Ibn Taimiyah, the great Muslim thinker and reformer, born in Harran in 1263 and died at Damascus in 1328, created a revolutionary impact with his ideas and reformative endeavours not only in his own time but through the ages. Even during his life time, his ideas travelled far and wide - from Egypt to China and India where his writings were not unknown to Muhammad Tughlaq, the Sultan of Delhi.

Ibn Taimiyah had quite early witnessed the destruction of families and the disintegration of economic life. His own family had to migrate and suffer loss of property. He was no stranger to the chaos that resulted from the invasion of the Mongols. He had contacts with every class of society and had seen the agony of the poor who were being exploited by the ruling class. All this led him to turn his attention to the basic economic issues of the time. He was also inspired by the fact that Islam is concerned with economic problems and has vouchsafed certain fundamental guiding principles in this regard.

Ibn Taimiyah emphasized that every person must be ensured a minimum standard of living so that he could fulfill his duties towards the Almighty and his obligations towards his brethren. On the other hand, he stressed justice, pointing out the responsibilities of the individual, so that both the individual and the State could cooperate with each other in an equitable relationship.

The present thesis is divided into nine chapters. Chapters One and Two - the Age of Ibn Taimiyah; and Ibn Taimiyah the Man - are introductory, to provide a backdrop to a better understanding of Ibn Taimiyah's views. Economic ideas generally reflect the conditions of the society to which they relate and they are everywhere the expression of the conditions of the time in which they emerge.
The period in which Ibn Taimiyah lived - i.e. 13th and 14th centuries A.D. - was marked by great changes. First, the Mongols destroyed the centuries-old Abbasid Caliphate at Baghdad then Mamluks of Egypt turned the tide on the Mongols and having established a strong government put an end to the Crusades. These events intensified the cultural and economic exchange between the West and East. Cairo became the new centre of the Islamic world. Numerous contributions were made in this period in different branches of knowledge history, geography, language and grammar, philosophy and logic, religion and ethics, etc.

Ibn Taimiyah was a versatile man; he contributed to many branches of knowledge, economics being one of them. Moreover, his life was not solely academic. He was vigorously involved in political and economic affairs.

The Third Chapter discusses the concept of just price, market mechanism and price regulations. Just price can be considered one of the oldest doctrines in the history of Economics. In the Middle Ages, just price became the main theme of thinkers on economic problems. Ibn Taimiyah defined just price or price of the equivalent as "The rate at which people sell their goods and which is commonly accepted as the equivalent for it and for similar goods at that particular time and place." For him just price was the normal price established by the free play of market forces - demand and supply. He went beyond scholastic (Western) philosophers in advocating, in the absence of such price, the fixation of the just price. He took into consideration not only the subjective value of an object to the seller but also the subjective value of the object to the buyer.

With just price as the base he also discussed just compensation, just wages and just profit. The main objective of just price and other related ideas was to maintain justice in commutative dealings
and other relations among members of society. Also to provide guidelines for the authorities in order to protect people from exploitation.

Ibn Taimiyah had a clear notion of prices in a free market being determined by demand and supply. He analysed the effect of change in demand and supply on price, but he did not examine it the other way round, that is, the effect of high or low prices on quantity demanded and supplied. He also pointed out some factors that effect demand and consequently prices.

Ibn Taimiyah did not confine himself to the analysis of just price and market mechanism, he went ahead to prescribe a detailed policy of price control for the state. The subject of price control has been very controversial among Muslim thinkers. Ibn Taimiyah's stand is between two extremes - absolute prohibition and unconditional state regulation of prices. He does not favour price control when competitive market forces are allowed to work freely. He recommends price regulation in case of monopoly or imperfection in the market. The same principle will be applicable to labour and other services. The basic point in this connection is that, "If people's wants are satisfied and they are producing in a quantity which is sufficient for the public and they deal in their products at normal prices, no price regulations are needed. But if people's wants are not satisfied without resorting to fixation of just price then the prices will be regulated justly, without any excess or harm to any body."

The Fourth Chapter is concerned with property rights. Property or ownership right has been one of the basic problems of man. The diversity of economic systems can be traced back to the diversity of approaches to the right to property. Whether there should be absolute private ownership, or absolute state ownership or something in between as in a mixed economy, or some other type of ownership, these questions cannot be ignored by an economist.
According to the teaching of Islam, Allah is the real and absolute owner of the Universe and whatever is in it. He is the Nourisher and Master of man. Only He can bestow upon man any rights to ownership; He can impose limitations and restriction on man's ownership. Man's disposal over worldly goods is in the capacity of his being viceroy and trustee. Wealth is a means to life-ends. It should be instrumental in the effective discharge of man's responsibilities as the viceroy of Allah. Ibn Taimiyah elaborates and advocates these Islamic teachings.

We can distinguish three type of property in his writings, namely, private property, collective or social property and state property. According to him the right to property is not unrestricted and absolute, but it is limited and qualified. In this way, his theory is totally unlike that of the Romans. It is also completely different from the capitalistic views of property right. According to him, subject to certain social and moral constraints the individual is free to acquire property, but this right is with a view to fulfil certain duties. In other words, as soon as an individual goes against the Shariah his rights are subject to intervention by the state. Ibn Taimiyah accepts private property as a basic institution and it would be incorrect to think that the state is all supreme in this regard. Individual rights are inviolable as long as the individual is within the bounds set by the Shariah. In this way, Ibn Taimiyah's views on property are different from the socialist or communistic approach to ownership.

Again, contrary to the view of the Sufis, Ibn Taimiyah prefers wealth over poverty. He regards wealth to be a means to good moral life. There are many religious duties which cannot be performed without means. One's obligation to support himself and his dependents also requires worldly means; their acquisition is imperative.
The fifth Chapter highlights Ibn Taimiyah's reflections on interest and money. According to him "The practice of interest is prohibited by clear verses of the Qur'an and there is no difference of opinion among the followers of Islam on this question. Interest is forbidden because it is harmful to the needy and amounts to acquiring property by wrongful means. This reason is found in all usurious contracts. Moreover, he makes no distinction between loans for production purposes and loans for consumption purposes. This does not mean that he was unaware of it. Even before him, Muslim thinkers had written on these two type of loans. But they concluded that both possess the same exploitative nature.

There are two other types of interest calledRibā al faḍl and Ribā al nasīḥah - that is, exchange of commodity for the same commodity with inequality in matter of quantity or time of delivery. According to Ibn Taimiyah this kind of exchange is prohibited because it also leads to real interest. He is totally against any breach of prohibition of interest by any subterfuge. According to him abolition of interest and establishment of the system of Zakāh can contribute towards removal of poverty. The prohibition of interest, he argued, is meant to encourage fellow feeling and cooperation among human beings by interest free lending and profit and loss sharing enterprises.

His reflections on money are very brief. He points out the basic functions of money as medium of exchange and measure of value. He advises the government to issue coins with real value; and warns against the consequences of debasement of currency. He also mentioned the idea which in the West is attributed to Thomas Gresham (1857) and known as Gresham's law. The law simply states that bad money drives out good money. Ibn Taimiyah's description of the law is as follows - "If the (intrinsic) value of coins is different, the coins will become a source of profit for the wicked
people (who will) collect the bad coins and exchange them with coins of another country and shift the bad money of that country (to the other country). So (the value or) people's goods will be spoiled."

Ibn Taimiyah mentions only the flight of good money abroad, and says nothing about its disappearance due to hoarding or melting.

Soon after Ibn Taimiyah, Nicole Oresme (1320 – 1382) wrote a full treatise on money, and explained almost the same ideas in much more detail. This shows how similar ideas were developing in the West and East simultaneously.

The Sixth Chapter deals with Ibn Taimiyah's views on partnership and other forms of economic organization. He considers Divine guidance necessary even in economic matters because of its emphasis on values like honesty, justice, truth, sacrifice, cooperation, etc. and because it forbids jealousy, dishonesty, cut-throat competition etc.

Partnership (Mudārabah) had been the most common and prevalent form of enterprise throughout Islamic history. In this form one party provides the capital, the other party works with that capital and both share in the profit. In the Middle ages, both in Europe and the Islamic world, partnership was a preferred form of investment and one that was not tainted by usury. It was called commenda or societas maris in Europe, with some difference in the form of investment.

Ibn Taimiyah emphasizes justice in partnership. He advocates a share of both parties in profit as well as in loss, because he considers both capital and labour to be equal participants in the process of production. He regards profits as an increment gained from the use of one man's labour and the other man's capital. So it should be divided among them as any increment resulting from two factors.
He has also analysed partnership in land cultivation or share-cropping, and pointed out the bad effect of partnership or share-cropping when one party’s share is fixed and the other party’s share is not fixed. If such condition exists, there may be some cases when the capital owner or landlord can get full share of profits, while the working party gets nothing.

A significant bye-product of Ibn Taimiyah's discussion on share-cropping is a list of factors of production - capital, labour and land. He says, "The crop is the (joint) result of land, that consists of soil, water and air; labour's physical use, (i.e. labour and organization); and bullocks and machines (i.e. capital)."

He also discusses a certain kind of administrative granting of land (iqṭā'). There is some similarity between iqṭā' and the 'fief' system in Europe, but they are not the same. Ibn Taimiyah accepts iqṭā' system as a social necessity, as it was granted to army men in lieu of salary. If iqṭā' were abolished, payment to them would have become difficult in a period when monetary payment was not convenient.

One of the characteristics of Islamic economics is that it is governed by the concept of Ḥalāl and Ḥarām (legitimate and illegitimate). All those economic activities which violate the basic moral value are prohibited or considered undesirable while others are either considered desirable or permissible. According to Ibn Taimiyah, all businesses and contracts that contain elements of interest (Ribā) or gamble (Maisir) are against the spirit of justice and must be prohibited. Such dealings create jealousy, and enmity; moreover, they amount to taking one's property through wrongful means which is a kind of injustice.

Chapter Seven discusses the role of the state in economic life. Ibn Taimiyah regards the institution of government to be indispensable
To him authority is preferable to anarchy. Although he asks Muslims not to obey orders contrary to the commandments of Allah and forbids them from cooperating with an unjust ruler, "he does not advocate open rebellion nor does he encourage them to overthrow him. He charges the state with specific economic duties and recognizes for it wide powers for regulating the economy. According to him, the authority exercised by the state is not absolute. It is a trust from Allah and it is to be exercised in accordance with the terms laid down in the Shariah.

Describing the goals of the Islamic state he says, "The greatest goal of the state is to enjoin the good and forbid the evil. Enjoin is a very comprehensive term; it includes enjoining socially and economically beneficial practices and forbidding social and economic evils. Ibn Taimiyah is very emphatic on justice. He regards justice as the basis of the whole world; without it man cannot be successful neither in this life nor in the hereafter. It is the requirement of justice that everyone should have equal opportunity to produce and to engage in business and none be allowed to create monopoly and deny others the right to produce or trade. It also requires that all usurious fraudulent and gamblesome transactions should be prohibited.

Although the individual has been given great importance, the state can limit his freedom in the larger interests of the society. The State would be responsible for the well being of its members. Regulation of the market, healthy monetary policy and economic planning are important instruments for the state in performing its vital role in economic life.

Ibn Taimiyah also discusses the institution of Hisbah and the duties of Muhtasib. It was through this office that the Muslim state historically used to control and intervene, and supervise many economic activities.
Its jurisdiction was not limited to the economic sphere only; moral and spiritual uplift and supervision of social and civil works were also the functions of Hisbah. The officer incharge of Hisbah was called Muhtasib. His main functions were to ensure supply and provision of necessities; to supervise industry, trade, and other services; to inspect weights and measures and standards of products; and to put a check on hoarding, fraud, gamblesome and usurious practices.

Ibn Taimiyah's concept of state its role in economic life can most appropriately be termed as a welfare state concept in the modern sense. But his concept is more comprehensive as he discusses not only worldly welfare but also the welfare of the hereafter.

In the Eighth Chapter we have examined Ibn Taimiyah's views on public finance. In this context we note the history of public finance in the early Islamic society. In Islam, evolution of public finance came along with the development of Islamic society and establishment of Islamic state by the Prophet and his successors. 
Zakāh, Ghanīmah, Fā'ir, Kharāj and Jizyah were the only sources of public revenue in the beginning. Collection and administration was very simple. It was the second Caliph Umar b. Khattab who established an organized department where account of public income and expenditure was maintained.

Our next concern is the condition of public finance during Ibn Taimiyah's time. The authorities at that time had invented a number of unjust and non-shariah sources of revenue. Their financial administration was divided in a number of offices. But the pattern of expenditure was unorganized. Expenditure was made on socially necessary objects like public utilities, army, government bureaucracy etc, but a considerable portion of income was spent on the royal palace and non-deserving people.
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Ibn Taimiyah condemned the illegal sources of revenue in his time and unjust taxation. He also criticised the arbitrary expenditure of public revenue. Yet, he did not favour tax evasion even if the tax was unjust. The reason for this was that tax evasion by some people meant a higher burden on others, especially when the authorities were determined to realize their target level of income in any case. He also advised the state to impose taxes equally on members of the society who were able to pay, irrespective of the justice or otherwise of the tax concerned. He gave a psycho-economic reason for this: "People might accept, if a thing is taken from them equally in the wrong way. But they do not agree if some of them are exempted." Ibn Taimiyah gave this a unique term, i.e. "justice in injustice."

Coming to his views on public revenue and expenditure we find that Ibn Taimiyah sums up all sources of government revenue under three heads – Ghanīmah, Šadaqah and Fai'. In this division he has considered the nature of all the revenue collected from different sources and differences in their expenditures. Ghanīmah is that property which has been acquired from non-believers after a war. By Šadaqah he means Zakāh. It is taken from the property of Muslims subject to certain conditions. For Ibn Taimiyah, all revenue other than Ghanīmah and Zakāh falls under the name of Fai'. He enumerates such sources.

As far as expenditure is concerned, the basic point emphasized by him is that public revenue is a trust in the hands of the state authority. So it should spend it in the best interests of the public and according to the instructions of Allāh. According to him, the head of state has no more right to public revenue than a common citizen. He is strictly against the expenditure on socially undesirable objects.
While selecting heads of expenditure, priority should be given to the most important items, then the next most important and so on, in the context of the general welfare of Muslims. The main heads of expenditure in his view, are as follows:

(a) the poor and needy, (b) upkeep of the army for jihad and defence, (c) maintenance of internal law and order, (d) pensions, and salary of officials, (e) education, (f) building the infrastructure, and (g) general welfare.

Ibn Taimiyah has paid much attention to the expenditure aspect, and rightly so, as the public authority's expenditure determines the amount of its necessary income. There is controversy among Muslim thinkers on the question of the state demanding more money from people after they have paid zakah. Many 'Ulamā hold that there is no financial obligation on a Muslim after paying zakah. Since Ibn Taimiyah prescribes a number of duties for the state and he does not overlook the possibility of financial deficiency, he is of the view that there might be financial obligations other than zakah. According to him zakah is imposed on the basis of property but the other financial obligations would be due to existence of need. Recognition of this difference shows his deep analytical insight in economic matters.

The Ninth and last Chapter is devoted to an appraisal and evaluation of Ibn Taimiyah's economic views. First we have probed the sources of Ibn Taimiyah's thought and that of other thinkers. All of them base their thinking on the Qur'an, the Sunnah, Ijtihād (consensus of 'Ulamā) Qiyās (analogy) and some other supplementary sources. These sources cover many economic injunctions and principles.

By way of example we have quoted a number of such teaching from these sources on redistribution of income and wealth, land and
agriculture, industry, trade, labour and social security, some prohibited economic practices like interest, hoarding, and fraudulent and usurious activities.

Ibn Taimiyah coming in the seventh century of the Islamic era, had the benefit of the thought of the early jurists of Islam. He makes frequent references to them, giving his reasons when he differs from them. We have compared his views with the views of some of his predecessors and contemporaries on certain important issues to determine his exact place in the history of economic thinking. The thinkers whom we have chosen for this purpose are Qâdî Abû Yousuf (d. 798 AD), Abû Úbâid Qâsim b. Sallâm. (d.838 AD) Al Mawardi (d. 1058 AD), Abû Yâlâ (d.1065 AD), Ghazâlî (d.1111 AD), and Ibn Qayyim. (d.1350 AD).

We have also examined the status of economic thought in the West at that time. The basis of scholastic thinkers (as they were called) was the writings of the Greek philosophers; for whose re-discovery they were obliged mainly to Arab commentators. For the sake of comparison we have chosen a representative scholastic St. Thomas Aquinas (1225-1274). The topics touched by him are trade, just price, interest or usury and property right. On all these points we find Ibn Taimiyah far ahead of his Western counterpart.

A comparison between Ibn Taimiyah's ideas and those of Ibn Khaldûn (1332-1406) were considered in order. The nature of Ibn Khaldûn's approach is very different from that of Ibn Taimiyah. It may suitably be described as Economic Sociology, while Ibn Taimiyah's treatment deserves the name of 'Islamic political Economy'. In the light of his experience, Ibn Khaldûn first formulates a theory and then corroborates it with evidence. Thus his economics is more in the nature of positive economics or one based on empirical study. Ibn Taimiyah's stress is on the desirable economic practice of the individual and just economic policy of the state.
So it is in general normative economics, or of the nature of economic policy.

Lastly, we have noted Ibn Taimiyah's influence on Ibn Khaldûn as well as on modern Islamic economists. We hope that our study of Ibn Taimiyah's economic views would bring into focus a very important aspect of his contribution to the history of thought, one that has often been neglected by his biographers. It will also provide a missing chapter in the history of economic thought. It is also expected that this study would attract the attention of thinkers, and statesmen to Ibn Taimiyah's works which offer valuable guidelines for an Islamic reconstruction of the economy.