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ECONOMIC THOUGHT OF ISLAM: IBN KHALDŪN

“. . . who brings forth the green pasture and then turns it to withered grass.”

The Koran, Sura 87.

This essay has to do mainly with the economics of Ibn Khaldūn (1332–1406), historian and statesman of prominent Arab descent and medieval Islam's greatest economist, who spent most of his stormy life in northwest Africa and Egypt, engaged either in scholarly undertakings or in judicial and other governmental activities. His economic opinions, apparently the most advanced of those expressed in medieval Islam,¹ are to be found principally in *The Muqaddimah*, originally intended as an introduction to his history (*Kitāb al-'Ibar*) of the Arab and Muslim world and its pre-Islamic antecedents, though finally transformed into an exposition of the sources of historical change at work in that world.² *The Muqaddimah*, initially completed in 1377, continued to be corrected or added to until shortly before the author's death; though manuscript copies were numerous, it was not issued in printed form until in the 1850's.³

¹ When medieval Islam terminated does not coincide with when medieval Christendom terminated, for the Arabic world did not experience a Renaissance as did the West. "Until comparatively recent times . . . the Arab retained his medieval outlook and habit of mind, and was in no respect more enlightened than his forefathers who lived under the 'Abbasid Caliphate." So concludes Reynold A. Nicholson, in *A Literary History of the Arabs* (Cambridge), 1930, p. 443. Indeed, until the early twentieth century it was commonly believed that the world of Islam was incapable of economic development. See under "tidjāra" (i.e., commerce), *Encyclopedia of Islam*, IV, Leiden, 1934, pp. 750–51. An impression of the religious attitude of Islamic authors toward economic activity may be had from Helmut Ritter, *Das Meer der Seele*, Leiden, 1955.

² I have used Franz Rosenthal's splendid, annotated translation of *The Muqaddimah* (3 vols.), London, 1958; it includes the introduction and Book One of Ibn Khaldūn's World History, entitled *Katāb al-'Ibar*. Selections from *The Muqaddimah* were translated and arranged by Charles Issawi and published as *An Arab Philosophy of History*, London, 1950. The literature relating to Ibn Khaldūn is very extensive. A good account of his "new science of culture" is that of Muhsin Mahdi in *Ibn Khaldūn's Philosophy of History*, London, 1957. Walter J. Fischel's selected bibliography of works by and about Ibn Khaldūn are included in Rosenthal, *op. cit.*, III, pp. 485–512; other items are noted in Rosenthal's "Introduction", *ibid.*, I, pp. xliii–xlv, lxiv–lxv. Hereinafter I shall refer to this work merely by citing the volume number in large Roman numerals; pagination in small Roman numerals in Vol. I refers to Rosenthal's introduction, etc.

³ On the evolution of the text, together with comments on the manuscripts extant and on the printed editions, see Rosenthal (I, pp. lxxxviii–cix).

What Ibn Khaldūn has to say about economic matters is important not so much because he is esteemed a great mind,⁴ or because he was a highly original thinker, or even because he came in time to be looked upon as one who had anticipated a variety of "modern" notions. It is important rather because he had "a deep insight into the essentials of the accumulated knowledge of his time", could evaluate the manifestations of the culture of his day, could reflect faithfully the understanding which contemporary lawyers and jurists had of practical economic and financial matters that normally were not treated in books (I, pp. xliii, lxxxii ff., lxxxvi), and could break with the approaches of earlier writers on economic issues. His economic observations flowed principally from his concern with the rise and fall of ruling dynasties (or the "states" they constituted) and with the role of crafts, together with their acquisition and their correlation with the level of "civilization" or culture. These observations, however, coming at a time when the medieval Muslim world had lost its elan, had little immediate influence; not until much later did their significance begin to be fully appreciated.⁵

I. *Economics in the Islamic Scheme of Science*

Economics, such as it was, did not occupy an important position in the medieval Islamic scheme of science, and the traditional character of Islamic

⁴ Rosenthal writes: "Here was a man with a great mind, who combined action with thought, the heir to a great civilization that had run its course, and the inhabitant of a country with a living historical tradition" (I, pp. lxxxvii); and he approves (I, p. cxv) A. J. Toynbee's assessment of Ibn Khaldūn's contribution as "undoubtedly the greatest work of its kind that has ever yet been created by any mind in any time or place". See Toynbee, *A Study of History*, 2d. ed., III (London, 1935), p. 322; also P. A. Sorokin, *Social and Cultural Dynamics*, IV (New York, 1941) on the place of Ibn Khaldūn's cycle theory in the history of such theories. Rosenthal notes also that, while Ibn Khaldūn lacked the equipment to make "original contributions of note to any of the established disciplines" (I, p. xliii), his experience in government and tribal politics was extensive, and he possessed "remarkable detachment" respecting what he observed, together with a markedly realistic outlook and a capacity for ruthless and opportunistic action when essential to his purposes (I, pp. xxxv-lxvi, esp. xxxvi-lii, lxi-lxvi). His experience contributed much more to his thought than did his reading. W. I. Fischel points out in "Ibn Khaldūn's Activities in Mamlūke Egypte (1382-1406)", in Fischel, ed., *Semitic and Oriental Studies* (Berkeley, 1951), p. 104.

⁵ While he coupled with his account of the decline of the intellectual sciences in Western Islam a statement that they were flourishing in Christian Europe, he did not comment on this renaissance or attempt to explain it (III, pp. 117-18). A. L. Tibāwī concludes that "the philosophy of (Muslim) education" remained "as al-Ghazālī left it" and that, while Ibn Khaldūn managed to be original about it within the traditional framework, "the philosophy of Muslim education remained on the whole static" after his time. See "The Philosophy of Muslim Education", *Islamic Quarterly*, IV, 1957, pp. 86-89. Inasmuch as education, being the concern of the individual rather than of the state, fell into the hands of the theologians, it could not become dynamic or widespread. See Reuben Levy, *The Social Structure of Islam* (Cambridge, 1957), pp. 298-99; H. A. R. Gibb, *Mohammedanism: An Historical Survey* (2d. ed., New York, 1955), pp. 111-12, also chap. 10. On the organization, etc., of Muslim education, especially in Egypt up to 1250 A.D., see Ahmad Shalaby, *History of Muslim Education*, Beirut, 1954.

society did not make for the improvement of this position. Such attention as was given to "theoretical" economics seems to have been prompted less by an early and persisting interest in taxation⁶ than by contact with Greek philosophical and scientific writings, especially those of later Platonic and neo-Platonic orientation,⁷ which became known to Arabic scholars and which, though primarily philosophical or natural-scientific in orientation,⁸

⁶ E.g., see Abu Yūsuf (Ya'qūb b. Ibrāhīm), *Le livre de l'impôt foncier (Kitāb al-Kharāj)*, translated and annotated by E. Fagnan, Paris, 1921; Yahyā Ben Ādam, *Taxation in Islam (Kitāb al-Kharāj)*, translated and annotated by A. Ben Shemesh, Leiden, 1958. These works, two of the three that survive of some 21 such compositions, reflect Islamic thought about 800 A.D. at which time the influence of Greek thought had not yet made itself felt; for Yahyā b. Ādam died in 818 A.D., 20 years after Abu Yūsuf (*ibid.*, p. ix). Abu Yūsuf's work, done at the request of the caliph Hārūn al-Rashīd, was judicial (though somewhat casuistical) and hence concerned with the determination of legal rules, he having been an organizer of one of the several Islamic legal schools which emerged in the eighth century. Yahyā b. Ādam's work is a book of Hadīth, or traditions going back to Mohammed, which constitute, along with the Koran, the two main sources of Islamic legal speculation. See *ibid.*, pp. 1-7; also M. J. Kister's comments on the implications of some of these traditions, in *Journal of Economic and Social History of the Orient*, III (1960), pp. 326-34. See also Levy, *op. cit.*, pp. 167-68, 296; references in note 8 below. On the kharāj (i.e., land tax) as well as other taxes and sources of public revenue see Levy, *op. cit.*, pp. 23-24, 58, 303-24; N. P. Aghnides, *An Introduction to Mohammedan Law and Bibliography* (New York, 1916), especially Part II, on "financial theories". On the inter-country diversity of early Islamic taxation see Levy, *op. cit.*, chap. 8, and D. C. Dennett, *Conversion and the Poll Tax in Early Islam*, Cambridge, 1950; also Fredde Løkkegaard's monograph relating principally to Iraq, *Islamic Taxation in the Classic Period*, Copenhagen, 1950. On the replacement of tribal by individual ownership under Islam, and its relation to taxation as well as the encouragement of cultivation see Ali Abd Al-Kader, "Land Property and Land Tenure in Islam", *Islamic Quarterly*, V, 1959, pp. 4-11.

⁷ Most of the translations were done between A.D. 800 and A.D. 1000. The translators, usually Christians, translated "from Syriac versions or, less frequently, from the Greek original". Almost all of Aristotle's treatises (with the exception of the *Politics*, which apparently was not much studied in the Imperial Age) as well as the leading dialogues of Plato and the works of later authors and commentators, only some of whose works were known to the West, were translated. See Richard Walzer, *Greek into Arabic: Essays on Islamic Philosophy* (Cambridge, 1962), pp. 5-8, 29-35, 60-128, 142 ff., 220 ff., 236-39; also *idem*, "The Rise of Islamic Philosophy", *Oriens*, III (1950), pp. 1-19. See also De Lacy O'Leary, *Arabic Thought and Its Place in History* (London, 1954), chaps. 1, 4, 6 and *How Greek Science Passed to the Arabs*, London, 1948; Levy, *op. cit.*, chap. 10; T. J. de Boer, *The History of Philosophy in Islam*, London, 1933, chaps. 1-3; R. Arnaldez, "Sciences et philosophie dans la civilisation de Bagdad sous les premiers 'Abbāsides", *Arabica*, IX (1962), pp. 357-73.

⁸ While Ethics commanded little attention in late Greek philosophical schools, it did receive considerable attention at the hands of Muslim authors under Greek influence. E.g., see Levy, *op. cit.*, pp. 215-28; Walzer, *Greek into Arabic*, pp. 17, 32, 221-27, 232, 239-45. Islamic philosophical ethics were based essentially on Plato as was Islamic political theory; stress was placed upon the four Platonic virtues (wisdom, temperance, valor, justice), though generosity and a variety of minor virtues associated with major virtues were included in the scheme of virtues (in keeping with Neoplatonic moral philosophy). *Ibid.*, pp. 222-23, 240-41. See also Dwight M. Donaldson, *Studies in Muslim Ethics* (London, 1953), pp. 119, 126-27, 274-75. This stress, as manifested, was not particularly favorable to material progress.

eventuated in "a renaissance of Plato's political philosophy in Islam."⁹ The rationalistic spirit underlying Greek philosophical inquiry was not entirely absorbed into Islamic science and philosophy, however, and this may have accentuated static elements in Islam. Not only was erudition unduly stressed; Islamic philosophy also was looked upon as a source of support for a Muslim natural theology, and inquiry was constrained in so far as it was believed that Muslim law, based largely upon the divinely inspired Koran and Prophetic Tradition, was essentially immutable.¹⁰ Moreover, the "Mohammedan legal system" itself lacked an "evolutionary outlook on life"; its rules, though not hard and fast enough to prevent all change, especially in the sphere of commerce and extra-canonical administrative law,¹¹ were rigid enough, at

⁹ E. I. J. Rosenthal, *Political Thought in Medieval Islam* (Cambridge, 1958), p. 6. Haroon Khan Sherwani implies that the incentive given to Muslim thought by the translation of Greek authors has been exaggerated. See his *Studies in Muslim Political Thought and Administration* (2d. ed., Lahore 1945), pp. 38-47. See also S. Mahmassani's argument that Muslim jurists, believing the *shari'a* to be of divine origin, were little influenced by Roman law. See his *Falsafat Al-Tashri Fi Al-Islam* (translated by F. J. Ziadeh, Leiden, 1961), pp. 136-45. Scholarship reveals, however, the presence in Muslim law of a variety of elements of Roman or occidental provenance. E.g., see E. Gräff, *Jagdbeute und Schlachtvieh im islamischen Recht* (Mainz, 1959), pp. 194 ff., 202, 210 ff., 340 ff.; J. Schacht, *The Origins of Muhammadan Jurisprudence*, Oxford, 1950; E. Tyan, *Histoire de l'organisation judiciaire en pays d'Islam*, 2d. ed., Leiden, 1960.

¹⁰ See Walzer, *Greek into Arabic*, chaps. 1-2, on role of Islamic philosophy. According to E. I. J. Rosenthal (*op. cit.*, p. 6), "the *Falasifa*", Arabic writers who based their study directly on the Greek text, "are strongly under the influence of the *Shari'a*" (i.e., that which is known as a result of divine revelation) in addition to that of Plato and Aristotle. See also Gibb, *Mohammedanism*, chap. 6; Levy, *op. cit.*, chaps. 4, 6; Aghnides, *op. cit.*, I, Part I; O'Leary, *Arabic Thought*, p. 135. According to G. E. von Grunebaum, *Medieval Islam* (2d. ed., Chicago, 1953), p. 110, "the very urge to have every detail covered by prophetic precedent forced a certain amount of forgery. Modern practices had to be justified or combated, and a *hadit* was the only weapon to achieve either". On circumstances affecting change in Islamic thought see also *ibid.*, pp. 39-42, 231-32, 253-57, 283, 344; Aghnides, *op. cit.*, pp. 26-29; pp. 12-13 of translation by A. Ben Shemesh, cited in note 6 above; Alfred Guillaume, *Islam* (Harmondsworth, 1954), chap. 5, esp. pp. 91-101. On the extent to which the Muslim legal system was evolutionary see Mahmassani, *op. cit.*, Parts 3-4. See also Majid Khadduri and Herbert J. Liebesny, *Law in the Middle East*, Vol. I, *Origin and Development of Islamic Law*, Washington, D.C., 1955. In reality, of course, Muslim law has proved less immutable in the face of changing conditions than some accounts suggest; see J. N. D. Anderson, *Islamic Law in the Modern World*, New York, 1959.

¹¹ See Aghnides, *op. cit.*, Part I, chap. 11; Levy, *op. cit.*, chap. 6. Religious or ideological attitudes affected taxation, finance, and other dimensions of Muslim economic life. For example, payment of *zakat*, the tax intended principally for welfare purposes, has been described as an act of worship; Islamic finance as well as the economic system of Islam has been described as resting, at least in part, upon the sayings and practices of the Prophet. See Sh. Ata Ullah, *Revival of Zakat* (Lahore, n.d.), p. 17; Levy, *op. cit.*, p. 341; S. A. Siddiqi, *Public Finance in Islam* (Lahore, 1952), p. xii; Mazharrudin Siddiqi, *Marxism or Islam* (Lahore, 1954), chaps. 10-11. Actual practices do not, of course, always conform to prescribed standards. See Levy, *op. cit.*, chaps. 6-7; E. Ashtor, "on nonconformity of tax practice with theological theory, in 'Le coût de la vie dans l'Égypte médiévale'", *Journal of Economic and Social History of the Orient*, III (1960), pp. 72-73; also Claude Cahen, "Contribution à l'étude des impôts dans l'Égypte médiévale", *ibid.*, V (1962), pp. 244-78.

least in societies dominated as were the Islamic by custom and tradition, to deaden the hope of collective material progress.¹² Furthermore, even though Greek political philosophy, with its emphasis upon rationalistic inquiry, became popular in and after the time of al-Fārābī (died in A.D. 950), its influence upon practice was quite limited at best and did not remain effective even as far east as Persia. Indeed, Muslim penetration into India, though it made Iranian culture, thought, language, and administrative practice dominant there, did not carry with it Greek philosophy, probably because its influence in Persia had diminished and conditions conducive to its spread were not present in Muslim India.¹³

Muslim writers classed "economics" as a practical science, along with politics and ethics, in keeping with a classificatory scheme supposedly originated by Eudemus (pupil of Aristotle) and utilized by Christian authors from Boethius to Thomas Aquinas.¹⁴ Of the nine Muslim (or Koran-oriented)

¹² "The idea of social progress through increase in knowledge is foreign to the Muslim Middle Ages", observes Grunebaum, *op. cit.*, p. 248; cf. p. 257. He identifies but one Muslim author, al Mas'ūdī (d. 957), with a strong belief in scientific progress (*ibid.*, p. 347 n.) and points to the contempt in which the squalid masses were held by the leading castes as a factor contributing to the disinclination of Muslim ruling circles to support technical progress (*ibid.*, pp. 343-44). Koranic injunctions respecting human equality were never more than partially observed. See Levy, *op. cit.*, pp. 53-73.

¹³ Grunebaum, *op. cit.*, pp. 202 ff.; Nicholson, *op. cit.*, p. 444. On the tenth century Persian Renaissance, see Soheil M. Afnan, *Avicenna His Life and Works* (London, 1958), chap. 1. The absorption of the caste system of India (exclusive of the kshatriya) into Indian Islam, despite Islam's being in theory an egalitarian theocracy, may be attributable to Iranian influence inasmuch as an explicitly four-class pyramid, together with very little interclass mobility, existed under the Sassanians. See Grunebaum, *op. cit.*, pp. 202-203; Levy, *op. cit.*, pp. 72-74; R. Ghirshman, *Iran* (Harmondsworth, 1954), pp. 309 ff. The caste system under Indian Islam is described in Sir Denzil Ibbetson's classic *Panjab Castes* (Lahore, 1916), based on the Census of 1881 and first published in 1883; see also Murray T. Titus, *Indian Islam* (London, 1930), pp. 168-72, 190-91; S. M. Jaffar, *Some Cultural Aspects of Muslim Rule in India*, Lahore, 1950. In his chapter on castes in India, al-Bērūnī, writing in the early eleventh century, describes the caste system (which he sketches) as the greatest obstacle to Hindu-Muslim "understanding" and remarks that "we Moslems . . . stand entirely on the other side of the question, considering all men as equal, except in piety"; but he does not indicate whether those converted to Islam became free of caste ties. See his *India* (translated by Edward C. Sachau), I (London, 1914), pp. 99-104, esp. p. 100. Al-Bērūnī often compares Indian and Greek views, but does not discuss political theory. Such comparisons are not set down, however, by Abul Fazl-I'Allami, in his *Ain-I-Akbari* (3 vols., translated by H. Blochmann and H. S. Jarrett and revised by D. C. Philpott and Jadu-Nath Sarkar), Calcutta, 1939-48. In this work, a manual of Akbar's empire and a summary of Hindu history, customs, and philosophy, the caste system is briefly described, but not assessed in light of Muslim belief, and comparison "with the systems of Greece and Persia" is declared outside the author's intention. *Ibid.*, III, pp. 126-32, 421-22. Writing as late as 1923, however, J. Stephenson reports that treatises on moral philosophy, by Nasiruddin Tūsī (1200-1274), Persian Muslim assimilator of Platonic and Aristotelian ideas, were still being read in India and Persia. See "The Classification of the Sciences according to Nasiruddin Tusi", *Isis*, V (1923), pp. 329, 331. The widespread use of Persian in Muslim India may have fostered the reading of Tūsī's work. On his views see below.

¹⁴ See Stephenson, *op. cit.*, pp. 334-36; Rosenthal, *Political Thought*, pp. 143, 165, 269. On the classification of sciences by Aristotle (who distinguished theoretical, productive,

sciences in vogue in the early Abbasid period (750+) when Baghdad came to outshine all but Constantinople, only jurisprudence (fiqh) and "sciences" concerned with the interpretation of the Koran and of "Apostolic Tradition" (hadīth) were at all likely to be confronted by economic questions (e.g., taxation), and then in an administrative or ethical guise.¹⁵ Even so, the "Muslim sciences" could influence the way Muslim writers theorized about economic issues, for authority carried weight in the Islamic world, and in the ideal Muslim state (an egalitarian, lay theocracy, or as some prefer, "nomocracy") all spheres of life (including the economic) were interrelated and under the governance of Divine Law as expressed in Koran, Sunnah, and Hadīth.¹⁶

and practical sciences, with ethics and politics the main practical branches) and later writers, see George Sarton, *Introduction to the History of Science*, III (Baltimore, 1927), pp. 76–77; also John H. Randall, Jr., *Aristotle*, New York, 1960, chaps. 3, 12–13. Al-Fārābī's treatment of the sciences has recently been translated by A. G. Palencia as *Catálogo de las Ciencias*, Madrid, 1953. On his and Avicenna's treatment see also Hilmi Ziya Ülken, *La Pensée de L'Islam* (translated by G. Dubois, Max Bilien, and the author, Istanbul, 1953), chaps. 22–23, esp. pp. 398–414, 430–35. Ülken touches on the sciences in his accounts of several other authors. Averroes, following Aristotle, described politics as a practical science of action. See E. I. J. Rosenthal (trans.), *Averroes' Commentary on Plato's Republic* (Cambridge, 1956), pp. 111–12, 150–51, 255, 264. Al-Ghazālī gave politics a partially religious orientation. See his *The Book of Knowledge* (translated by N. A. Faris) (Lahore, 1962), pp. 27–30. Much of Al-Ghazālī is in summary form in G. H. Bousquet, *Ihyā' 'Oloum ed-Dīn ou vivification des sciences de la foi*, Paris, 1955. *The Book of Knowledge* is the first book in the first part of the *Ihyā'*, the second part of which deals with economic and other ethics.

¹⁵ On these sciences and changes in Muslim classifications, see Grunebaum, *Islam* (No. 4 of Comparative Studies of Cultures and Civilizations, edited by Robert Redfield and Milton Singer, *Memoirs of the American Anthropological Association*, April, 1955), chaps. 5, 9. See also Levy, *op. cit.*, pp. 150, 215–41, chap. 10; Franz Rosenthal, *A History of Muslim Historiography* (Leiden, 1952), pp. 28–48; Mahdi, *op. cit.*, pp. 82 ff., 139–46; Nicholson, *A Literary History of the Arabs*, pp. 282–84, also 362–64; E. G. Browne, *Literary History of Persia*, I (Cambridge, 1929), pp. 383–88; M. Plessner, *Die Geschichte der Wissenschaften im Islam (Philosophie und Geschichte*, No. 31), Tübingen, 1931; L. Gardet and M. M. Anawati, *Introduction à la théologie musulmane* (Paris, 1948), pp. 101–24 on "le Kalām et les sciences musulmanes".

¹⁶ See Grunebaum's description of government in Islam as envisaged in classical, medieval Islamic political science, *Islam*, chap. 7; also Louis Gardet, *La cité musulmane; vie sociale et politique* (Paris, 1954), esp. Parts I–II, and E. I. J. Rosenthal's evaluation of this work in the *Islamic Quarterly*, II (1955), pp. 237–39. On the role of authority in and before Islamic times see A. L. Tibāwī, "The Idea of Guidance in Islam", *ibid.*, III (1956), pp. 139–56. Indicative of the economically regulatory role of Islam in urban centers are the manuals designed to guide the muhtasib (or censor) in the definition and performance of his religio-political duties. Among the few of these manuals known today is one influenced by Ghazālī (see Donaldson, *op. cit.*, pp. 160 ff.) and others, the *Ma'ālīm al-Qurba*, by Ibn al Ukhuwwa, probably an Egyptian, who died in 1329 A.D. This work, translated and edited by Reuben Levy, in the E. J. W. Gibb Memorial Series, No. 12, n.s., was published in the original and translated in 1938 (Cambridge). On the role of the muhtasib see Levy, *Social Structure of Islam*, pp. 333–39; also under "sinf" (guild) in the *Encyclopedia of Islam* (Leiden, 1934), IV, pp. 436–37; also Grunebaum, *Islam*, pp. 137–38, where it is indicated that the muhtasib "is the successor of the *agoranomos* of the Greek and Hellenistic cities". See also *ibid.*, chap. 8, on Muslim town structure.

These sciences could thus govern what questions were asked and how they were asked, at least so long as the author was carrying on his inquiry in terms of the ideal rather than of the actual Muslim world; they could thus freeze inquiry except in so far as Muslim science and ideals underwent change.¹⁷ In Ibn Khaldūn's case escape lay in his concern with the real rather than with the ideal Muslim world.

Economic matter did not go undiscussed. Economic activity being subject to such constraints as flowed from the Koran (e.g., against *riba*, signifying profit or interest) or from the *sunnah* (i.e., Mohammed's sayings, deeds, or tacit approvals), the implications of the supposed constraints were examined.¹⁸ These examinations did not involve explicit economic analysis, of course; they had to do rather with the content of economically-oriented regulations based upon the Koran and the *sunnah*. The significance of these constraints seems to have been delineated principally in compilations of traditions, of which there were a great many,¹⁹ and in manuals for the guidance of the *muhtasib*, who enforced religious and moral precepts. In a leading such manual, the *Ma'ālim al-Qurba* (whose author died in A.D. 1329), concerned with preventing illegal acts and with enforcing "what is due" to God or man, conditions essential to the legal conduct of commerce and of some seventy

¹⁷ At least one major author, al-Ghazālī, classifies politics (in conjunction with which he treats economic matters) as one of the sciences connected with religion as were also metaphysics, ethics, and psychology. See Sherwani, *op. cit.*, pp. 155–56; al-Ghazālī, *The Book of Knowledge*, pp. 27–30, 36–41, 45–46, 53–54, and the third book, in the second part of the *Ihyā'*, dealing with "The Ethics of Earnings and Livelihood". Muslim thought did not, of course, remain completely static any more than does any system of thought, though the changes probably were not of significance for economic science until modern times. On the susceptibility of Muslim thought to change see Gibb, *op. cit.*, *passim*; J. Hans, *Dynamik und Dogma in Islam*, Leiden, 1960; Ülken, *La Pensée de L'Islam*; W. C. Smith, *Islam in Modern History* (New York, 1961), chaps. 1–2; J. M. S. Baljon, *Modern Moslem Koran Interpretation* (Leiden, 1961), esp. pp. 116–18 on *riba* (interest); Jacques Austruy, *L'Islam face au développement économique*, Paris, 1961.

¹⁸ See, for example, A. J. Wensinck, *A Handbook of Early Muhammadan Tradition* (Leiden, 1927), esp. under alms, barter, coins, credit, debts, usury, wealth.

¹⁹ Illustrative are the sections "On Selling", in the *Al-Sahīh* (Cairo, 1334 A.H.), by Abu al-Husayn Muslim al-Nisābūrī (206–261 A.H.), one of two such authentic compilations. See S. Mahmassani, *op. cit.*, pp. 71–72. For example, Muslim insists on the importance of a buyer's examining an article prior to its sale and he lays down various conditions which must be present before higgling can eventuate in a valid sale. Cheating is described as unjust. The sale of unripened crops is forbidden since such a transaction might involve speculation or usury which is forbidden. While rent of land for money was permitted, rent for a share of the crops was prohibited inasmuch as such arrangement involved speculation and risk. It was permissible, however, to collect 0.2–0.5 of the crops on land owned by Jews and Christians in areas invaded by Muslims. Trade in wine and pork was prohibited as were transactions involving futurity and interest. Monopoly was prohibited since it involved excessive profits. Sale to a non-partner of a partner's share of property owned in partnership is permissible only in the event a partner does not want it at the going price. See Vol. I, pp. 600–42. North African ulema ranked Muslim's compilation most worthy after the Koran. Mahmassani, *op. cit.*, p. 72. On trading companies, profit distribution, etc., see "Shirka", *Encyclopedia of Islam*, IV, pp. 380–81.

activities or occupations are set down. Many commercial transactions are forbidden, among them usury, invalid hire and partnership, transactions involving unsanctioned futurity and (hence) speculation or interest, and sales or purchases which violate ritual or fail to meet all determinants of legality. Various actions bearing upon exchange (e.g., debasement of coinage, fraudulent misrepresentation, use of false weights or measures, adulteration, forestalling, and hoarding) are also prohibited. *Ribā* (illicit gain) "is forbidden by God. Brokers who deal in money and traders in foodstuffs must beware of it, for only in money and foodstuffs is there *ribā*. The money-changer must not grant credit and receive increment". "To earn a livelihood by money-changing involves great risk to those who engage in it". "Any loan bringing benefit [to the lender] is unlawful". Regarding the fixation of prices by agents of the state opinion varied; the *muḥtasib* could not fix "the prices of commodities in opposition to the owners", but the imam could or might determine such prices.²⁰ Chapters relating to various trades, crafts, and professions have to do with hygiene, prevention of adulteration, assurance of craft or professional skill, and the honesty and integrity of practitioners, and so on.²¹

Economic matters were touched upon also in other works. In the tenth century, if not earlier, tracts were devoted to the conduct of commercially oriented crafts²² of which, as Ibn Khaldūn's and other reports suggest, there

²⁰ The above statements are based on Ukhuwwa's *Ma'ālim al-Qurba*, pp. 6–29, 40–43, 46–47. See also *Encyclopedia of Islam*, under "riba" (*ibid.*, III, pp. 1148–50), and "tidjara" (*ibid.*, IV, pp. 747–50), and "sarf" or money-changing (*ibid.*, IV, p. 169). According to W. J. Fischel, *Jews in the Economic and Political Life of Medieval Islam* (London, 1937), p. 13, tenth-century Arab sources "reveal a prodigious desire to accumulate money" and great fear of losing it.

²¹ *Ma'ālim al-Qurba*, pp. 30–40, 43–68, 89–98. See also Levy, *Social Structure of Islam*, pp. 220, 255–58, 336–38. "These various restrictions upon normal commerce have either been openly disregarded by many Muslims, so that trade has been carried on according to local custom, or have led to the adoption of subterfuges and legal fictions in order that the letter of the law might be observed while transactions went forward as necessity and custom demanded." *Ibid.*, p. 256, also pp. 257–58 on evasive expedients and dependence upon the protection of custom. See also "riba", *Encyclopedia of Islam*, IV, p. 1150; Mahmassani, *op. cit.*, pp. 119–26, 154–55, 203–04. Despite their evasion of religious restrictions on finance and speculation, Muslim merchants were handicapped thereby, R. S. Lopez concludes. See his account in M. Postan and E. E. Rich, eds., *The Cambridge Economic History of Europe*, II (Cambridge, 1952), pp. 283–88. On medieval Arab letters of credit, government borrowing, and insecurity of wealth, see Fischel, *Jews in . . . Islam*, pp. 13–29, 73, 87, also Claude Cahen, "Un traité financier inédit d'époque Fatimide-Agyubide", *Journal of the Economic and Social History of the Orient*, V (1962), pp. 139–59. See note 30 below.

²² See Browne, *Literary History*, I, pp. 378–83; Sarton, *op. cit.*, III, pp. 1771–72; Solomon Gandz's note on "The Rule of Three in Arabic and Hebrew Sources", *Isis*, XXII (1934), pp. 219–22. This rule is discussed in Arabic algebras (which usually contained a chapter on business transactions even as did European works), apparently having been introduced (along with loan words describing "general, fixed market" prices and individual prices arrived at through higgling) by Aramaic-speaking merchants trading directly or indirectly with Arabs, Persians, and Hindus centuries before Islamic times. Gandz refers particularly to an early ninth-century Arabic algebra. Ibn Khaldūn refers to a number of Spanish Muslim business arithmetics (III, pp. 126–27). See also H. Ber-

were many.²³ The "Mirrors for Princes", introduced into Arabic literature from Persia in the eighth century, sometimes included, besides general matter on the art of government and pleas for "justice" and the subjects' "welfare", discussions relating to taxation and other economic questions.²⁴ "Economics", when introduced into the Muslim scheme, was little more than household management, though as set out in the Neopythagorean "*Bryson*" rather than as in Aristotle's *Politics* (in which household management is treated), which apparently was not known to the *Falāsifa* though they drew on Aristotle's *Ethics*²⁵ and on some of Plato's political writings.²⁶ While the analytical

nadelli, "The Origins of Modern Economic Theory", *Economic Record*, XXXVII, 1961, pp. 320-38.

²³ How numerous, varied, and specialized were crafts in Muslim parts of the Mediterranean area is suggested by S. D. Goitein's "The Main Industries of the Mediterranean Area as Reflected in the Records of the Cairo Geniza", *Journal of the Economic and Social History of the Orient*, IV (2), 1961, pp. 168-99. Specialization in food supply did not, of course, insure hygiene (*ibid.*, pp. 194-95), the absence of which, however, seems to have exacted heaviest toll among the holy, Tomas of Margâ's account of the death of Rabban Gabriel suggests. "And the holy man fell ill of a disease of the bowels and suffered from diarrhoea for four months, like the majority of holy men who have departed and will depart from the world." See *The Book of Governors: The Historia Monastica of Thomas, Bishop of Margâ A.D. 840* (translated from the Syriac by E. A. W. Budge), II (London, 1893), p. 680. The tenth-century Pure Brethren, while defining those trades as essential, dignified the work of all tradesmen by noting that each imitated the Creator. See Y. Marquet, "La place du travail dans la hiérarchie ismâ'îlrenne d'après l'*Encyclopédie des Frères de la Pureté*", *Arabica*, VIII (1961), pp. 232-36.

²⁴ E. I. J. Rosenthal, *Political Thought*, pp. 3, 41, 50, 63-83, 221-22, 249, 251-56; G. Richter, *Studien zur Geschichte der Alteren Arabischen Fürstenspiegel*, Leipzig, 1932. Two late eleventh-century "mirrors" have been translated into English: Kai Kâ'ūs ibn Iskander, *A Mirror for Princes* (The Qābūs-nāma), translated by Reuben Levy, London, 1951; Nizam al-Mulk, *The Book of Government or Rules for Kings* (The Siyāsāt-nāma), translated by Hubert Darke, London, 1960. Moderateness in taxation and rent collection is counseled in the latter (chaps. 4-7, 37) while in the former advice is given respecting buying and selling, the use of wealth, and the conduct of agriculture, merchandising, and other crafts (pp. 90-95, 109-11, 211-12, 156-65, 237-39). The counsel is expressed quite simply, and without analysis. Economic matter was not included in *Le Livre de L'Agriculture* (Kitab al-Felahah), by Ibn al-'Awāmm, translated from the Arabic by J. J. Clement-Mullet and published in Paris in 1864. This work was composed in Seville in the twelfth century A.D. (*ibid.*, I, preface, pp. 17-18) and was known to Ibn Khaldūn (see III, pp. 151-52).

²⁵ Some knew the *Topica* or the *Rhetoric* but did not find therein a basis for developing a theory of the margin. E.g., see my "Aristotle on Imputation and Related Matters", *Southern Economic Journal*, XXI (1955), pp. 371-89. There were Arabic translations of the first book of *Economics*, wrongly attributed to Aristotle, and of "the book of Rufus" possible the work of a Philodemus. See under "tadbīr", *Encyclopedia of Islam*, IV, p. 595.

²⁶ E. I. J. Rosenthal, *Political Thought*, pp. 143, 165, 187, 269, 285, 295, 300; Afnan, *op. cit.*, pp. 231-32. The role of the unidentified Greek, "Bryson", or "Brason", or Brasson (Brússon), whose work was unknown to the West, is treated by Martin Plessner in *Der OIKONOMIKOC des Neupythagoreers 'Bryson' and sein Einfluss auf die Islamische Wissenschaft*, Heidelberg, 1928; see pp. 1-8 on "Bryson" and pp. 9-143 on the translations and their influence; texts and translations are given, pp. 144-274. An annotated English translation setting the work in its late Hellenistic context is needed. On

aspects of commerce were largely neglected, its conduct was described, trading having been approved in the Koran (which probably reflected commercial Mecca), with Arab traders ranging eastward from the homeland through South Asia to China and southward to Mombasa.²⁷ Moreover, ethical implications of trade came to command increasing attention, and trade itself was declared subject to restraint, even in Muhammad's day, on the ground it might entail behavior inimical to man's eternal salvation.²⁸ There was also much interest in geography, in part because of interest in trade and because the vast extent of the Muslim world permitted wide and varied travel which yielded geographic as well as economic information.²⁹ Arab historical works contributed little to economic analysis, in part because history was not a science according to the canons which the Muslims took over from the Greeks.³⁰

Platonism among the Arabs see Franz Rosenthal, "On the Knowledge of Plato's Philosophy in the Islamic World", *Islamic Culture*, XIV (1940), pp. 387-422.

²⁷ On the highly commercial character of pre-Islamic Mecca, see Henri Lammens, *La Mecqua à la Veille de L'Hégire* (Beirut, 1924), chaps. 8-13. P. Grierson notes, however, that in Arabia in Muhammad's time payments were made mostly in bullion. See "The Monetary Reforms of 'Abd Al-Malik", *Journal of the Economic and Social History of the Orient*, III (1960), p. 257. See also Grunebaum, *Medieval Islam*, pp. 215-17; also P. K. Hitti, *History of the Arabs* (2d. ed., London, 1940), pp. 58-59 on traders in Southern Arabia in pre-Islamic times. When Mohammad clothed his theology in the language of trade, he reflected the generations-old commercial background of his city and people who readily comprehended Koranic statements which described the mutual relations between Allah and man in marketing and accounting terminology. See Lammens, *op. cit.*, pp. 216-20; Charles C. Torrey, *The Commercial-Theological Terms in the Koran* (Leiden, 1892), esp. pp. 2-6, 35-36, 46-50; also E. Cohn, *Der Wucher in Qor'an, Chedith und Fiqh*, Berlin, 1903; F. Arin, *Recherches Historiques sur les Opérations Usuraires et Aléatoires en Droit Musulman*, Paris, 1929.

²⁸ See under "tidjāra" (commerce) in *Encyclopedia of Islam*, IV, p. 747.

²⁹ C. R. Beazley, *The Dawn of Modern Geography*, London, 1897, pp. 393-468; Nicholson, *op. cit.*, pp. 356-57; Charles Issawi, "Arab Geography and the Circumnavigation of Africa", *Osiris*, X (1952), pp. 117-28. Mahdi, *op. cit.*, pp. 142-43. New acquaintance with Greek geographical works also stimulated Muslim interest in geography. *Ibid.*, pp. 142-43.

³⁰ In his preface to his *Journal d'un bourgeois du Caire* (Paris, 1945), an annotated translation of Ibn Iyas's chronicle of events in 1501-1510, Gaston Wiet comments on the "disconcerting incuriosity" of Arab authors respecting economic events. On historiography see F. Rosenthal, *Muslim Historiography*, pp. 29-31-47. Rosenthal (*ibid.*, p. 46) refers to a certain wazir, Ibn Al-Tiqtaqa ("the rapid talker"), who disliked having "the ruler study historical works, since they might teach him to exploit his subjects on his own and to dispense with the services of the wazir". See his *Al Fakrhi* (translated by C. E. J. Whitting, London, 1947), p. 3. This wazir's political theory resembled both that of Ibn Khaldū (who was not affected thereby) and the Indian thesis that a ruler owes his subjects protection in exchange for their allegiance and support. See E. I. J. Rosenthal, *Political Thought*, pp. 62-67. Information on taxation, banking, etc., is to be found in some historical works. E.g., see *The Eclipse of the Abbasid Caliphate*, by Miskawaihi (d. 1030 A.D.) and translated by H. F. Amedraz and D. S. Margoliouth, Oxford, 1921; also Gaston Wiet's translation, "Le traité des famines de Maqrizi", *Journal of the Economic and Social History of the Orient*, V (1962), pp. 1-90, on crop failure, famine, taxation, and depreciation of money.

Turning now parenthetically to the so-called "Bryson", the source of Greek inspiration, we find him dealing with economic questions in terms of the household (which includes, besides the head, four additional elements, money, servants or slaves, wife, and children) and of division of labor on a craft basis, and with the acquisition, conservation, and use of property. The practitioner of each craft depends for most of his needs upon the practitioners of other crafts (or professions) and disposes of most of his services to these practitioners. The crafts are thus interrelated as links in a chain, with no one craft capable of overwhelming the others. Out of this reciprocal interdependence arises the city wherein the crafts are gathered so that each can more readily serve others and be served by them. This interdependence also gives rise to the requirement of money (gold, silver, copper) to serve (so moderns would say) as means of exchange, unit of account, and store of value; for the wants and supplies of individuals are not always so synchronized that each can obtain what he needs at once when he needs it and simultaneously have available for its purchase products of his own craft in immediately salable form. Money overcomes this lack of synchronization. Bryson counsels the householder or craftsman to avoid various undesirable forms of behavior (among them avarice, niggardliness, waste, snobbery, and mismanagement) and to guard his property by prudently spending his income and investing part of it. The householder should not spend more than he earns, lest he reduce his capital. He must save in order to be able to meet unfavorable events as well as to increase his capital; he must avoid ventures which he is incapable of carrying out and he must not allow his invested money to remain long out of his hands. He should confine his selling to his wares even though they yield little profit and he might turn a profit by selling his immobile property. The buying and management of different types of slaves is discussed, along with the role of the wife, her duties and her contribution to the administration of the household, and various aspects of the business of rearing and educating children and launching them on careers.³¹

The views of Bryson are sometimes reflected as may be those of Plato (on whom Bryson drew in part) in Muslim accounts of the genesis of state and economy. Indeed, it has been said that "the whole economic literature of Islam can be traced to the *Economics* of Bryson".³² Allegedly among the earliest of the Muslim authors so influenced was Ibn Abi'r-Rabī, supposedly

³¹ See Plessner's translation, in *op. cit.*, pp. 214 ff. The lot of the slave seems to have been easier under Islam than in late Greek times. E.g., see on slavery in Islam, Levy, *Social Structure of Islam*, pp. 73-89; S. D. Goitein, "Slaves and Slavegirls in the Cairo Geniza Records", *Arabica*, IX (1962), pp. 1-20.

³² See "Tadbīr", *Encyclopedia of Islam*, IV (Leiden, 1934), pp. 595. Plessner identifies a number of the authors influenced by Bryson in *op. cit.*, pp. 29-49, 104-43. Miskawaih (died A.D. 1030) includes a reference to Bryson's discussion of child-rearing in his moral philosophy based largely on Galen and commentators on Plato and Aristotle. See Walzer, *Greek into Arabic*, pp. 220-22.

a ninth-century philosopher.³³ He traces “wages, prices, profit and loss and all other economic phenomena”, together with rural-urban population distribution, to man’s inclination to co-operative action and to his inability to satisfy his wants other than through “mutual help and co-operation”; and (with Plato) he observes that justice “consists in placing everything in its proper place and giving everyone his due.”³⁴ Al-Fārābī, tenth-century founder of Arabic political philosophy, has little to say of economic issues as such, though his discussion of household and city (in organic terms) may reflect Bryson and the view that the state has its origin in mutual need.³⁵ His account of division of labor in the “ideal city” emphasizes that each citizen must limit himself to “a single art”, since men differ in aptitude, improve skills with practice, and are capable of supplying all needs only if each is responsible for a specific assignment.³⁶ Al-Fārābī does not examine the relationship of specialization to prices, distribution, and the use of money, though he indicates that each individual is entitled to his deserts or portion and that support should be provided for priests, secretaries, etc., and possibly for certain needy.³⁷ His neglect of economics and economic issues may reflect his view that the household and various other groupings are inferior to the state.³⁸

³³ Sherwani, *op. cit.*, p. 46. Plessner, however, assigns this author to the thirteenth century. *Op. cit.*, pp. 32–34. D. M. Dunlop convincingly shows he came after al-Fārābī. See Dunlop’s annotated translation of al-Fārābī’s *Fusūl Al-Madani*, Cambridge, 1961, pp. 5–7.

³⁴ See Sherwani’s summary, *op. cit.*, pp. 49–50, 55. Ibn Abī’r-Rabī’ advocates that agriculture, because of its importance, be taxed lightly, and that state expenditure fall short of state income. *Ibid.*, pp. 50, 59. The role of slavery, together with public and private uses of “wealth”, is discussed in *ibid.*, pp. 58–60. Giving each “his due” is enjoined, within limits, in *The Koran*, 17, 24 ff., also 30. See translation by N. J. Dawood of *The Koran* (Penguin Classics, Harmondsworth), pp. 229, 189. For a somewhat different translation see A. J. Arberry, *The Koran Interpreted* (London, 1955), II, pp. 108–09; I, p. 305.

³⁵ See *Fusūl Al-Madani*, (cited in note 33 above), pp. 36–37, 82. See also E. I. J. Rosenthal, *Political Thought*, pp. 125–29, 273–74; Sherwani, *op. cit.*, pp. 86–91, also 76–78 on al-Fārābī’s anticipation of Hobbes’s compact theory.

³⁶ *Fusūl*, pp. 55–56. The function of habit is not discussed at this point though the role of habit in fixing virtue in the individual is treated earlier. *Ibid.*, pp. 31–33. Love as well as mutual need bind the components of a city together. *Ibid.*, pp. 36–37, 53–54.

³⁷ *Ibid.*, pp. 54–55, 56–57. Al Fārābī distinguished between the ideal city or state to which the comments above apply and alternative theoretical and actual forms. *Ibid.*, pp. 39, 55, 82; also F. Dieterici, *Die Staatsleitung von Alfarabi* (Leiden, 1904), pp. 50–89, and his translation, *Der Musterstaat* (Leiden, 1904), of al-Fārābī’s account of the model state, esp. pp. 84–128. See also E. I. J. Rosenthal, *Political Thought*, pp. 126–28, 133, 135–37. Plato had mentioned support of priests and secretaries in his *Politicus*, 290 A–E.

³⁸ Sherwani, *op. cit.*, pp. 75–76; E. I. J. Rosenthal, *Political Thought*, pp. 118, 165, 269. Avempace (d. 1138) played down economics as a science even as did al-Fārābī. *Ibid.*, pp. 118, 165, 269. Averroes (1126–98) also subordinated economics to politics. See E. I. J. Rosenthal, “The Place of politics in the Philosophy of Ibn Bājjā (Avempace)”, *Islamic Culture*, XXV (1951), pp. 199 ff., and *Averroes’ Commentary*, pp. 150–51, 264–65. Averroes, perhaps reflecting Bryson’s influence, came close to expressing a nominalist view of money. *Ibid.*, pp. 148–49, 211–12, 286–87.

Avicenna (980–1037), Al-Ghazālī (1058–1111), Nasīr al-Dīn Tūsī (1201–74), and Tūsī's vulgarizer, Al-Dawwānī (1427–1501), in their treatment of household economics as a separate science, reflect Bryson's influence as well as that of Aristotle and Plato (in respect to ethics and politics). Society as envisaged in Avicenna's work is a controlled hierarchy, with government flowing out of the co-operatively satisfiable needs of men, with commercial and other interpersonal transactions highly regulated, with provision for the support of both the disabled and the general welfare, and with households conducted in conformity with Bryson's counsel.³⁹ Ghazālī, noting that cities and the state arose out of the advantages men derived from division of labor and co-operation and that each should engage in a useful activity, points to the importance of unencumbered trade and exchange and the need for money to facilitate it.⁴⁰ Tūsī (of Asian origin as were Ghazālī, al-Fārābī, Avicenna, and Al-Dawwānī), allegedly treacherous adviser to Hulagu (destroyer of Baghdad),⁴¹ followed Bryson quite closely;⁴² his exposition was subsequently epitomized and popularized by Al-Dawwānī.⁴³

Book II of Al-Dawwānī's work, on "the domestic state", has to do primarily with constituents of the household and their management, with the wives, children, slaves and servants, and income and property. Income was to be had from the professions and crafts, from agriculture, and from trade, though some held that the dependence of trade upon capital made it a more precarious source of income. "Mean" occupations and iniquitous and infamous sources of income were to be avoided, and "affluence" (than which "no" worldly "station . . . is better") was to be sought, if possible, in a profession comprehending "equity" and "not far removed from temperance and refinement." Moderateness in expenditure was counseled, together with saving

³⁹ Plessner, *op. cit.*, pp. 42–47; E. I. J. Rosenthal, *Political Thought*, pp. 143, 151–54, 239, 269, 285; Afnan, *Avicenna*, pp. 230–32.

⁴⁰ *The Book of Knowledge*, pp. 27–30, 146; Sherwani, *op. cit.*, pp. 154–55, 157–62, also p. 171 on the necessity that taxation be conducted in full compliance with the law. See also Plessner, *op. cit.*, pp. 131–36; E. I. J. Rosenthal, *Political Thought*, pp. 39, 239. In keeping with the widely accepted Muslim view that trade and craftsmanship are honorable sources of livelihood, and with his own view that their pursuit provided support in this world and access to the next world, Ghazālī believed, Grunebaum states, that only "the ascete, the mystic, the scholar, and the public official are exempt from the duty of earning bread by the work of their hands or by commerce". See Grunebaum, *Medieval Islam*, p. 215. "The markets", wrote Ghazālī, "are God's tables and whoever visits them will receive from them". Cited in *ibid.*, p. 215. For other favorable views of trade and crafts, see *ibid.*, pp. 215–18. His nominalist view of money clearly reflects Bryson's influence. See G.-H. Bousquet, "La monnaie selon un mystique musulman du XI^e siècle", *Revue d'économie politique*, LXIII (1935), pp. 238–40.

⁴¹ Browne, *op. cit.*, II, pp. 12–13, 456–57, 484–86.

⁴² Plessner, *op. cit.*, pp. 62–104. "Tūsī's *Economics* was regarded for all-time in Islam as the final model". See "Tadbīr", *Encyclopedia of Islam*, IV (Leiden, 1934), p. 595. Some of Tūsī's work was known to Ibn Khaldūn (I, xlv; III, 148, 315).

⁴³ *Ibid.*, pp. 104 ff.; E. I. J. Rosenthal, *Political Thought*, pp. 211–13, 246–47, 299–301. Al-Dawwānī's work was translated into English by W. F. Thompson, under the title, *Practical Philosophy of the Mohammedan People*, London, 1839.

and diversification of the investment of savings. Among the expenditures approved, besides those upon household needs, were alms, presents designed to win favors, and what amounts to "protection" and blackmail.⁴⁴ Efficient conduct of household affairs entailed the use in transactions of money, "the guardian of equity and the minor arbitrator of life", in part because its use in place of barterable commodities saved considerable transport cost.⁴⁵

Al-Dawwānī, following Tūsī closely, developed the equity-maintaining role of money in Book I, concerned primarily with "the individual state" and ethics. Money, in its capacity as unit of account, intermediated as a common denominator between producers of unlike goods and thereby facilitated their interchange. Money could perform this role, however, only if "rectitude" and "discipline" (order) were maintained by the Prince and under "the holy institute of God".⁴⁶ Equity required also that each member of an economic class (principally bureaucratic personnel, rhetoricians, computing experts, soldiers, and suppliers of food, clothing, etc.) "be kept in his appropriate position" and so be enabled to become expert therein.⁴⁷

The role of "reciprocal co-operation and interchange", so essential to man's security and support and perfection, is treated in Book III, on "the political state". Men differ in "aim and character" and nature and hence in skill and occupation, with the result that everyone is somewhat dependent upon others and obliged in turn to apply himself for others. In consequence of this need for "reciprocal co-operation", men must congregate in cities and other communities and make provision for government, law, an executive, and currency in order that the maintenance of all may be assured, each may be rendered "content with his rightful portion", and violence and reciprocal injury may be averted.⁴⁸

Greek influence as represented in Bryson's work is present even in a hand-

⁴⁴ *Ibid.*, pp. 245–311. "Abrússan" (i.e., Bryson) is referred to in the discussion (pp. 245–50) of the household economy. On the "mean" occupations see R. Brunschvig, "Métiers vils en Islam", *Studia Islamica*, XVI (1962), pp. 41–60.

⁴⁵ *Ibid.*, p. 251.

⁴⁶ *Ibid.*, pp. 123–29, also pp. 399, 406, on the Prince's equity-preserving role. Equity is described as the paramount virtue, superior even to wisdom, courage, and temperance. *Ibid.*, pp. 52–64, 112 ff., which follow Tūsī closely. Aristotle's geometrical proportion arrangement is employed. *Ibid.*, pp. 124–25.

⁴⁷ *Ibid.*, pp. 320, 373–75. Elsewhere he identifies four main occupational classes: men of pen (lawyers, divines, "statisticians" [record-keepers?], etc.); men of business (merchants, artisans, craftsmen); men of sword (soldiers, guardians); and husbandmen, who alone produce what had no previous existence in contrast to the others who add "nothing", merely changing the form, place, or ownership of a thing. *Ibid.*, p. 389. See also *ibid.*, pp. 391–94, for five-fold classification of men based on their ethical qualities. Compare the various class systems mentioned in Levy, *Social Structure of Islam*, chap. 1, esp. pp. 59–71. In a forthcoming study Grunebaum will present evidence that divisions of society into four occupational classes are of Persian ancestry whereas divisions into three are of Greek ancestry. See also note 13 above. Maqrīzī divided the medieval Egyptian population into seven economic classes. See Wiet, "Le Traité . . .", *loc. cit.*, pp. 71–75.

⁴⁸ Al-Dawwānī, *op. cit.*, 318–22, 326–27.

book for merchants, *Kitâb al-ishâra ilâ mahâsin al-tijâra*, written in or around the 12th century⁴⁹ by Ja'far al-Dimashqî who treated trade and the accumulation of wealth more favorably than did Ibn Khaldûn.⁵⁰ He explains how man's dependence upon division of labor and co-operation makes necessary use of a suitable means of exchange (e.g., gold and silver)⁵¹ and he indicates measures essential to the accumulation and protection of wealth.⁵² His main concern, however, is to provide guidance for three categories of traders (the wholesaler, the traveling merchant, and the exporter) who live by buying and selling. Merchants must be able to judge the qualities of the commodities they handle, to select dependable assistants or associates, to size up price and market situations, and to protect themselves against spoilage, market shifts, robbers, rulers, swindlers, etc.⁵³ They must be familiar with various kinds of sales (e.g., for cash at specified prices, on instalment plan, etc.); with the usual supply or "average" prices of the goods they handle, together with the manner in which these prices fluctuate above and below the usual level;⁵⁴ with changing conditions of supply and demand;⁵⁵ and with the arts of measuring, weighing, counting, and calculating.⁵⁶ One profits, in general, by buying a commodity from one who is not reluctant to sell a good at a relatively low price and subsequently selling it to one who must have this commodity.⁵⁷ The wholesale merchant must be alert to producer costs.

⁴⁹ This influence is present also in Ibn Abî al-Rabî's *Kitâb sulûk al-malik fî tadbîr al mamâlik*, written in the 13th century. See Helmut Ritter, "Ein arabisches Handbuch der Handelswissenschaft", *Der Islam*, VII (1917), pp. 9-10.

⁵⁰ For Ritter's translation of this booklet see *ibid.*, 45-91, and for his introduction, including comments on Bryson's influence, Arabic treatment of commodities, and Islam's economic ethic, see *ibid.*, pp. 1-45. Dimashqî's title indicates that his booklet has to do with the virtues and good points of trade, the judging of commodities, and the tricks of swindlers.

⁵¹ *Ibid.*, pp. 47-53.

⁵² He who would conserve his wealth spends no more than he takes in, provides against unforeseen contingencies, refuses to engage in activities for which he is not equipped, avoids investment in that for which demand is small and irregular (e.g., a scholarly book), and sells fixed capital instead of commodities only when the profit realizable from the former sale is very much higher than that on the latter (*ibid.*, pp. 75-77). One must also avoid waste and guard one's property against confiscation, etc. (*ibid.*, pp. 79-91) as well as administer it well and be free of the prompting of avarice, niggardliness, etc. (*ibid.*, pp. 77-79).

⁵³ *Ibid.*, pp. 53-54, 56-58, 62-63, 71-75. On the classification of possessions into gold and silver, commodities, fixed capital, and living creatures (slaves, draft and other animals) see *ibid.*, pp. 45-46, also Ritter's comments, pp. 16-26. On professional, practical, and mixed occupations other than trade and on earnings based on power see *ibid.*, pp. 55-61.

⁵⁴ *Ibid.*, pp. 54-56, 59.

⁵⁵ *Ibid.*, pp. 55-56.

⁵⁶ *Ibid.*, p. 62.

⁵⁷ *Ibid.*, pp. 63-65. In his comments on household economy he indicates that foodstuffs should be bought when plentiful and then stored; that winter clothing should be bought in summer and summer clothing in winter when prices are low; that slaves, cattle, and houses should be bought when subsistence is expensive, and land, mills, etc., when

relevant possible changes in supply or demand, and circumstances affecting transport, quality of government, etc.; and he should accumulate his stock over time and thereby avert or minimize losses through sudden price changes. The traveling merchant must know about relevant prices in his own and other countries, about the use of agents, and about the effect of excises on his profits. Exporters must know how to use agents and share profits with them.⁵⁸

In what measure Ibn Khaldūn was influenced by the writings of the authors just passed in review, or by others, is hard to determine. The belief that the state and other human associations emerged because of man's insufficiency as an individual and his consequent need to co-operate apparently was widely held (having been effectively treated in Plato's political works) and must have been known to Ibn Khaldūn. He developed it, together with a solution of the Hobbesian problem,⁵⁹ somewhat uniquely and differently than did Avicenna (I, pp. lxxiii–lxxvi), however. Ibn Khaldūn's cycle theory, while it somewhat resembled earlier cycle theories (I, pp. lxxi–lxxxii), was much more effectively developed, and his treatment of imitation and habit were more pertinent than that of writers mentioned earlier. His superior handling of economic matter certainly warrants Plessner's observation that Islamic economics began with Ibn Khaldūn.⁶⁰ It remains true, however, that he knew or drew on many sources, among them Fürstenspiegel and administrative writings, so much so that, his translator infers, practically "every matter of detail" in his work "had been previously expressed elsewhere" (I, p. lxxxv). Yet his contribution was momentous, consisting as it does in the structure he erected out of these bits and details.

II. *Economics and Other Sciences in the "Muqaddimah"*

What Ibn Khaldūn has to say of crafts and science is essentially in keeping with Muslim tradition, though he failed to identify economics, geography, and politics as specific or practical sciences. When discussing (chap. 5) crafts, together with their roles and fortunes, he describes five as "necessary" (agriculture, architecture, tailoring, carpentry, and weaving) and five as "noble" (midwifery, calligraphy, book production, singing, and medicine), so-called

subsistence is cheap; and that weapons should be bought in times of quiet when they are not in demand. *Ibid.*, p. 79.

⁵⁸ *Ibid.*, pp. 66–70.

⁵⁹ On this problem see Talcott Parsons, *Structure of Social Action*, New York, 1937, *passim*. The Hobbesian assumption of persisting conflict in the absence of absolute rule had wide acceptance in the world of Islam where (as in other parts of Asia) great weight was attached to the regulative sanction of *fear*. *E.g.*, see Baron Carra de Vaux's account of al-Fārābī's ignorant and error-ridden state, in his *Les penseurs de l'Islam*, IV (Paris, 1923), pp. 12–18.

⁶⁰ Plessner, *op. cit.*, p. 142. Ibn Khaldūn's direct knowledge of Greek authors was very limited. See W. J. Fischel, *Ibn Khaldūn and Tamerlane* (Berkeley, 1952), p. 84.

because their practitioners have contact "with great rulers" (II, pp. 355-56). Skill in a craft (as in a science, or in the craft of instructing in a science) is the result of appropriate habits (i.e. "firmly rooted" qualities) acquired through repetition (II, pp. 346-47, 426). Here, therefore, as in his discussion of the cumulation and diffusion of civilization and its capacity to survive vicissitudes, Ibn Khaldūn counts upon socio-psychological processes, upon habituation and diffusion through the imitation of the habits of others, which play a strategic part in his analysis of socio-economic fluctuations as well as in that of education (I, pp. lxxxiii-lxxxv; II, pp. 424-33).

Man's capacity for science flowed from his "ability to think" whilst his "soul" served as the "storehouse of human science" (III, p. 281). This capacity afforded him knowledge of both the "world of spirits" and the world of human beings (III, pp. 411-24) and could result in systematic treatment by anybody of subject matter (I, p. 79).⁶¹ It had given rise, especially among the Greeks and the Persians,⁶² to the philosophical or intellectual sciences based upon speculation and research (I, p. 78; III, pp. 111-117). Science tended to flourish, however, only where civilization was high (e.g., as in the East compared with the Maghrib) and where it had support (as in Egypt, with its many endowments) (II, pp. 427-37).⁶³

Among the intellectual sciences he included: logic, which protects "the mind from error"; mathematics, which embraced music, algebra, geometry (which included surveying and optics), arithmetic and its branches associated with business and inheritance, and astronomy (including astrology); physics, which had to do with the behavior of "bodies" and which also included medicine and agriculture; and metaphysics, concerned with "existence as such" and in conjunction with which sorcery, talismans, magic, and alchemy are also discussed and evaluated, especially on religious grounds (III, pp. 111-246; also I, pp. 184-245). The traditional (or transmitted) Muslim sciences, unlike the philosophical, were based upon religious authority in the form of the Koran and the Sunnah and what is required for the understanding

⁶¹ Systematic treatment apparently was an essential ingredient of science. E.g., see III, p. 80, where he implies that systematic treatment made a "science of sufism" as well as of Koranic interpretation, jurisprudence, "the science of tradition, and other disciplines".

⁶² Ibn Khaldūn was under the influence of the tradition that Alexander had transmitted Persian sciences to the Greeks who improved them, with Islam reviving interest in them after Christianity had neglected them. In reality, various Greek works had been translated into Persian and in turn from Persian into Arabic. See F. Rosenthal's interesting *The Technique and Approach of Muslim Scholarship* (*Analecta Orientalia*, No. 24, Rome, 1947), p. 73.

⁶³ The Turkish amirs in Egypt "built a great many colleges, hermitages, and monasteries, and endowed them with mortmain endowments that yielded income" and "saw to it that their children would participate in the endowments, either as administrators" or otherwise. The amirs did this "because chicanery and confiscation are always to be feared from royal authority" and they were "slaves or clients" of the "Turkish dynasty" (II, p. 435). Ibn Khaldūn was generally alert, as in this instance, to the economic motive underlying some action.

of these sources. They included (among others) sometimes casuistic jurisprudence (which had to do with inheritance laws as well as with God's laws), "the sciences concerned with Prophetic traditions (hadīth)", dialectics, "speculative theology" (which sometimes bordered upon metaphysics and which was no longer needed inasmuch as "heretics and innovators" had been destroyed), and dream interpretation (II, pp. 436–63; III, pp. 1–110). There were also the Arabic-language sciences (lexicography, grammar, syntax and style, and literature) auxiliary to the religious sciences (III, pp. 298–99, 319–44). Ibn Khaldūn was highly critical of the orientation of the philosophical sciences, together with alchemy and astrology, because they had become at variance with the traditional sciences and religion and hence tended to be harmful to the state and good order (II, pp. 246–58; III, pp. 258–80).⁶⁴

His failure to identify economics or politics explicitly as a science reflects his overriding concern with his new science of culture and his approach to the subject matter of economics and politics. So also does his neglect of the role which scientific progress might play in improving man's economic lot (given Ibn Khaldūn's belief that "civilization" tends to fluctuate, and with it the state of science, between a level typical of nomadic peoples and a level of the sort temporarily attained in prosperous parts of the Muslim world). His concern was the explanation of "civilization and social organization", and not prescription in keeping with ethical requirements.⁶⁵ He apparently assumed that Greek politico-economic and other abstract models had little applicability or explanatory power respecting social reality, and this assumption probably was strengthened by his hostility to the scepticism manifested by philosophers (especially al-Fārābī and Avicenna) and to their conceptions of "happiness" (III, pp. 246–58). He apparently feared that a too abstract approach to political and economic questions might, by generating excessive speculation, blind the inquirer to relevant circumstances.⁶⁶ Presumably what was required

⁶⁴ He advises the student not to study "logic" until after he has become "saturated with the religious law and has studied the interpretation of the Qur'an and jurisprudence". (III, pp. 250–58). He condemns astrology because it would disclose God's "secrets" (III, p. 264) and alchemy because it would undertake to accelerate natural processes and foil God's plans (III, pp. 275–79). The alchemist, were he successful in cheapening gold and silver, would undermine God's intention that "gold and silver, being rare, should be the standard of value by which the profits and capital accumulation of human beings are measured" (III, p. 277). Proponents of alchemy were likely to be philosophers (such as al-Fārābī) who could not make a living, or "students" bent on fleecing seekers after easy wealth (III, pp. 270, 280).

⁶⁵ I, pp. 77–78, 343 ff.; II, pp. 426–27. See also below; also Mahdi, *op cit.*, pp. 82–84, 156–59, 166–72, 228–32, 289–91. See note 68 on several earlier writers who manifested a socio-psychological approach in explaining human behavior, though not Ibn Khaldūn's great knowledge of nomadic life and culture. See also Rosenthal's Introduction to his translation, I, pp. lxxiii–vi, on the possible influence of Avicenna and others on his thought.

⁶⁶ Scholars abstract ideas "from the *sensibilia* and conceive (them) in their minds as general universals, so that they may be applicable to some matter in general but not to

was an empirico-historical approach which yielded generalizations based upon past experience. Such at least was Ibn Khaldūn's approach, though he did not include history in his list of sciences.⁶⁷

Ibn Khaldūn's main concern was to explain "social organization" or "civilization", together with its essential and its accidental characteristics and preconditions (I, pp. 77–79), a concern that was quite novel and that called for a science with an interdisciplinary approach which embraced knowledge of "politics"⁶⁸ and of various social activities, among them those economic in character. Only exhaustive inquiry could suffice; short presentations were misleading (I, pp. 10–14). History (in his opinion a "discipline" properly "accounted a branch of philosophy") was perhaps the instrument most essential to man's acquiring understanding of human civilization, given that the historian was suitably equipped and employed adequate methods. Such a historian needed to embody many qualities and aptitudes: capacity for speculation as well as for use of explanatory concepts (e.g. "group feeling"); extensive knowledge of man's past, of "the nature of things", and of sciences which enable the scholar to probe the information at his disposal, awareness of the significance of comparisons in space and time; and alertness to the falsity present in purported information and quantitative data (I, pp. 6–22, 55–58, 62–65, 71–73). Given Ibn Khaldūn's main concern and given his approach to its study, it was inevitable that economic matter, if not always economic analysis, would occupy a high place in his search for explanation and generalization, despite the importance he assigned otherworldly aims.⁶⁹

any particular matter, individual, race, nation, or group of people . . . Scholars are accustomed to dealing with matters of the mind and with thoughts. They do not know anything else. Politicians, on the other hand, must pay attention to the facts of the outside world and the conditions . . . When they look at politics, (scholars) press (their observations) into the mold of their views and their way of making deductions. Thus, they commit many errors . . . The average person restricts himself to considering every matter as it is . . . His judgment is not infected with analogy and generalization . . . Such a man, therefore, can be trusted when he reflects upon his political activities . . ." III, pp. 308–10.

⁶⁷ However, see next paragraph. On the role of history see Franz Rosenthal, *Muslim Historiography*, pp. 14–15, 29–40; Mahdi, *op cit.*, chap. 3. Ibn Khaldūn believed that human affairs might be subject to supernatural influence, but only occasionally and in so restricted a sense that the processes of history remained unaffected (I, pp. lxxii ff.).

⁶⁸ Politics per se, being prescriptive and non-explanatory, did not suffice. "Politics is concerned with the administration of home or city in accordance with ethical and philosophical requirements, for the purpose of directing the mass toward a behavior that will result in the preservation and permanence of the (human) species" (I, p. 78). Elsewhere he indicates "the common people" to be a "stupid mass" (II, p. 196), and rhetoric a means toward their control (I, p. 78; III, p. 368). Ibn Khaldūn could have gotten a notion of ordered change and complex social interdependence from al-Mas'ūdī, with some of whose work he was acquainted. See Grunebaum, *Medieval Islam*, pp. 284, 331, 339–40 n., 347 n. As-Sakkākī (d. 1229) also had noted the influence of milieu on thought. *Ibid.*, pp. 339–40 n., and "As-Sakkākī on Milieu and Thought", *Journal of the American Oriental Society*, LXV (1945), p. 62.

⁶⁹ "The purpose of human beings is not only their worldly welfare. The entire world is trifling and futile . . . The purpose (of human beings) is their religion, which leads them to happiness in the other world" (I, p. 386). "Political laws consider only worldly

It was also inevitable that he would be much interested in causation and causality (II, pp. 414–16; III, pp. 34–39), a matter often disregarded by Muslim historians and chroniclers.⁷⁰

The geographical and political factors taken into account by Ibn Khaldūn in his analysis of social organization were mainly those relevant to the Muslim West. In keeping with Greek geography (as taken over by the Muslims) and its emphasis upon the incidence of environment on man's behavior, he indicated that the middle (less extreme) regions of the earth (which included the Muslim world) were best suited to man's physique and to the development of civilization inasmuch as excessive heat or cold were unfavorable to the human body, temperament, and inclinations (I, pp. 167–76; also II, p. 235). He remarked, however, that the abundance of food characteristic of fertile areas might affect bodily and mental behavior adversely (I, pp. 177–83).

In his account of the role of government, in which he concentrated upon the Muslim apparatus of state and upon the social process underlying the rise and fall of dynasties and the resulting fluctuations in the functioning of the state (or dynasty and its agents), his empiricism led him to dismiss the utopian or model state (e.g., of al-Fārābī) as hypothetical and unreal (II, p. 138) and to recognize that the ideal egalitarian theocracy of Islam (represented supposedly in the first four caliphates) had tended to become a ruler-dominated state. Indeed, he treats the state and the dynasty ruling it (both denominated *dawlah*), as virtually co-terminous and hence subject to the same course of events (I, p. lxxx). At the same time, while he did not completely abstract the idea of "state", he seems to have inferred, as E. I. J. Rosenthal suggests, that the state "was an end in itself with a life of its own, governed by the law of causality, a natural and necessary institution" and the socio-political unit which "alone makes human civilization possible".⁷¹ He apparently took it for

interests . . . it is necessary, as required by religious law, to cause the mass to act in accordance with the religious laws in all their affairs touching both this world and the other world" (I, p. 387). Hence the importance of the caliphate which embodied religious authority (I, pp. 387 ff., 415 ff.).

⁷⁰ E.g., see E. Blochet's comments on this disregard in his introduction (p. 7) to *Introduction à l'histoire des Mongols*, by Fadel Allāh Rashīd Ed-Dīn, London, 1910; Rosenthal, *Muslim Historiography*, pp. 100–04. See Mahdi, *op. cit.*, pp. 232–84 and passim on Ibn Khaldūn's concern with causation.

⁷¹ E. I. J. Rosenthal, *Political Thought*, p. 84. "Islam knows no distinction between a spiritual and a temporal realm, between religious and secular activities. Both realms form a unity under the all-embracing authority of the *Sharī'a*", or prophetically revealed law of Islam based on the Koran, the Sunna (or exemplary life of Mohammed), and Hadith (or authentic traditions). See *ibid.*, pp. 2, 8; also, on egalitarian theocracy, Louis Gardet, *La cité musulmane*, pp. 31–68. In reality, however, as Ibn Khaldūn observed, the caliphate, or "earthly political form" of this theocracy, becomes transformed into "the mulk or power-state" when, as often happens, the "authority of the *Sharī'a* is impaired". See Rosenthal, *Political Thought*, pp. 117, 84–86, 92, 94–97. On types of authority in the *Muqaddimah* see I, pp. 380–82, also 414–28. On types of state see II, pp. 137–39, where after distinguishing between the rational state and the state based on divine law, together with the utopian state, Ibn Khaldūn further distinguishes be-

granted that, in the absence of ethical or religious norms to which both ruler and ruled voluntarily conformed, governmental decisions would be unjust and at variance with the worldly aspirations of the ruled (I, pp. 385–88; II, p. 285). In his discussion of caliphal functions and offices he noted that some were associated with authority in general, among these the mint and the ministries in charge of tax collection and expenditures, so important because money and the soldiers therewith hired (along with “the pen”, or ministry of correspondence) constituted the three “pillars” of royal authority (I, pp. 80–82; II, pp. 4, 22–29, 46–48);⁷² but he treated the “office of market supervisor”, charged with prevention of fraud, as a “religious position”, perhaps because of its disciplinary role (I, pp. 462–63, also p. 260–61). His counsel to rulers, while usually realistic, sometimes reflected the “Mirrors for Princes” literature (II, pp. 140–56).⁷³ Thus he urged rulers to appoint able officials (II, pp. 3 ff.) and to avoid “injustice, the ruin of civilization” (II, pp. 103–111); and he cautioned them against both excessive cleverness and excessive severity, remarking that tyranny destroys nations (I, pp. 382–85).

Ibn Khaldūn, while very conscious (as were many Muslim authors) of the propensity to change in human affairs, together with the uncertainty resulting, did not envisage this change as assuming the form of continually cumulating progress, nor did he anticipate a theory of organic evolution even though he several times expressed himself in terms of what appears to be the “chain of being” (I, pp. 194–95; II, p. 422–23), a conception conducive to evolutionary theory.⁷⁴ He looked upon man’s intellectual powers as constant, though his

tween the welfare-orientated rational state of the Persian philosophers and the rational state in which the ruler is interested (as “all rulers” are) in maintaining his rule “through the forceful use of power”.

⁷² On the functions and behavior of the secretary or bureaucrat see II, pp. 29–35. Ghazālī, of whose theological works Ibn Khaldūn approved (III, pp. 28–29, also p. 229), had divided the population of countries “into (i) farmers, husbandmen, and handicraftsmen, (ii) men of the sword, and (iii) those who take money from the first grade in order to distribute among the second, whom he calls the Men of the Pen.” See Sherwani, *op. cit.*, p. 160. Ghazālī endorsed the opinion of the sages that “religion depends on kingship, kingship on the army, the army on wealth, wealth on material prosperity and material prosperity on justice.” See A. K. S. Lambton, “The Theory of Kingship in the *Nasīhat Ul-Mulūk* of Ghazālī”, *Islamic Quarterly*, I, 1954, p. 54.

⁷³ See F. Rosenthal’s comments, I, p. lxxxv. Ibn Khaldūn also mentions the eleventh-century Al-Māwardī’s *Ordinances of Government*, translated by E. Fagnan as *Les statuts gouvernementaux*, Algiers, 1915; but this author is concerned with political and religious issues in their ethical aspects rather than with economic issues other than taxation, public expenditure, and the prevention of fraud. See E. I. J. Rosenthal, *op. cit.*, pp. 27–37, 235–38; Grunebaum, *Islam*, chap. 7, and *Medieval Islam*, pp. 156–66; Sherwani, *op. cit.*, pp. 107–22.

⁷⁴ Ibn Khaldūn is not referred to in A.O. Lovejoy’s classic *The Great Chain of Being*, Cambridge, 1936. It has been incorrectly inferred that both Ibn Khaldūn and Al-Bērūnī (whose work could have been known to Ibn Khaldūn) anticipated Darwin. Al-Bērūnī (973–1048) sometimes expressed himself in quasi-Darwinian terms. Thus he observed (see *India*, chap. 47) that since “increase” due to “sowing” is “unlimited, whilst the world is limited”, there is selection either by “the agriculturalist” or by “Nature”, and if “the

capacity for performance varied with the kinds of habits he acquired; there existed no ground for postulating man's continual retrogression just as there existed no warrant in man's experience for supposing that his cultural progress would not come to a halt and give way, at least for a time, to cultural retrogression. In sum, in the Muslim world he studied (mainly North Africa and Spain), civilization or culture had moved somewhat cyclically, fluctuating between nomadism and sedentary civilization.⁷⁵ This more or less cyclical movement reflected an essentially universal quality of culture, Ibn Khaldūn's exposition and analysis suggest, even though his concrete account is bound in time and space to a portion of the Muslim world. It is by no means clear, however, how nearly he succeeded in distilling the universal attributes of cultural fluctuation from the concrete attributes and manifestations he encountered in the history of Spain and North Africa and the adjacent world. One may infer a universal model or set of processes from his analysis, but one may not suppose that Ibn Khaldūn apprehended or intended so universal a model, given the concrete character of his account.⁷⁶

III. *Politico-Economic Fluctuation*

Inasmuch as many of Ibn Khaldūn's economic findings seem to flow from his efforts to account for the politico-economic cycles he discovered in the history of Islam and the Middle East, I shall outline his cycle theory first and then inquire more specifically into these findings in Section IV. His theory, which is political and sociological as well as economic in nature, is rather loosely

earth is ruined, or is near to be ruined, by having too many inhabitants, its ruler . . . sends it a messenger for the purpose of reducing the too great number"; or at least he so interpreted Indian thought. As J. C. Wilcynski shows, however, al-Bērūnī did not appreciate the significance of his observations or attempt to weld them into a coherent theory. See "On the Presumed Darwinism of Alberuni Eight Hundred Years before Darwin", *Isis*, L (1959), pp. 459-66. See also K. G. Bösch, "Ibn Khaldūn on Evolution", *Islamic Review*, XXXVIII (5, 1950), pp. 26 ff.

⁷⁵ I, pp. lxxxiii-lxxxv; II, pp. 424-33; section IV of this essay. Muslim historians probably attached as much importance to experimentation as did Muslim scientists who did not (as did medieval European scientists) assign increasing significance thereto; they occasionally stressed the importance of eyewitnesses. It was assumed that Muslim scholars, in or near their late teens, would have mastered as much knowledge as they would ever acquire; so there was "not much room for the concept of individual development in Muslim civilization". F. Rosenthal mentions several scholars who believed that knowledge would continue to cumulate, but he indicates that "change rather than development was supposed to govern the relationship of successive generations". Similarly, Muslim theories about the interdependence of civilizations merely implied the existence "of a certain element of change, which may mean improvement, or deterioration"; while those about the origins of science "also did not favor the assumption of progressive development". See F. Rosenthal, *The Technique and Approach of Muslim Scholarship*, pp. 65-69, 74.

⁷⁶ See however Mahdi, *op. cit.*, chaps. 4-5.

stated, in part because it was inferred from what had supposedly taken place in the five or six centuries preceding his time.

Ibn Khaldūn's cycle theory runs in politico-economic terms. In skeletal form it proceeds as follows. A new dynasty comes into being and as it acquires strength, it extends the area within which order prevails and urban settlement and civilization can flourish. Crafts increase in number and there is greater division of labor, in part because aggregate income rises, swelled by increase in population and in output per worker, and provides an expanding market, a very important segment of which is that supported by governmental expenditure. Growth is not halted either by a dearth of effort or by a shortage of demand; for tastes change and demand rises as income grows, with the result that demand keeps pace with supply. Luxurious consumption and easy living serve, however, to soften both dynasty and population and to dissipate hardier qualities and virtues. Growth is halted by the inevitable weakening and collapse of the ruling dynasty, usually after three or four generations, a process that is accompanied by deterioration of economic conditions, decline of the economy in complexity, and the return of more primitive conditions.

It did not suffice for Ibn Khaldūn to postulate the emergence of a strong ruler; for a ruler always tended to emerge in virtue of the anarchic conditions which usually obtained when there was no ruler (I, pp. 284, 380–82; II, pp. 137, 300–01). It was necessary also to account for the emergence of a sufficiently strong dynasty, this being a necessary precondition (as the long essentially townless history of the Berbers suggested) to extensive urban settlement, the construction of large cities, and the evolution of civilization, or complex socio-economic organization and specialization (I, pp. 89, 280, 448–49; II, pp. 137–38, 235–44, 266–67). Such a dynasty could emerge only if those united by "group feeling" were sufficiently numerous and happened to pass under the leadership of a noble and very prestigious chieftain who could extend the sway of his group over other groups, convert his chieftainship into governmental or royal authority and the capability of ruling "by force" (I, pp. 137–38, 269–89), and seize control of territory under the rule of a now weakened dynasty (II, pp. 128–31, 298–99). Life under desert and other primitive conditions, though conducive to poverty, made for courage and strong group feeling and thus facilitated conquest and the extension of a group's sway (I, pp. 257–63, 282–89, 291–99), an extension that was also assisted at times by the liking of nomads, even though poor and equipped with salutary customs and simple tastes, for urban life and products (I, pp. 252–55; II, pp. 279–80, 291). Yet, when such royal authority came into being its period of ascendancy was limited; normally a royal family (incapable of retaining its virtues and prestige in a luxury-ridden, urban milieu) could last no more than three or four generations (i.e., 120 or more years; I, pp. 278–81, 343–46), though its authority might pass to some other potentially dynastic branch of the nation if group feeling remained sufficiently strong (I, pp. 296–99), or to

a successor dynasty made up of former clients of its predecessor (I, pp. 285–86). Urban sedentary civilization (though initially subject to contraction of various sorts; I, pp. 328–32; II, pp. 124–26, 270–71, 297–301) was not necessarily doomed to replacement by a more primitive and even nomadic culture (as often accompanied Arab conquest of civilized lands; I, pp. 302–08). A declining culture was subject to revival; for “sedentary culture was always transferred from the preceding dynasty to the later one” (I, p. 351) which might re-invigorate it. The state of such a culture at the time of transfer depended, of course, on how powerful the retiring dynasty had been and on how long and how firmly sedentary a culture had been experienced and established (II, pp. 238–42, 279–80, 286–91).

The life-span of a dynasty, or state, is typically subdivisible into four or five stages. The first generation retains the simple tastes and tough desert qualities that elevated it, its members are animated by group feeling (sometimes re-enforced by religious belief; I, pp. 318–27), property and person are assured security, and taxes are not oppressive. The second generation, morally inferior to the first though superior to those that follow, experiences a weakening of the qualities associated with desert life as well as of its group feeling; power becomes concentrated in the hands of the royal family; the mode of living becomes much more luxurious and enervating, and there is some increase in royal expenditure; and the ruler becomes separated from both his relatives and the population at large, though in lesser measure than in the two following generations. With the advent of the third generation the qualities acquired through desert life disappear as does group feeling, and the ruler, his authority now complete, spends heavily upon construction and upon his retainers and soldiers, with the result that the burden of luxurious expenditure and taxation increases even though tranquility and contentment prevail. Under the fourth generation and in the fifth or final stage of the seemingly recurring cycle of socio-economic change, heavy expenditure, much of it in the form of “waste and squandering”, continues, fed out of treasure cumulated in the past and out of such revenue or income as can be got out of an already over-taxed population, until finally shrinkage of revenue consequent upon shrinkage of the capacity of an overburdened economy to produce revenue results in shrinkage of the ruler’s soldiery and hence in the dissipation of his ability to remain in power.⁷⁷

With this sequence of generations, Ibn Khaldūn found associated a complex

⁷⁷ On the four generations see I, pp. 278–80, 285, 313–22, 342–46, 372–74; II, pp. 118–23, 284, 297–301; and on the five stages, I, pp. 353–55. See also I, pp. 356–81 on inter-dynasty differences in wealth, revenue, and expenditure, on how wealthy a few dynasties were, on the ruler’s loss of support among his own people and his increasing resort to hirelings and clients who gradually win control over him and thus prepare the dynasty’s demise. On the nature and the exploitative character of the Muslim revenue system at the time when the simpler Umayyads gave way to the luxurious Abbasids, see Levy, *op. cit.*, pp. 299–328; also Donaldson, *op. cit.*, chaps. 1–2, on the simpler tastes and values initially regnant in the Arab world.

of economic changes initially favorable but eventually more and more inimical to economic development and expansion. In his account he implies the operation of secondary or multiplier effects and of limitations to expansion imposed by dearth of manpower, but this implication is never made explicit or given even quasi-theoretical form. Order and urban settlement and the construction of urban overhead capital and public edifices came in the wake of ascending dynasties (particularly when these represented or had access to high civilization) and progressed until the ruling dynasty began to decline (II, pp. 235–71, 299–301). Civilization flourished under the aegis of a new dynasty, above all in the dynasty's capital city, especially when sedentary culture had already long been present in a country and enabled crafts to multiply and division of labor to extend (II, pp. 286–301, 349–52). Initially taxes would be low, in keeping with Islamic law, with the result that enterprises would increase in number and size and thus permit tax base, tax revenue, and governmental surplus to grow. In time, however, royal expenditure increased, with the result that private expenditure, especially upon non-necessities, also increased and intensified the money cost of manpower and other objects of royal expenditure. It then became necessary for the government, if it would continue expenditure at a high and rising rate, to increase assessments and tax rates and to levy more and higher customs duties. Presently taxation began to eat so heavily into business profit that business enterprise was discouraged, finally diminishing in amount with the result that tax revenue declined. This adverse effect was intensified when the now frustrated government, still bent upon continuing an insupportable rate of expenditure, not only increased taxes and tax rates (or permitted tax collectors to do so) but also engaged in commercial enterprise and undertook to buy monopsonistically and sell monopolistically, with the result that business activity was discouraged and tax revenue shrunk further. In these circumstances the dynasty was prompted to expropriate its remaining wealthy subjects as well as to have recourse to forced labor. Not enough money could or would be forthcoming, however, and the dynasty, its money foundation undermined, would presently find itself unable any longer to support its soldiery (i.e., its military foundation) to their satisfaction, and its disintegration, already under way, would be accelerated, especially if famine and pestilence occurred as a result of oppressive rule.⁷⁸ This disintegration process was intensified also as decline in governmental revenue entailed decline in government purchases and hence in the profitability of enterprises dependent upon governmental purchases (II, pp. 102–03). It was intensified also by the growing insecurity of private property and the resulting disinclination of cultivators and urban enterprisers (II, pp. 103–111) to extend their holdings and augment their productive

⁷⁸ The five sentences preceding are based upon II, pp. 89–102, 108–11, 117–28. On famine and pestilence, see II, pp. 135–37. It is after the second generation that decay sets in (II, pp. 97–98, 135; I, p. 346).

activities. Interruption and reversal of the degenerative process described could now be realized only through the replacement of the regnant senile dynasty by a new one (II, pp. 117–18).

Ibn Khaldūn's cyclical interpretation of history thus allowed only limited economic progress. It was possible for populations to rise far above the primitive mode of economic life characteristic of nomadic peoples, and sedentary culture could become sufficiently imbedded in countries to prevent its complete destruction in periods of decline except under most unusual conditions. In such event, when periodic decline set in, particular centers would decay, only in time to give place to others which might flourish. There was thus a bottom below which retrogressive forces seldom carried a nation's economy. But there was also a ceiling. This was set by the eventual proclivity of dynasties to waste the substance of the underlying population and dissipate their economic strength, with the result that economic development was interrupted in the neighborhood of this ceiling if not earlier and made to give place to economic retrogression. Economic activity thus fluctuated within a fairly fixed range rather than about a rising trend.⁷⁹

IV. *Economics Proper*

Ibn Khaldūn's essentially economic observations, though they relate largely to "various aspects of making a living", are not entirely separable from his discussion of such matters as rural-urban differences, the sociological basis of group power, and the process of detribalisation. As has been noted, he contrasts the "desert-life" (or Bedouin mode) and similar backwoods environments with "sedentary" urban environments where most craft and other economic activities are carried on and where social organization for co-operation (though it usually embraces considerable agricultural activity) is far more complex than among nomads and other non-urban peoples. Urban settlements are the products of dynasties who employ both reward and force to bring them into being, inasmuch as urban settlement is a most effective source of defence and a means to far greater tranquility, relaxation, and co-operation than human beings ordinarily seek or can achieve outside cities (II, pp. 235–38) The size of such settlements depends principally upon the strength and duration of a dynasty (and its continuation, if any) in power

⁷⁹ One might reduce Ibn Khaldūn's argument to terms of a model reminiscent of J. R. Hicks's, but without a rising floor and ceiling. See his *A Contribution to the Theory of the Trade Cycle* (Oxford, 1950), pp. 96–98. Studies of price movements suggest greater price stability than Ibn Khaldūn's cyclical theory might call for. See Ashtor, "Le coût de la vie", *loc. cit.*; "L'évolution des prix dans le proche-orient à la basse époque", *Journal of the Economic and Social History of the Orient*, IV (1961), pp. 15–46; "Matériaux pour l'histoire des prix dans l'Égypte médiévale", *ibid.*, VI, 1963, pp. 158–89.

and secondarily upon whether its work is carried on by a successor dynasty; for city construction entails great investment, the use of powerful machinery, and careful location and planning for purposes of defense, provisioning, health, etc. (II, pp. 238–49). A dynasty could not effectively undertake such urban construction until it was able to dispense with that “group feeling” (*‘asabīyah*), or likemindedness and consciousness of kind and of belonging to a group (originally related by blood), which was essential to a tribe’s survival in the desert (I, pp. 261–83), and which tended to give rise to powerful leaders and “royal authority” (I, pp. 284–89, 295–300) and eventually to dynastic power and sometimes even to dynasties so well established that their power rested largely or entirely on bases other than mere group feeling (I, pp. 313–19).⁸⁰ These bases were principally soldiers and money wherewith to support a military and power structure (I, pp. 80–81; II, pp. 23, 118–19); but he cited with approval a Persian ruler’s observation that the availability of money depended upon the volume of economic activity which depended in turn on how justly a ruler governed (I, pp. 80–81). Elsewhere he noted that governmental injustice was common (II, pp. 285, 330).

Ibn Khaldūn may be said to be explaining how tribalism and tribal values (especially those encountered among the “Bedouins”) could and did sometimes generate a non-tribal “state” in which co-operative mechanisms (including, as will be indicated, division of labor under the guidance of the market) based upon other than tribal ties might function. Such complicated mechanisms were not adapted to tribe-ridden peoples (I, pp. 332–36), or to life in the desert and the values to which it gave rise (I, pp. 261–65); this suggestion Ibn Khaldūn seems to substantiate in his remarks about the “Bedouins” (I, pp. 332–36) and in his many comments upon the destructive proclivities of the Arabs and upon their lack of interest in urban settlements and unfamiliarity with crafts, etc. (I, pp. 265–66, 302–10; II, pp. 226–70, 353–54). Yet, it was these mechanisms that made urban civilization superior to desert civilization and, as a rule, enabled urban populations to dominate desert tribes and groups (I, pp. 308–10). The process of detribalization and of the regalization of rulership would be hastened by the advent of effective spokesmen for a universal religion as had happened in the early years of Islam (I, pp. 305–06, 319–37, 414–28).

His discussion of economic behavior thus flows from his concern with “civilization” (*‘umrān*), or culture, denoting human social organization (I, pp. 79 ff.), fluctuations in which gave rise to his cyclical theory based upon his observation of the variation of “civilization” with dynasty as dynasties neces-

⁸⁰ The nature of the concept of “group feeling” is discussed by Helmut Ritter, in “Irrational Solidarity Groups: A Socio-Psychological Study in Connection with Ibn Khaldūn”, *Oriens*, I (1948), pp. 1–44. This finding may be compared with F. H. Giddings’ “like-mindedness” and “consciousness of kind”, in his *Elements of Sociology* (New York, 1898), chap. 12.

sarily rose and fell.⁸¹ Men, being political animals, formed organizations, not because they were driven thereto by instinct but because they recognized reciprocal need. Whether they lived in deserts or in cities they must, if they would effectively satisfy their needs (especially for food and defense), enter into social organizations; for man's capacity as a producer and performer was vastly greater when he functioned within a system of specialization and co-operation than when he carried on largely in isolation from his fellows (I, pp. 89 ff.; II, pp. 301, 417–19). Underlying man's social organization was his "ability to think" (an ability that varied with the individual) and consequently to take steps essential to the formation and the subsequent improvement of useful associations (II, pp. 411–19). The extent to which "civilization" developed varied in space and time (II, p. 369), being dependent in part upon how favorable or unfavorable the physical environment was (I, pp. 104–09, 119, 167–76; II, pp. 431–32), upon the size of the population (II, pp. 270–74, 351–52, 434; III, pp. 149), upon the phase in which a culturally fluctuating 'state' or dynasty found itself, upon the favorableness of economic conditions (e.g., whether or not taxation was excessive, whether government was interfering unduly with private enterprise or otherwise behaving unjustly),⁸² and so on. Perhaps the most important of the forms of co-operation or organization into which men entered was division of labor (by craft or profession rather than by task) which greatly increased output per worker⁸³ (I, pp. 89–91; II, pp. 271–74), elevated a community's capacity

⁸¹ "Dynasty and royal authority have the same relationship to civilization as form has to matter. (The form) is the shape that preserves the existence of (matter) through the (particular) kind (of phenomenon) it represents. One cannot imagine a dynasty without civilization, while a civilization without dynasty and royal authority is impossible, because human beings must by nature co-operate, and that calls for a restraining influence. Political leadership, based either on religious or royal authority, is obligatory as (such a restraining influence). This is what is meant by dynasty . . . The disintegration of one of them must influence the other" (II, pp. 300–01).

⁸² II, pp. 89 ff., 95, 103, 135, 146. Ibn Khaldūn emphasized the depressive influence of the Black Death which carried away both his parents as well as many of his associates (I, xl). This "destructive plague" greatly decreased "civilization" by devastating nations and populations and laying waste to cities, buildings, roads, etc. (I, p. 64). He does not indicate when recovery set in or whether, as Karl F. Helleiner supposes, the resulting demoralization checked economic development for many decades (see "Population Movement and Agrarian Depression in the Later Middle Ages", *Canadian Journal of Economics and Political Science*, Vol. 15 (1949), pp. 368–77). Elsewhere (II, pp. 136–37), however, he indicates that in the later and declining years of dynasties pestilences are more frequent, being sequels to famines, unrest, and "corruption" of the air consequent upon excessive concentration of the population in cities. Presumably North Africa had not recovered from destruction brought by nomadic invasions after the mid-eleventh century.

⁸³ How specialization and co-operation increased output per worker is not analyzed as it was later, for example, by Adam Smith and his successors. Presumably specialization made for proficiency, co-operation made possible undertakings beyond the power of an individual, and skill and knowledge accumulated where men were congregating and co-operating. E.g., see I, pp. 89–91; II, pp. 271–74, 418–19; also II, pp. 238–39, 241 on the use of power-multiplying machines when the extent of co-operation and (pre-

to produce above that required to supply elemental wants, and gave rise to exchange and commerce in which producers and merchants engaged (II, pp. 271–74, 316, 336–41), with the kind and the quantity of what was produced dependent upon the extent of demand and the realizable profit (II, pp. 301–02, 351–52, 367).⁸⁴ He did not suppose, however, that a price system alone might adequately organize a community's economy; for man lived in a Hobbesian world prone to strife and variation in level of civilization and always in need of strong governmental restraints (I, pp. 79, 84, 91–92, 284, 381; II, pp. 137–38, 300).

While it would be an exaggeration to say that Ibn Khaldūn was wholly aware of the price system as such and the composite role it did or might play, it is evident, as just indicated, that he was aware of the importance of prices and their bearing upon profit, the prospect of which was essential to the evocation of supply. He remarked also that the role played by prices was greater in capital or large cities than in outlying towns or in villages and thinly populated areas where civilization and hence the "quality and the number of crafts", together with science and other concomitants of advanced social organization, were not well developed (II, pp. 434–35, also 300–302, 347–52). Moreover, the supply and demand conditions prevailing in cities gave rise to urban price structures; the prices of necessities (e.g., foodstuffs) were low in large cities, there held down by the presence of large reserves, and high in small cities where reserves were small; in contrast, the prices of "conveniences or luxuries" were low in small cities whose inhabitants demanded little but high in large cities where demand was great in relation to supply, fed by the willingness of prosperous people to "pay exorbitant prices" (II, pp. 276–78). The services of crafts and labor were priced high in large cities since there demand was great in relation to supply which was kept down in part by the strong preference many workers, craftsmen, and professional people had for leisure (II, pp. 277–78). Costs were reflected in both urban and non-urban prices; duties and taxes incident only on goods sold in cities made urban prices higher than rural prices while increases in "the cost of agricultural labor" (due to the shift of cultivation to less fertile soil) gave rise to higher food prices everywhere (II, pp. 278–79).⁸⁵

sumably) demand for such service were great enough. Craft specialization too gave rise to cumulating skill and sometimes also to skill- or knowledge-favoring spill-over effects. Acquisition of craft skills and of the habits underlying them made for "increase in intelligence" and apparently for behavior in conformity with more exacting "scientific norms" (II, pp. 406–07).

⁸⁴ Size of population appears to play a double role in the generation of prosperity. On the supply side it makes possible greater volume of output and, because of the effects of co-operation, greater output per worker; and on the demand side, it gives rise to a larger aggregate demand, in the absence of which there would be less or none at all of some goods and services produced. "Income and expenditure balance each other in every city" (II, p. 275). See II, pp. 272–74, 351–52, 434–35; III, pp. 149–50.

⁸⁵ Ibn Khaldūn is referring to the effect of the loss by Muslims of their better land to

Having outlined the significance of urban as distinguished from non-urban media for the conduct of economic activities, attention may be directed to his discussion of particular topics. At least six of these are of interest.

(1) *Population Growth*. Both natural increase and migration are touched upon. While Allah wanted the world settled "with human beings", they could not multiply outside "civilization", increase in number being almost commensurate with the growth and spread of civilization (I, pp. 91-92) and increase in the labor force being commensurate with increase in population (II, pp. 272-73). Numbers tended to grow where food was abundant and life was comfortable, though rich diets were less favorable than frugal diets to bodily and mental health (I, pp. 177-83; II, pp. 274-76). Similarly, "luxury" and "prosperity" were initially favorable to population growth, stimulating both natural increase and immigration (I, pp. 351-53; II, pp. 280-81), though in time a luxurious mode of life tended to be unfavorable, if only because it rendered a people meek, docile, and militarily weak (I, pp. 286-89, 297) and fostered homosexuality which was unfavorable to fertility and adultery which was conducive to child mortality (II, pp. 295-96). Within limits population growth was self-generating, numbers augmenting a people's strength and strength favoring increase in numbers, if, as was typically the case, there was more accessible territory than population to exploit it (I, pp. 327-32). Cities tended to draw population from rural areas, the prospect of higher incomes tending to attract migrants, though Bedouins often were unable to make a living in cities (I, pp. 252-53; II, pp. 235-37, 270, 274-75, 279-80). Mortality was higher in towns than elsewhere, sedentary life, urban crowding, and the richness of diets being relatively unfavorable to health (II, pp. 136-37, 244-45, 361-62, 376-77), though city planning could improve the physical environment (II, pp. 245 ff.). The destructiveness of famine and pestilence is noted (I, pp. 64-65; II, pp. 136-37), Variation in life span and life expectancy was not anticipated (I, pp. 343-44), and man's powers were said to be at their peak when he was forty (II, pp. 291-92). No reference to population forecasting appears in Ibn Khaldūn's comment on astrological and other forecasts (II, pp. 200-223). He did, however, associate population increase (decrease) with economic progress (retrogression) and assume that population growth (decline) made for the growth (decline) of "civilization" (II, pp. 104, 272 ff., 280-83, 290, 299, 314). "Civilization", as indicated earlier, fluctuated with the rise and fall of dynasties, dynasty being related to "civilization" as form to matter (II, pp. 104, 291, 300-01); and this fluctuation affected even population distribution in that a new dynasty usually transferred the population of the former capital city to a new one (II, pp. 299-301).

Spanish Christians; he does not distinguish between average and marginal cost, but refers instead to the greater labor and fertilizer inputs required on poor than on good soils (II, pp. 278-79).

(2) *Supply, Demand, and Price.* The dependence of price and hence of gross profit upon conditions of supply and demand, each of which is implicitly conceived in a quasi-schedule sense, is explicitly recognized as is parallel dependence of wages though the rationing function of pricing is neglected.⁸⁶ Merchants could sell at profitable prices, given their costs, only if demand were great enough; and they would most likely be able so to sell if they handled goods desired by many rather than by only a few (since then, his statement implies, demand would be both more elastic and less likely to shift downward),⁸⁷ and if supply were inelastic at least in the short run (as was true of imports from relatively inaccessible foreign lands but not of domestic products whose supply might be increased rapidly if prices warranted) and hence goods were scarce (II, pp. 336–38). He implied, further, however, that the demand of the rich for luxury goods, even those in “short supply”, was quite inelastic (II, p. 277) and that the elasticity of the monetary demand for goods in general was associated positively with their variety (II, p. 339). Inasmuch as supply-demand relations varied in time, merchants could hold goods until prices had improved (II, pp. 336–37), but (for reasons that are not entirely clear) Ibn Khaldūn supposed that considerable risk attached to storage (II, pp. 339–40, 341) and that the presence of reserves kept urban food prices down (II, pp. 276–77). He indicated that wages as well as returns to craftsmen depended upon demand-supply relations, with supply conditioned at any time by the desire of workers for leisure, together with the extent to which they felt able to afford it (II, pp. 277–78); indeed, whether any particular craft service would be supplied turned on whether the dynasty or the public demanded it at a price suppliers deemed sufficient (II, pp. 292, 311–12, 351–52). These prices, as noted, were higher, as a rule, in cities with sedentary culture (II, pp. 276–79, 292–94) than elsewhere.

He had less to say of costs and supply than of demand, though he indicated that supply would be forthcoming only if the price offered covered costs and was superior to alternatives open to the seller (II, pp. 276–78). Increases in costs (e.g., in wages, customs duties, taxes “on profits”, etc.) are reflected in prices; thus whatever increases the cost of supplying foodstuffs enters “into the price of foodstuffs”, and whatever swells the expenses of merchants enters into “the sales price” (II, pp. 278–79, 292–93, 314). Similarly, what increases the money cost of the worker’s or the merchant’s standard of life is or may be reflected in his supply price (II, pp. 278–79, 293, 314). Ibn Khaldūn’s statements suggest, however, that it is usually demand rather than supply

⁸⁶ Ibn Khaldūn remarked that “whatever is obtained by one is denied to the other, unless he gives something in exchange (for it)” (II, p. 311).

⁸⁷ In a work supposedly written in the eighth or ninth century by Abū al-Faḍl, the author advised merchants to invest in commodities for which there was a mass demand, not in expensive specialties, or items fancied by scholars. See Lopez, in Postan and Rich, *op. cit.*, p. 283. Whether this is the work cited above in note 49, I am not sure; it reflects Bryson’s influence.

that fixes the price of labor which, though it ought at least to furnish the "necessities of life", often fails to do so in villages and hamlets where demand for labor is negligible (II, pp. 273-74, 277, 334-35); and he attributes the lowness of the pay received by religious officials and teachers in part to the fact that "the common people have no compelling need" for their services (II, p. 334). He was not concerned about the measurement of cost or price in real or numeraire terms, taking it for granted that Allah had provided gold and silver (the only stable form of wealth) to serve this purpose and facilitate exchange (II, pp. 59, 313; III, p. 277); and he did not consider the possible response of natural increase to infra- or supra-subsistence wages. He noted the dependence of elasticity of supply in any place (apparently) upon its size (II, pp. 271-79, 286-91) and upon its transport connections (together with their security) with other places (II, pp. 247, 337-38, 342), but not upon the technological attributes of industries and crafts.

(3) *Profits and Their Role.* The availability of profit to private enterprise was essential to its conduct and growth and hence to general economic prosperity. By profit, however, Ibn Khaldūn meant the income an individual got "through his own effort and strength" and whence came his "sustenance" (or "necessities and needs") and "capital accumulation" when "profits" exceeded "needs". "Labor", Ibn Khaldūn remarked, compatibly with his apparent emphasis on demand as the source of value, was desired because of "the value realized from it" in the form of output which men wanted and for the supply of which labor was entirely responsible, or (as in husbandry, mining, and some crafts) predominantly responsible, in that all or most of the ingredients of the price of output consisted in "the share of labor" (II, pp. 311-14, also 278). In the absence of labor, however, nothing was of use or value, though for technological reasons as well as lack of demand; and only in the presence of great supplies of labor (e.g., in large cities where incomes were relatively high) were productive conditions especially favorable, presumably because of the benefits of division of labor and collaboration (II, pp. 271-73, 280-81, 314-15, 325). "Sustenance and profit" were obtainable in three "natural" ways: in agriculture, man's primary and earliest and most humble livelihood; in crafts, to be found "only among sedentary peoples"; and in commerce, which "contains an element of gambling" and which legally employs "cunning" and "tricky" methods to "obtain the (profit) margin between purchase prices and sales prices" — a margin that yielded a very "small" profit "in relation to the (invested) capital" (II, pp. 315-17, 335-36, 342).⁸⁸ Sustenance and profit were obtainable also in a number of unnatural

⁸⁸ Commerce did not, of course, embrace interest-taking, or usury, which had Koranic disapproval (II, p. 293); while it involved cunning and trickery, it did not involve "taking away the property of others without giving anything in return" and so it was legal (II, p. 317, also pp. 110, 343) though "honest (traders) are few" and the "judiciary is of little use" in the prevention of fraud, deceit, etc. (II, p. 342). Because of the risks involved in commerce and the need of the merchant to be aggressive, disputatious, quarrel-

ways. Among these he included searching for buried treasure; serving others, especially the ruler, for wages, an unmanly form of occupation in which virtually no one, *both* trustworthy and capable, would engage (II, pp. 317–19); and the collection of “protection” or blackmail, or of imposts and taxes “according to a generally recognized norm”, through the exercise of “political power (which) is not a natural way of making a living” (II, pp. 315–16, 327, also 19 ff.). Whatever the source of profit, if it is not forthcoming in adequate amount, activity or business slumps and the adversely affected craft or undertaking is contracted or abandoned. Ibn Khaldūn refers to the depressive influence of too low prices upon merchandising (II, pp. 340–41); to the destruction of private incentive occasioned by the ruler’s engaging in profit-seeking commercial activity, especially when he or his agents employ unfair or oppressive methods (II, pp. 93–96, 109–111); to the destruction of “all hopes” (of profit) and hence of all incentive to earn and save by the imposition of unduly heavy and inequitable taxes (II, pp. 90–93), or by the seizure of property (I, p. 305; II, pp. 99–101, 103–07, 109–111, 123–24, 285–86, 297); and to the contraction of what had been an extensive market (II, pp. 103, 291, 293–95, 302, 351–52).

(4) *Rank, Obsequiousness, and Profit*. Profit, or the value one realized from his labor, was affected by one’s rank and by one’s capacity for obsequiousness as well as by the demand for one’s labor.⁸⁹ Possession of “rank”, based on relation to or connection with the ruler, or on “group feeling that the ruler will respect”, is described as extremely useful in a pyramidal, hierarchical society of the sort Ibn Khaldūn saw about him (II, pp. 328–31). One who had accumulated property was constantly exposed to its seizure by amirs, etc. (as even Mohammed had anticipated) unless he had rank, or was protected by someone with rank (II, pp. 285–86). For affording such protection a person of rank would be rewarded. Indeed, rank permitted its possessor not only to share in the property income of others but also to extract surplus value out of all dependent upon him for protection against harm and for

some, cunning, etc., only persons with such qualities were suited to be merchants; but these qualities were “detrimental to and destructive of virtuousness and manliness” and affected the “soul” toward “evil”. Merchants were inferior in character, therefore, to “noblemen and rulers”; for only most rarely was a merchant a man of rank who could leave all “business manipulations” to his agents and servants (II, pp. 342–45). Undoubtedly Ibn Khaldūn’s experience as a judge as well as his strong disposition to look to his own interests (see I, pp. lxiii–iv) made him alert to the necessity the merchant was under to disguise his motives and behavior. E.g., see Levy, *op. cit.*, pp. 255–60, 340.

⁸⁹ “The value realized from one’s labor corresponds to the value of one’s labor and the value of (this labor) as compared to (the value of) other labor and the need of the people for it. The growth or decrease of one’s profit, in turn, depends on that” (II, p. 328, also p. 330). “Most” merchants, farmers, and craftsmen, however, if without rank, “make only a bare living, somehow fending off the distress of poverty” (II, p. 330). Even today connection with persons of rank is deemed highly useful in parts of the Islamic world (as well as in other parts), particularly when such a person can be put under obligation.

access to “advantages” (II, pp. 327–28).⁹⁰ Possession of rank was very desirable, therefore, and many a person was anxious to acquire it, by being “obsequious” and using “flattery, as powerful men and rulers require.” It followed that men with this disposition tended to displace proud and haughty persons without it; they tended to become wealthy, or to replace older and relatively arrogant members of the ruler’s entourage (II, pp. 329–34).⁹¹

(5) *Surplus, Luxury, and Capital Formation.* Both the development of crafts adapted to the supply of conveniences and luxuries and the formation of capital depended upon the emergence of a capacity to produce a surplus above a population’s elementary needs. Ibn Khaldūn does not, however, explain the distribution of this surplus between capital formation and the satisfaction of demands for conveniences and luxuries, except to note conditions unfavorable to capital formation; nor does he explicitly account for the emergence of this capacity to produce a surplus in the first place. As has been suggested, however, he seems to have reasoned that, with the establishment of political order and security, population could conglomerate in cities and enable co-operation and civilization to flourish and with such conglomeration there would emerge division and collaboration of labor, specialization, improvement in both the proficiency of the population and the pool of skills at its disposal, and development of markets commensurate with the growing supply of output (I, pp. 308–10, 347; II, pp. 235–38, 270–83, 291–92, 301, 325, 329, 347, 351, 434–35).

⁹⁰ “People help him with their labor in all his needs, whether these are necessities, conveniences, or luxuries. The value realized from all such labor becomes part of his profit. For tasks that usually require giving some compensation (to the persons who perform them), he always employs people without giving anything in return. He realizes a very high value from their labor. It is (the difference) between the value he realizes from the (free) labor (products) and the prices he must pay for things he needs. He thus makes a very great (profit). A person of rank receives much (free) labor which makes him rich in a very short time. With the passing of days, his fortune and wealth increase. It is in this sense that (the possession of) political power (*imārah*) is one of the ways of making a living” (II, p. 327). For this reason merchants with rank were in a very favorable situation (II, pp. 327, 344–45). “Many jurists and religious scholars and pious persons” who had acquired “a good reputation” also enjoyed the benefits of rank, since the masses believe “they serve God” by giving these people presents (II, p. 327). He looked upon the advantages attaching to rank as an undesirable by-product of a prerequisite (i.e., rank or hierarchy) to orderly co-operation, an accidental evil associated with a source of good, illustrative of a type of association that frequently existed (II, pp. 329–30).

⁹¹ “Obsequiousness and flattery are the reasons why a person may be able to obtain a rank that produces happiness and profit, and that most wealthy and happy people have the quality (of obsequiousness and use flattery). Thus, too, many people who are proud and supercilious have no use for rank. Their earnings, consequently, are restricted to (the results of) their own labors, and they are reduced to poverty and indigence” (II, p. 331). He suggests that some religious officials and teachers are poor in part because they answer to this description (II, pp. 334–35). “Obsequiousness and flattery toward the ruler, his entourage, and his family” finally win positions of rank for “many common people”, often at the expense of those previously in this entourage who had become arrogant there (II, pp. 333–34).

A surplus emerges with the progress of civilization and permits the consumption and importation of non-necessities, together with capital formation, population growth, and possibly a further enlargement of the surplus in consequence of population growth.

A great surplus of products remains after the necessities of the inhabitants have been satisfied. (This surplus) provides for a population far beyond the size and extent of the (actual one), and comes back to the people as profit that they can accumulate . . . Prosperity, thus, increases, and conditions become favorable. There is luxury and wealth. The tax revenues . . . increase on account of business prosperity (II, p. 281).⁹²

When the city is organized and the (available) labor increases and pays for the necessities and is more than enough (for the inhabitants), the surplus is spent on luxuries (II, p. 347).

Or a part of the surplus could be devoted to "capital accumulation" as might happen when an individual's "profits" exceeded his "needs" (II, pp. 283–84, 311–12, 340, 341). Ibn Khaldūn himself condemned the wasteful use of property rather than its accumulation (I, pp. 354, 420–21), though his frequent emphasis upon otherworldly objectives (I, pp. 386–88, 415) and the role of Allah's will led him to play down the importance of the amassing of wealth.

His interpretation of the use to which an emerging surplus is put seems to have run as follows. (a) Individuals formed and preserved capital only if, having earned or otherwise acquired means beyond their needs, they had incentive to maintain it (e.g., see I, pp. 80–81; II, pp. 105, 110), or to utilize it for the support of their dependent children (II, pp. 284–85), and their property as well as "the divine rights of (private capital)" (II, p. 336) were secure against seizure by the dynasty and local rulers (II, pp. 103–08, 109–11, 285–86, 343). (b) As luxurious expenditure of private individuals rose, under the impact of urban development and dynastic example, there finally was less available for investment. (c) As the tax burden rose in response to mounting dynastic expenditure upon luxury, etc., the after-tax incomes of private individuals permitted less and less saving and even this was likely to be absorbed by increasing luxury consumption on the part of these individuals. In time, after the dynasty sought to collect more taxes than the economy could support and thereby initiated economic contraction, there would be no incentive and little or no capacity to form capital.⁹³

⁹² "If the labor of the inhabitants of a town or city is distributed in accordance with the necessities and needs of those inhabitants, a minimum of that labor will suffice. The labor (available) is more than is needed. Consequently, it is spent to provide the conditions and customs of luxury and to satisfy the needs of the inhabitants of other cities. They import (the things they need) from (people who have a surplus) through exchange or purchase" (II, p. 272). Inasmuch as the activities associated with a town usually embraced considerable agricultural activity, this statement may be interpreted to imply a capacity on the part of agriculturalists to produce a surplus of foodstuffs for urban consumption (I, p. lxxvii; II, pp. 283–84).

⁹³ The processes referred to under (b) and (c) have already been discussed and are

Ibn Khaldūn implied that the withdrawal of money from circulation through taxation and the accumulation of treasure (which could be very extensive; I, pp. 360–71) could depress the economy and its capacity to generate a surplus, but he apparently supposed that, as a rule, revenue would be soon expended (e.g., II, pp. 283, 291) though possibly at points other than those where it was collected (II, pp. 283, 325). He cited with approval the counsel given in the early ninth century by Tāhir (a general) to his son (a newly appointed governor): “property, once it is gathered and stored in treasuries, does not bear fruit, but if it is invested in the welfare of the subjects and used for giving them what is due them and to prevent them from need, then it grows and thrives” (II, p. 146, also pp. 149–53). Keeping treasure in circulation was indicated, therefore (cf. I, pp. 146, 291).

(6) *Consumption Patterns; Expenditure.* Ibn Khaldūn did not expect the standard of life to lag behind the capacity of an economy to provide for it, nor did he anticipate a constrictive dearth of expenditure. It was true that custom, man’s “second nature” (II, p. 117), conditioned a people’s wants, especially their nutritive wants, and that custom changed slowly (I, p. 181; II, pp. 117–18, 347); yet customs did change, and as men accepted “the yoke of the city” they added “conveniences and luxuries” to their consumption requirements which originally had embraced only “necessities” (I, p. 252). Men imitated both those victorious over them and those in superior situations (I, pp. 298, 338, 348, 351); as they moved into new and wealthier environments, their expectations rose, they progressed from “the necessities of life and a life of austerity . . . to the luxuries and a life of comfort and beauty”, and their expectations rose further still (I, p. 338). He traced the expansion of wants and consumption through the stages of the dynasties (I, pp. 347, 353–55; II, pp. 297–98) and indicated that private expectations and the desire for luxuries increased in the wake of the increasing consumption of luxury products by the dynasty (I, pp. 340–42). Accordingly, while he implicitly acknowledged the possibility of a backward-sloping labor-supply curve (II, p. 277), he apparently supposed that increasing wants would increase the disposition of workers to exchange leisure and effort for conveniences and luxuries (e.g., see II, pp. 272–75). He took it for granted also that income and expenditure balanced, whether at high or low levels. “Income and expenditure balance each other in every city” (II, p. 275).

further discussed in (6) following. While taxes could be increased, there was a limit to such increase (II, pp. 297–98). “The amount of tax revenue, however, is a fixed one. It neither increases nor decreases. When it is increased by new customs duties, the amount to be collected as a result of the increase has fixed limits” (I, p. 340). Accordingly, if dynastic luxury is further increased, military expenditure must be decreased (I, p. 341; II, pp. 122–24).

CONCLUSION

This review of the economic ideas of Ibn Khaldūn does not yield clear-cut conclusions. Only a much more detailed inquiry into economic thought in the world of Islam might do so. Several inferences follow, however. First, even though a number of Muslim authors were familiar with the economic ideas of the Neopythagorean Bryson, one can hardly look upon the content of this set of household-administration precepts as representing the extent of Muslim knowledge of man's economic behavior. Ibn Khaldūn's knowledge of this category of behavior greatly transcended that present in the work of Bryson and his followers; it extended far beyond the household, embracing market, price, monetary, supply, and demand phenomena, and hinting at some of the macro-economic relations stressed by Lord Keynes. Second, one is compelled to infer from a comparison of Ibn Khaldūn's economic ideas with those set down in Muslim moral-philosophical literature that the knowledge of economic behavior in some circles was very great indeed, having been acquired through contact with cumulating experience, and that one must turn to the writings of those with access to this knowledge and experience if one would know the actual state of Muslim economic knowledge. Undoubtedly Ibn Khaldūn must have acquired much of his quite solid understanding of economic behavior through his legal and administrative experience and through his contact with the pool of unwritten administrative knowledge. Indeed, a comparison of his ideas with those of similarly situated writers in early Indian, Chinese, and European societies suggests that there did exist a very considerable pool of economic knowledge or wisdom, even though, for a variety of reasons, this did not get set down in an orderly fashion in manuals or treatises. After all, even the work of Adam Smith did not appear until long after an extensive body of information had come into being.⁹⁴ It is the organized presentation of economic analysis that was slow to appear, therefore, not the emergence in urban and interurban markets of a considerable apprehension of economic behavior which was acted upon even in proto-étatistic economies. It is knowledge of this sort that is reflected in Ibn Khaldūn's work rather than precepts oriented to household management.

Ibn Khaldūn did not differentiate the economy from other analytically specifiable components of the Islamic societal system within which the economy was embraced. His primary concern was not the economy or economic analysis as such, but the development, illustration, and application of a general science of culture that was intended to explain the behavior over time of interrelated economic and non-economic phenomena. In consequence his economic analysis is never prominent. The resulting cost is compensated, in part, however, at least in respect to the economy Ibn Khaldūn knew, by

⁹⁴ E.g., see my account of mercantilism in Bert F. Hoselitz, ed., *Theories of Economic Growth* (Glencoe, 1960), chap. 1 and appendix.

his implied stress upon the empirical interconnection of economic and non-economic phenomena, a connection that is especially important in simpler economies and in state-dominated economies. Despite this compensation, however, the cost may have been great, in that economic analysis was not carried forward and developed in the world of Islam after Ibn Khaldūn's death. Had his economic analysis not been so submerged in his more sociological analysis, it is possible that economic inquiry might have been carried forward effectively in the Muslim world, at least in the absence of oppressive governmental or ecclesiastical action.

Probably more responsible for what Toynbee calls the flash-in-the-pen impact of Ibn Khaldūn's work was the cut-and-dried character of Egyptian Arabic civilization and the inability of this civilization to render Islamic culture dynamic and fruitful within the framework of an Ottoman Empire that finally absorbed Egypt in 1517. Nor was Iran at this time very congenial to Arabic intellectual influences.⁹⁵ In the Ottoman state kingship was blended with the *Shari'a* which continued to express God's will and define right action, but the role of "group feeling" (*aṣabiyah*) had been diminished. In time, however, interest in Ibn Khaldūn's work revived. For the political structure of the Ottoman state, fragile to begin with, was losing strength already in the seventeenth century. Whence there began to develop interest in the causes of the decline of nations. This interest re-enforced that of Turkish scholars in the *Muqaddimah*, manifested already in the sixteenth century, and resulted in a Turkish translation in 1730, published in Cairo along with an Arabic edition in the 1850's when there was much interest in progress and reform.⁹⁶ This work was not adapted, however, to generating elan in a society that lacked it,⁹⁷ nor, for the matter, could the ideas of Adam Smith and Ricardo⁹⁸ unleash much economic drive.*

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⁹⁵ See Toynbee's account of events after Ibn Khaldūn's death in *op. cit.*, I, pp. 366-67, 379, 383-84, 387-88, 393-98.

⁹⁶ See F. Rosenthal's introduction to his translation, I, pp. lxvi-vii, cvii-viii; Albert Hourani, *Arabic Thought in the Liberal Age 1798-1939* (New York, 1962), pp. 41, 52, 71-72, 78-79, 88, 90, 152, 326, 328, 344.

⁹⁷ In the sixteenth and seventeenth centuries there was virtually no interest in European science, nor much manifestation of that desire to better one's condition by which classical economists set so much store. Indeed, a Turkish student in Paris in the late 1820's recorded as strange the fact that each Frenchman hoped to go further than his ancestors. *Ibid.*, pp. 41, 58, 77. See also A. Adnan (Adivar), *La science chez les Turcs Otomans*, Paris, 1939.

⁹⁸ Hourani, *op. cit.*, pp. 43-44, 105. More influential in Egypt were some of the followers of Saint-Simon, though his ideology never caught on. *Ibid.*, pp. 53, 76-77.

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