equivalent.

Jāhiliyah: pagan, pre-Islamic condition of the Arabs.

Jawālī tax: a tax imposed on *dhimmīs* (q.v.) in Mamluk (q.v.) regime.

Jihād: holy war.

Jizyah: tax, poll-tax.

Kharāj: tax, land tax

Kharāj al-basātīn: tax on fruit trees.

Kharāj al-zirā‘ah: tax on agriculture.

Ma‘ād: Hereafter, life after death.

Ma‘āsh: economy, worldly life in general.

Maghānim: booty.

Māl (pl. *Amwāl*): valuable objects, capital, property, assets.

Māl ribawī: commodities whose exchange for the similar commodities with inequality in terms of quantity or time of delivery is counted as *ribā* (q.v.).

Mamlūk: slave, slave dynasty of Egypt.

Marā‘ī tax: tax on cattle.

Al-Ma‘rūf: the good (opposite of *al-Munkar*, q.v.).

Maṭjar: trade house.

Al-Maṣāliḥ al-‘āmmah: general welfare.

Al-Mawārith al-Ḥashriyah: heirless property.

Mī‘yār al-amwāl: measure of the value of goods.

Al-Mazālim al-Mushtarakah: taxes imposed on a group of people jointly.

Mu'allafah al-Qulūb: those whose hearts are to be reconciled (usually the enemies or former enemies of Islam).

Muḍārabah: a form of partnership in which one party invests capital and another party trades with it on the understanding that they share the profit in an agreed ratio, and that the loss resulting from normal trading activity is borne by the investing party.

Muḍārib: one who undertakes an enterprise with capital provided by some other on a profit-sharing basis.

Muḥtasib: inspector of market and social conditions of people; the man in charge of *ḥisbah* (q.v.).

Mujtahid: original and creative thinker.

Al-Munkar: evil (opposite of *al-Ma'rūf*, q.v.).

Muqarrar al-Naṣārā: a tax imposed on Christians under certain Mamluk Sultans.

Muqṭa' (Iqṭā' (q.v.) holder, iḳṭā' grantee.

Muṣādarah: confiscation of property.

Mushārah: partnership

Mustarsil: a person unaware of the prevailing market price.

Muzāra'ah: lease of land for cultivation against payment of the produce as rent; sharecropping.

Niṣāb: legal minimum or the minimum limit of property on which *zakāh* is imposed.

Qāḍī: judge.

Qarārīṭ (sing. *Qīrāṭ*: carat.

Qiyās: analogy.

Raghbah: willingness; desire.

Rawk: a Coptic word meaning measure.

Raṭl: a measure of weight.

Ribā: interest.

Ribā al-Faḥḥ: interest due to unequal barter exchange of the same commodity.

Ribā al-Nasī'ah: interest due to late delivery of certain commodities.

al-Ribḥ al-Ma'rūf: commonly acceptable profit.

al-Ribḥ al-Mu'tād: customary profit.

Ṣadaqah: Zakāh, (q.v.) alms.

Sharī'ah: sacred law of Islam.

Sī'r: rate, price.

Shirkah: partnership.

Sultanate: territory under a Sultan.

Shūrā: mutual consultation.

Tas'ir: price fixing.

Tas'ir al-'ādil: just pricing.

Tas'ir fī'l-a'māl: pricing of labour.

Tawarruq: trick to obtain money.

Tawḥīd: belief in the One God and denial of all other deities.

Thaman al-mithl: just price or price of the equivalent.

Thamaniyah: 'money-hood', having the nature or role of money.

Ujrah al-mithl: just wage or wage of the equivalent.

'Ulamā': doctors, scholars.

Ummah: the Muslim community as a whole.

Al-‘Uqūd al-fāsidah: invalid contracts.

Al-‘Uqūd al-ṣaḥīḥah: valid contracts.

‘Urf: usage.

‘Ushr: tax imposed on the crops of Muslims.

Waḍa‘ al-Jawā‘iḥ: tax rebate due in the event of natural calamities.

Al-Wajh al-ma‘rūf: commonly accepted fashion.

Wājib al-Dhimmah: a tax imposed on *dhimmīs* in Mamluk regime.

Wakil: agent.

Wālī (pl. *Wulāt*): governor, guardian.

Waqf: a religious trust.

Wilāyah: government, state.

Zakāh: a religious tax imposed on the property of Muslims above a certain level.

Ẓulm: injustice, transgression, evil.

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