

# ISLAMIC ECONOMIC CONCEPTS IN THE UMAYYAH, ABASSIYYAH, AND OTTOMAN EMPIRE BASED ON HISTORICAL APPROACHES

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## ABSTRACT

*The concept of Islamic economics has emerged since Islam was revealed through the Prophet Muhammad SAW which was then continued during the leadership of the khulafaur Rashidun. It was then that Islam began to influence the world. Islam experienced progress and setbacks, this also happened to the economy of its time, the progress of Islamic power achieved during the Abbasid period, and its collapse when it was attacked by the Mongols. This study uses historical methods using a descriptive qualitative approach. The purpose of this study is to determine the economic concept of the Umayyad, Abassiyah, and Ottoman Turks based on a historical approach. The output of this research is that the Umayyads became the first government in Islam to implement a monarchiheridetic system or what is commonly called hereditary power. During his reign he was able to build a well-organized Muslim society as a conducive condition for his economy. The Abbasid dynasty, which was established from 750 AD - 1258 AD, at this time was called "The Golden Age" which means it reached the peak of glory, both in the fields of economy, civilization and power. During Al-Mahdi's reign, the country's economy began to increase by increasing the agricultural sector through irrigation and increasing mining output. Sulaiman Al Qanuni's leadership was the golden peak of Islam in the Ottoman Empire, he succeeded in carrying out laws based on Islamic law. In the economic field, at the peak of its progress, all important areas and cities that were centers of trade and economy fell into his hands.*

**Keyword :** *Economy, Umayyads, Abbasid, Ottoman Turks, historical*

**Klasifikasi JEL:** *N00, N1, N10, N8, N80.*

## INTRODUCTION

Thoughts about Islamic economics have emerged since Islam was revealed through the Prophet Muhammad SAW which was then continued during the leadership of Khulafaur Rasyidin. It was then that Islam began to influence the world, because the caliphs had expanded beyond the Arab region. After the Khulafaur Rasyidin period, the Umayyad and Abbasid Daula emerged. Based on historical records, Islam experienced very rapid progress during the leadership of the Umayyads and Abbasids. Therefore, the Islamic civilization had a great influence on the world at that time. Historians call that time "The Golden Age". Islam has advanced at a rapid pace in various fields of civilization, science, politics, government, science and technology, including in the field of economics. The Abbasid dynasty made Islam the centre of scientific development and this became a factor in the development of the Islamic economy at that time. It can be said that there is a priceless story from the historical heritage of the Abbasid dynasty. This should be a motivation to build the vision of the Ummah in developing the world economy. For more than 750 years, Islamic government flourished from the Umayyads to the Abbasids, two systems of government that have never been matched in any world until now and constituted a long and extensive period. This should be a motivation to build the vision of the Ummah in developing the world economy.

Islam experienced progress and setbacks, much like the economy did at the time, like a wheel that always whirls sometimes above and sometimes below. Likewise with Islam, the progress of Islamic power which was achieved during the Abbasid period, and its collapse when it was attacked by the Mongols. At that time Islamic political power experienced a setback. Islamic territory was divided into small kingdoms which were even hostile to each other. It did not stop there, many Islamic cultural and civilizational heritages were destroyed by the attacks of the Mongols, even Tamerlane destroyed other centres of Islamic power.

The economy is one of the most important elements in facilitating the development process of a country. Because the decline in a country's economy will affect the implementation process of development to be carried out. On this occasion, we will discuss economic development during the Abbasid and Umayyad Daula. In which it discusses the development and growth of the two daulah periods. As well as explaining the system of government in each caliph. One example; During the reign of Abdul Malik, the development of trade and the economy, the regular management of state revenues supported by guaranteed security and order has brought its people to a level of prosperity (Huda, 2021b).

Muslims experienced a golden peak during the reign of the Abbasids. At that time many well-known Islamic thinkers emerged whose thoughts are still widely discussed and used as the basis for future policy thinking, both in the religious and general fields. This Islamic progress was created thanks to the efforts of various components of society, consisting of scientists, bureaucrats, clergy, military, economists, and the general public.

In the Middle Ages, which began with the collapse of the Abbasids in Baghdad, due to the attack of the Mongol army led by Hulagu Khan, in 1258 until finally the political power of Islam suffered a very drastic decline. Territories were torn apart in several small kingdoms, so that between one another they fought each other, many Islamic cultural and civilizational heritage were destroyed. But the misfortune did not end there, then Timur Lenk destroyed other centres of Islamic power. However, it did not have to wait long enough, then the political situation of Islam as a whole gradually improved and recovered along with the emergence of three major empires, namely: the Ottoman Empire in Turkey (1300-1922), the Safavid Empire in Persia (1501-1732) and the Moghuls in India (1526-1857). Of the three kingdoms mentioned above, the longest-established empire was the Ottoman Empire. The Ottoman Empire could not be compared to the two previous dynasties, namely the Umayyads and the Abbasids, but saw its role as a stronghold of the Muslim community in warding off Europeans from the East.

From the various causes of this phenomenon, the researcher conducted research related to the economic concepts applied to each dynasty, by conducting this research it is hoped that researchers will get the economic concept during the Umayyad, Abbasiyah, and Ottoman Turks.

## **Literature review**

Muhammad Nejatullah ash-Sidiqy defines Islamic economics as the response of Muslim thinkers to economic challenges at a certain time based on the Qur'an, Sunnah, reason (ijtihad), and experience. Kursyid Ahmad defines Islamic economics as a systematic effort to understand economic problems and human behavior in a relational way from an Islamic perspective. (Veithzal Rivai dan Andi Buchari, 2009)

In Arabic the term economy is expressed by the word al-Iqtisad, which literally means simplicity and frugality. Based on this meaning, the word al-Iqtisad develops and expands so that it contains the meaning of 'ilm al-Iqtisad, namely science related to simplicity or discussing economics.

Ali Anwar Yusuf provides a definition of economics. According to him, economics is the study of human behavior in relation to the use of scarce productive resources to produce goods and services and distribute them.

It has become Sunnatullah that every human being lives in an activity as mentioned in the economic sense mentioned above, requiring cooperation. Without cooperation, it is impossible for humans to live normally. Cooperation has elements of take and give, helping and being assisted. One of the important aspects in conducting cooperation is in the field of muamalah in the form of trading activities, leasing, accounts payable, and so on. This activity absorbs 85% of the existing workforce.

According to Monzer Kahf in his book *The Islamic Economy* explains that Islamic economics is part of economics which is interdisciplinary in nature in the sense that the study of Islamic economics cannot stand alone, but requires good and in-depth mastery of sharia sciences and their supporting sciences as well as Islamic sciences. - Knowledge that functions as a tool of analysis such as mathematics, statistics, logic and ushul fiqh.

According to Muhammad Abdullah Al-Arabi, Islamic economics is a set of general economic principles deduced from the Qur'an and As-Sunnah, and is an economic building that we build on these foundations in accordance with each environment and era.

Of the several definitions above, the most appropriate understanding of Islamic economics is the definition put forward by Monzer Kahf. He said that sharia economics is an interdisciplinary science combining conventional economics and sharia economics. Shari'ah economics, both as a social science discipline and as a system, has no apologetic background, in the sense that this system once played an important role in the world economy which is claimed now as a good thing Taken For Granted.

The presence of the Sharia Economy is also not due to the fact that the capitalist economic system contains many weaknesses and injustices. In economic life, Islam already has its own economic system as has been said by Allah in the Qur'an and its elaboration through the sunnah of the Prophet Muhammad.

At the beginning of its presence, the Shari'ah economy, including the institutions created by some people, was greeted with an attitude of thinking and assuming about everything and was pessimistic, and in some cases it was even handled with a cynical attitude. Actually, this attitude was born because they did not understand

and lack knowledge and the rigidity of the frame of mind used in understanding the Shariah economy. (Abdul Manan, 2012)

The objectives of Sharia Economics are aligned with the objectives of Islamic law itself (*maqashid ash-shari'ah*), namely achieving happiness and prosperity in the world and the hereafter through a good and honorable life system. *Falah* goals to be achieved by Islamic Economics include micro or macro aspects, covering the time horizon of the world or the hereafter. (Pusat Pengkajian dan Pengembangan Ekonomi Islam (P3EI), 2012)

An Egyptian *fuqaha* named Prof. Muhammad Abu Zahrah said there are three objectives of Islamic law which show that Islam was revealed as a mercy for all mankind, namely:

- a. Purification of the soul so that every Muslim can be a source of goodness for society and the environment.
- b. The upholding of justice in society. Justice in question includes aspects of life in the field of law and *muamalah*.
- c. Achieved *maslahah*. Scholars agree that *maslahah* which is the peak of the target above includes five basic guarantees, namely: safety of religious beliefs (*al-din*), safety of the soul (*al-nafs*), safety of the mind (*al-aql*), safety of family and offspring (*al-nasl*) and safety of property (*al-mal*). (Afzalurrahman, 1995)

#### 1. Legal Basis of Sharia Economics

There are several legal bases that form the basis for thinking and determining the basic concept of Islamic economics, including:

- a. Al-Qur'an. The Koran is the main legal basis for the concept of Islamic economics, because the Koran is a science that comes directly from God. Several verses in the Qur'an refer to orders for humans to develop an economic system based on Islamic law. Among them are found in the Qur'an surah Fussilat: 42, Az-Zumar: 27 and Al Hasyr: 22.
- b. Hadith and Sunnah. Hadith and sunnah are the words, deeds and interpretations of the Prophet Muhammad SAW. Both of these sources can be used as the basis for determining the sharia economy.
- c. Ijtihad Ijtihad according to language is serious in pouring out thoughts. Meanwhile, according to the term *syara'*, *ijtihad* is devoting all abilities and thoughts seriously in establishing *shari'a* law in certain ways. Ijtihad is the third source of law after the Qur'an and hadith, which functions to establish a law if the law is not discussed in the Qur'an and hadith on condition that it uses common sense and careful consideration. A person who performs *ijtihad* is called a *mujtahid*. The

legal sources resulting from the ijthihad methodology are ijma', qiyas, maslahah mursalah, sad adz-dzariah, 'urf, istihsan, istishab and others.

2. Characteristics of Sharia Economics The main characteristics of Islam are order and harmony. The only teachings in the world that have the most complete system and concept of life management are Islamic teachings. Imagine, from waking up in the morning to going back to sleep at night, in the life of a Muslim there are rules and procedures that must be followed. Starting from matters of faith, worship, morals, family, education, muamalah culture, and all aspects of human life, both material and non-material. The completeness of these rules is in accordance with the harmony with the characteristics, nature and behavior of humans.(Adiwarman Karim, 2006) Shari'ah economy is built on four characteristics:

- 1) Dialectics of spiritualism and materialism values. Contemporary economic systems are only concerned with values that can increase utility, only focused on materializing values, while the Shari'ah economy always emphasizes the values of togetherness and compassion among individuals and society.
- 2) Economic freedom in the sense that the Islamic economic system continues to justify individual ownership and freedom in transactions as long as it is within the scope of Shari'ah.
- 3) Dualism of ownership, in essence the owner of the universe and everything in it belongs to Allah alone. Humans are only God's representatives in the prosperity and welfare of the earth.

3. Maintain the benefit of individuals and society.

he principles of Islamic economics have been established by Allah in the Qur'an, including: This means: "Indeed, We have conveyed the mandate to the heavens, the earth and the mountains, so all of them are reluctant to carry out the mandate and they are worried that they will betray it, and the mandate is carried out. it was by humans. Indeed, humans are very unjust and very stupid.(QS Al-Azhab (33): 72)

Besides that, the general principles of Islamic economics that underlie it. These principles form the overall framework of Islamic economics, which if likened to a building can be visualized as follows:

## 1.1 Image of a building chart of Islamic economic foundations

Islamic economic building is based on five universal values, namely: Tawhid (faith), 'Adl (justice), Nubuwwah (prophecy), Khalifah (government), and Ma'ad (results). These five became the basis of inspiration for compiling propositions and theories of Islamic economics. The universal values of Islamic economic theory, these values form the basis of inspiration for building Islamic economic theories. 19 The details are as follows:

- a. Tawhid (oneness of God). Tawhid is the foundation of Islamic teachings. With monotheism, humans witness that "there is nothing worthy of worship except Allah," and "there is no owner of the heavens, the earth and its contents and at the same time the owner, including the human owner and all existing resources.
- b. 'Adl (justice).<sup>20</sup> Allah is the creator of all things, and one of his characteristics is justice. Allah commands humans to do justice. In Islam justice is defined as "not tyrannical and not tyrannized". The economic implication of this value is that economic actors are not allowed to pursue personal gain if it harms other people or destroys nature.
- c. Nubuwwah (Prophecy). <sup>21</sup> The main characteristics of Muhammad SAW that must be emulated by humans in general and business people in particular, are: 1) Siddiq (truthful, honest). 2) Amanah (responsibility, trust, credibility).<sup>22</sup> 3) Fathanah (smartness, wisdom, intellect). 4) Tabligh (communication, openness, marketing). 5) Caliph (government). In the Qur'an, Allah says that humans were created to be caliphs on earth, meaning to be leaders and prosperers of the earth. Therefore, basically every human being is a leader. The Prophet said: "Each of you is a leader, and will be held accountable for those he leads."<sup>23</sup> In Islam, government plays a small but very important role in the economy.
- d. Ma'ad (Result) Although often translated as "resurrection," ma'ad literally means "return." Because we will all return to Allah. This implication in economic and business life, for example, was formulated by Imam Al Ghazali who stated that the motivation of business people is to get profits. Profits in this world and hereafter. Because of this, the concept of profit has legitimacy in Islam.<sup>25</sup> Some Islamic economic law experts add several other principles, namely: a. Humans in meeting their needs are prohibited from doing excessive and redundant things, they must be carried out in a balanced manner. b. In achieving

happiness in this world, humans should carry out mutual assistance in goodness, not helping each other for bad deeds. c. In all cooperation the values of justice must be upheld. d. The value of human dignity must be maintained and developed in an effort to obtain sufficient necessities of life, state intervention is justified in the framework of controlling economic activity in achieving social justice in society.

## **RESEARCH METHODOLOGY**

### **1. Types And Approaches**

In this research is historical research using a descriptive qualitative approach. According to Suryabrata in *Research Methods* (Suryabrata, 1994) the purpose of historical research is to make systematic and objective reconstructions of the past by collecting evidence to establish facts and obtain strong conclusions, all these efforts must go through a data collection process. This research was conducted using library research or literature. The sources that the authors use in this study consist of primary sources and secondary sources.

With regard to historical studies, this paper uses historical research. The aim of historical research is to make a systematic and objective reconstruction of the past, by collecting, evaluating, verifying evidence to establish facts and draw conclusions. Writing history with an analysis of events that have taken place in the past, research on history is no longer possible to observe the events to be studied. So this writing is based on primary and secondary sources, which is done by library research (Library Research).

The primary sources used in this writing are books written by historians, documents, activity reports, and archives of their remains which can be obtained in libraries and archival bodies and related institutions, while those included in secondary sources in historical writing are books written by Indonesia and Australia, and other relevant data can be found in the library.

### **2. Temporal Boundary**

Why do researchers take Islamic History Philosophy in the concept of economics, where it cannot be denied that one of the elements in individual and social life is the economy, therefore researchers will focus on the concept of wealth in the economic field in each dynasty in the golden period Islam.

### **3. Types and Data Sources**

Historical sources are often referred to as "historical data". The word data comes from the Latin word "datum" which means "gift" (Kuntowijaya, 1995) historical data sources are anything that directly or indirectly informs the public



about a reality or human activity in the past (Syamsuddin, 1996). According to (Gazalba, 1981), historical data sources can be classified into:

- 1) Written sources, namely sources in the form of writing
- 2) Oral sources, namely sources in the form of stories that develop in a society
- 3) Sources of objects or visuals, namely all past legacies that are shaped and shaped.

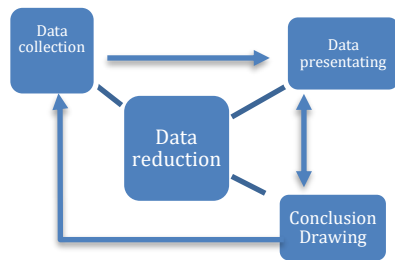
In this study used data sources in the form of written sources. Louis Gosttohawk (1983:35), argues that written sources can be divided into two, namely primary sources and secondary sources. Primary sources are testimonies from the eyes of a witness with his own eyes or witnesses with other fives, or mechanical devices such as a decaphone, namely people or tools who were present at the events he is telling, while secondary sources are testimonies from anyone who was not present at the events. what he told.

#### 4. Data analysis

In this study used a qualitative descriptive method, namely by searching, collecting and compiling systematically (Sugiyono, 2019). After the data is collected, then data processing is carried out from the figures regarding the issues discussed, and these data are analyzed by looking for the arguments used by the figures' opinions and then relating them to the Indonesian context. (Bagung Suyanto dan Sutinah, 2005) In the Qualitative Descriptive method two methods are needed including :

- 1) Domain analysis is a researcher's attempt to obtain an overview of the data to answer the research focus. The trick is to read the data text in general and thoroughly to obtain any domains or domains that are in the data. Domain analysis aims to obtain a general and comprehensive description of the research object or social situation.
- 2) Taxonomic analysis is a researcher who seeks to understand certain domains according to the focus of the problem or research objectives. Each domain begins to be understood in depth, and divides it into sub-domains, and those sub-domains are further broken down into more specific parts until nothing is left.

The analysis model in this study has four important things, namely data editing, data presentation, and drawing conclusions/verification as a method of analyzing data



With the analytical method described above, the analysis of this research is descriptive qualitative with the steps of analysis departing from the formulation then data reduction, followed by data presentation and then verification, the data that has been analyzed is then explained and interpreted in the form of words to describe the meaning to answer the research questions and then finally draw conclusions. From the description above, it can be concluded that the data analysis in this study is qualitative descriptive in nature which begins with the formulation of the problem regarding the relations of religion, economy and the state according to al-Mawardi, from which the data is presented in the form of explanations by collecting data from various book sources,

Heuristics are the first step in writing history, heuristics are very useful to assist in writing history. Heuristics is knowledge whose job is to investigate existing historical sources, so from that source a historian will dig up data and then be selected to obtain historical facts to be reconstructed.

Heuristics are material used by historians to collect information about past events experienced by humans in the past which left traces or real evidence, (Kuntowijoyo, 1995). Meanwhile, according to Shamsuddin. Heuristics is the first step in an activity and looking for sources to obtain historical data or material, (Pranoto, 2010).

Based on the two opinions above, it can be said that heuristics is an initial process carried out by historical researchers. To seek and find historical sources that occurred in the past. Both in the form of written, oral and human actions in the past as historical sources. To collect data related to the problem in preparing the results of this study.

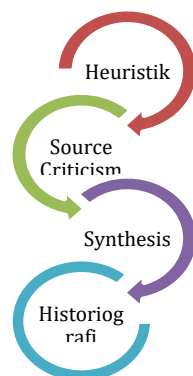
#### 5. documentation technique

Documentation techniques are also a data collection method that provides an explanation of a problem from written sources. Usually, these written statements can be obtained from offices, libraries, or places where research is carried out, perpetuating data relating to the problem to be studied. So that the results of the documentation can be recorded properly, and the researcher has evidence that he has

documented informal or data sources, then the assistance of tools to collect data is treated as follows:

- 1) Camera to take pictures when researchers are collecting information / data sources. With this photo it is more guaranteed because researchers actually collect data or sources that are examined.
- 2) The tools used and preparations during the research according to those described above will be used by researchers as material or documentation data that will be used as the final result or conclusion in this study. Furthermore, the documentation method is finding data about things or variables in the form of notes, transcripts, books, newspapers, magazines, agendas and so on.(Suharsimi Arikunto, 2002)
- 3) The characteristic feature of documents is that they point to the past, with the main function as records or evidence of certain events, activities and incidents. In contrast, documents are non-human data. In terms of acquisition and thus costs, documents are an easy and cheap technique because they can be obtained at a moment's notice. The distinctive feature of documents is thus their authenticity because they were obtained without the intervention of researchers, another characteristic (Hodder in Daymon and Holloway), documents are gradual over time so that they are considered capable of providing a relatively complete understanding of history.
- 4) By using the method, the documentation of researched or observed sources is not in the form of living things but inanimate objects. To obtain accurate, objective and unbiased information based on only one opinion or one data source. This research captures the documentation method. With this method, information from many different data sources can be examined with a more complete picture, especially data relating to the history of the Role of Ibn Khaldun.

The historical approach is trying to reveal and analyze the progress of Islam during the Ottoman Empire which consisted of four stages,(Dudung Abdurahman,2011) namely:



In the early stages, the steps taken are heuristics, namely gathering sources. Collect as many sources as possible related to the problem in the form of books, journals, and mass media that discuss related matters.

The next step is to do source criticism, against all the sources that have been obtained earlier. By critiquing this source, it becomes a measure of the extent of the author's objectivity in elaborating all the data or sources that have been obtained, and of course prioritizing them.

After conducting source criticism, at this stage a synthesis is carried out using interpretation techniques, namely the interpretation of facts obtained from all documents or sources that have been obtained. This stage requires the author's prudence and integrity to avoid subjective interpretations of other facts, in order to find conclusions or scientific historical descriptions.

The final step is historiography. In this case the author tries as much as possible to compile, arrange and devote all his abilities to find something intended, compile a summary of the facts and then explain it with rational historical expressions.

## **DISCUSSION**

### **1. Umayyad Period**

#### **a. Muawiyah bin Abu Sufyan**

After the reign of the Khulafah Rasyidin, a new government was born, known as the Umayyad dynasty. The Umayyad dynasty was founded by Muawiyyah ibn Abu Sufyyan ibn Harp. The figure who became the first caliph of the Umayyad government (Rachman, 2018) This was the beginning of the reign of the Umayyad Daula. The Umayyad dynasty was founded in 661-750 AD, whose name comes from Muawiyah's great-grandfather, Umayyah bin Abd. Syam. In this dynasty, those in charge of political and religious power were in separate hands, and for religious matters, full control was given to the clergy who were experts in religious matters (Sirajuddin, Ainul Fatha, 2021)

Muawiyah's reign became the beginning of the rule of the Umayyads, the Islamic government system which was formerly democratic turned into a monarchy (Fauziah, n.d.) This made the Umayyads the first government in Islam to implement a monarchiheridetic system or what is commonly called hereditary power (Orphan, 2018)

As the first caliph of the Umayyads, of course Muawiyah bin Abu Sufyan was more focused on building the field security. During his reign he was able to build a public Muslims who are neatly arranged as a conducive condition for the economy. He also built the Damascus army into an Islamic military force which organized and highly disciplined. It also prints money, establishing bureaucracies such as tax collection functions and political administration. Developing the position of qadi (judge) as a professional position and implemented a policy of giving soldiers a fixed salary (Understood, 2017) The qadis at that time in deciding a case were not influenced by political policies or the power of the state leaders so that they were free to make decisions including matters relating to high-ranking state officials. Muawiyah also established a state records office and designed a pattern for sending letters by post (al-barid) and all its supporting facilities (Anisa, n.d.)

During the reign of the Umayyads, there were two types of Baitul Mal; general and special. Baitul Mal General revenues are intended for the entire general public. While the BaitulMal is specifically intended for sultans and their families. However, in practice, it is not uncommon for various irregularities in the distribution of the Baitul Mal's assets. Much of the expenditure for the needs of the sultans, family and close friends was taken from the general treasury of Baitul Mal. Likewise with other expenses that are not related to the welfare of Muslims as a whole. Thus there has been a dysfunction in the use of Baitul Mal funds during the Umayyad dynasty (Amelia, 2010)

b. Abdul Malik bin Marwan

Abdul Malik bin Marwan was born in 23 H in the month of Ramadan. He was one of the caliphs of the Umayyad dynasty.(Hope, 2020) His thoughts are serious about the issuance and management of money in Islamic society. He deleted the sentence Bismillahirrohmanirrohim from the currency that applies to the caliph. At that time, the Romans imported Islamic dinars from Egypt. However, this request was rejected.

Then, Abdul Malik bin Marwan printed his own Islamic currency while still including the sentence Bismillahirrohmanirrohim in 74H (659M) and spread it throughout Islamic areas while prohibiting the use of printing other currencies. He also dropped the ta'zir law besides doing it variously to improve government administration.(Huda, 2021a) In addition, he also

carried out various government administration reforms and imposed Arabic as the official language of Islamic government administration (Amelia, 2010)

Abdul Malik bin Marwan also requires the Muslim community to pay zakat and be exempted from taxes in full. (Sirajuddin, Ainul Fatha, 2921) It is because of this policy that many non-Muslims flock to Islam with the main aim of avoiding the burden of paying taxes. As a result of this implemented policy, the source of state revenue from the tax sector actually experienced a deficit. (Muflihini, 2020)

c. Omar bin Abdul Aziz

Umar bin Abdul Aziz was the caliph of the Umayyad dynasty who had a pious personality that earned him the nickname Abu Hafsa. (Ningrum, 2020) The prosperity of the Umayyad people was seen during the reign of Umar bin Abdul Aziz, who succeeded in bringing about changes in the Islamic economy. Umar bin Abdul Aziz succeeded in implementing the concept of a welfare state, namely a prosperous country. Umar has a new policy to change the standard of living of the people, one of the proofs is that no one has been found who can receive zakat because all of the people are sufficient (Ghozali, 2019) The state of the economy during his reign had risen to an astonishing level. All the literature that we have today confirms that poverty, poverty, and deprivation have been overcome during the reign of this caliph. (Huda, 2021a)

When appointed as caliph, Umar bin Abdul Aziz gathered the people and announced and handed over all the assets rich personally and his family unreasonably at the Baitul Mal. During his reign he also did not take a penny from Baitul Mal. During his reign, he prioritized domestic development to improve and increase the welfare of Islamic countries. In carrying out his various policies, Umar bin Abdul Aziz was more concerned with protecting and improving the standard of living of society as a whole. Eliminate taxes on Muslims, reduce taxes on Christians, establish measures and weights, eradicate forced labour. During his reign, the source of state revenue came from zakat, spoils of war, taxes, income agriculture and the results of providing productive employment. (Understood, 2017)

Umar bin Abdul Aziz deserves to be called a Muslim fiscalist because he basically has a policy of managing state finances that is relatively mature, this is characterized by the management of state revenues which include taxes, zakat, khums (one-fifth part), and the distribution of state expenditures which includes personnel expenditures, state administration equipment, education and zakat distribution. (Masykuroh, 2012) During his reign, caliph Umar bin

Abdul Aziz prioritized domestic development. According to him, repairing and increasing the welfare of Islamic countries is better than adding to the expansion of the territory. In this context, he maintains good relations with the opposition and grants the right to freedom of worship to adherents of other religions.(Huda, 2021a)

In agriculture, Caliph Umar prohibited the sale of arable land so that there would be no land tenure. He ordered his emir to make the most of the available land. When there is a lease, what is applied is the principle of justice and generosity. He prohibited the collection of rent for infertile land and even if the land is fertile, the rent requested must pay attention to the fairness factor in accordance with the level of welfare of the farmer concerned. (Muflihini, 2020)

The collapse of the Umayyads took place during the time of Abu Malik bin Marwan who still retained the governor of Khurasan, namely Nasr bin Sayyar. The policy issued was to apply taxes to non-Muslims, causing several rebellions and the collapse of the Umayyad dynasty.(ROFIQO & RIZAL, 2019) The decline and destruction of the Umayyad dynasty was also caused by other factors including power struggles between the royal families, prolonged conflicts, ethnic clashes between North and South Arab tribes, the caliph's incompetence in leading, the tendency to live in luxury, the overthrow of the Bani Abbas who were supported by the Bani Hasyim, the Shiites 'ah and the Mawali group.(Zainudin, 2015) When compared to other scientific fields, the contribution of the Umayyad Caliphate in the economic field was not that prominent.

## **2. The Abbasid Dynasty**

After the collapse of the Umayyad Dynasty which was caused by chaos in the life of the people who were pro towards luxury and no longer cared about the welfare of their people. As a result, the Abbasid dynasty appeared to continue the rule of the Umayyad dynasty which focused on knowledge and domestic problems.(Masykuroh, 2012)

After the collapse of the Umayyad Daula, the Abbasid dynasty emerged from 750 AD - 1258 AD where at this time it was called "The Golden Age" meaning it reached the peak of glory, both in the fields of economy, civilization and power.(Helim, 2019)

During the time of the Abbasid Daula, the centre of Islamic government was moved from Damascus to Baghdad. In the period of more than five centuries this dynasty was in power, the pattern of government that was applied varied

according to political, social and cultural changes. Based on this, Ahmad Syalabi divided the reign of the Abbasids into three periods, namely (Huda, 2021a)

- a) The first period lasted from 132 H to 232 H. In this period, the power was in the hands of the caliphs in full.
- b) The second period lasted from 232 H to 590 H. In this period political power passed from the hands of the caliph to the Turkey group (232 H-334 H), and the Seljuqs (447 H-590 H).
- c) The third period lasted from 590 H to 656 H. In this period, power was again in the hands of the caliph, but only in Baghdad and its surroundings.

During the reign of the Abbasids, the Muslim community reached the peak of glory and progress in various fields, where the territory was also more wide. With a large area, the Islamic government under the power of the Abbasid dynasty also paid sufficient attention to problems related to the local economy. (Sirajuddin, 2016) Abu Ja'far Al Mansur (136-158 H = 753-775 H), al Mansur is known to have considerable attention to science, even since his youth or before becoming a caliph. Al-Mansur's role as the first caliph who led the translation movement of a number of old writings passed down from pre-Islamic civilizations is inextricably linked to the translation movement, which later became one of the symbols of the advancement of the civilization of the Abbasid dynasty, at the beginning of the reign of caliph al-Mansur, the state financial can be said to not exist because of the previous caliph. (Meriyati, 2018) This led him to be tough in strengthening the state's financial position, in addition to crushing the enemies of the caliph. The success of the caliph al-Mansur in laying the foundations of the abbasid daulah government facilitated the efforts of subsequent caliphs to be more focus to the economic and financial problems of the State.

During the reign of al-Mahdi, the country's economy began to increase by increasing the agriculture sector through irrigation and increased mining yields. To increase the agriculture sector, the government issued policies that defended the rights of the peasantry, such as tax relief on agricultural products, guaranteeing property rights and life safety, expansion of agricultural land in each area, and the construction of various dams and canals.

When the reins of government were controlled by caliph Harun Ar-Rashid (70-193H), the economy grew rapidly and the prosperity of the Abbasid Daula reached its peak. At this time he diversified sources of state revenue. He built the Baitul Mal to manage state finances by referring a wajiz to be the head of several diwans. The government of Caliph Harun Ar-Rashid was also very concerned about taxation issues. (Huda, 2021b) The abundant wealth at this time



was used for activities in various fields such as social, education, culture, science, health, literature and the provision of public facilities. It was during this period that various fields reached their golden peak.(Meriyati, 2018)

The system of Caliph Harun Al-Rasyid is in line with Al-Ghazali's system in terms of state revenues, where he suggests that in order to utilize state revenues, the state is flexible based on welfare, he proposes that if public spending can provide more social good, rulers can collect new taxes.(Sirajuddin, 2016)

The cause of this dynasty then collapsing was internal factors (from within) where the majority of the caliphs who led this dynasty in the late period each prioritized personal interests, giving rise to conflict. Jealousy between groups, many government officials who are corrupt until the crusade that claimed many victims.(Meriyati, 2018)

The collapse of this daulah when it was held by the caliph Al-Musta'sim (the last caliph in this daulah), he raised his sons and all the dignitaries of the city of Baghdad were killed, as a result of the treacherous acts of the Holako troops, most of the population of this city were slaughtered, like slaughter the animals. Then the Holako army robbed, looted and carried out indescribably cruel and ferocious acts, they also damaged the beautiful buildings, madrasas and mosques as well as books of knowledge that were priceless, they threw them into the river Tigris so that the water is black because of the faded ink. The Abbasid Daulah disappeared from the surface of the earth, collapsed and buried in the scorched city of Baghdad under the collapse of beautiful palaces and buildings.(Fauziah, n.d.)

### **3. The Ottoman Empire**

In the Middle Ages, which began with the collapse of the Abbasids in Baghdad, due to the attack of the Mongol army led by Hulagu Khan 1 in 1258, the Islamic political power experienced a very drastic decline. The territory of power was torn apart in several small kingdoms, so that between one another they fought each other, many Islamic cultural and civilization heritage were destroyed. But the misfortune did not end there, then Timur Lenk destroyed other centres of Islamic power. However, it did not have to wait long enough, then the political situation of Islam as a whole gradually improved and recovered along with the emergence of three major empires, namely: the Ottoman Empire in Turkey (1300-1922), the Safavid Empire in Persia (1501-1732) and the Mughals in India (1526-1857). Of the three kingdoms mentioned above, the longest-established empire was the Ottoman Empire. The Ottoman Empire at first only had a very small area, but with military support, it didn't take long

for the Ottoman Empire to become a large empire that lasted for a long time.(Uliyah, 2021)

After the Ottoman Turkish Caliphs carried out a lot of struggle and expansion of territory until they succeeded in conquering Constantinople during the time of Sultan Muhammad II (al-Fatih) in 1453 AD, it became the starting point for the establishment of the Ottoman Empire. Constantinople was the capital of the Eastern Roman Empire which later, after being controlled by the Ottoman Turks, changed its name to Istanbul.(Nofrianti & Muslim, 2019)

The forerunner and rise of Islamic law stems from the leadership of Sultan Sulaiman Al Qanuni, the success of regional expansion and the development of da'wah to mainland Europe was also followed by the desire to enforce Islamic law in his territory. Sultan Sulaiman Al Qanuni wanted to collect Islamic law and apply it to become a positive law that applies in all the territory of the Ottoman Empire.(St, 1992) Türkiye Utsmani is one of the empires founded by the Turkish nation after the collapse of the Saluq Turkish empire. Leadership of Sulaiman Al Qanuni is the golden peak of Islam in the Ottoman Empire, he succeeded in carrying out laws based on Islamic law. In the field of politics, he managed to establish political relations between the Ottomans and French(Ahmad Zulfikar, 2018) Sulaiman Al Qanuni was appointed Sultan of the Ottoman Empire at the age of 26 (Bastoni, 2008) When he was appointed and became a sultan of the Ottoman Empire, Sulaiman al-Qanuni realized the meaning of a responsibility in defending the holy places of the Muslims. He was also fully aware that all of this was a mandate and responsibility for the Ottoman government, which was at that time led by him.(Sucipto, 2022)

In the economic field at the peak of its progress, all the important regions and cities that became centres of commerce and the economy fell into his hands. This is because in every success the empire gets spoils of war, jizyah and taxes afterwards. After taking over, the former Indian trade routes were mastered by the Portuguese. On this basis he can freely control trade in the area during the 16th century AD.(Ahmad Zulfikar, 2018) In addition, one of his greatest accomplishments was his success in compiling a code of laws which was then made law for the whole of Ottoman society at that time. For his services, Sultan Sulaiman was also given the title al-Qanuni, which means legislator.(Sucipto, 2022)

On the other hand, the spread of Islam to Europe is one of his goals and dreams. Although on the other hand, also as a form of business expansion of his territory. In his leadership, he also upholds the values of tolerance in religious

life. Therefore, it is not surprising that during his reign, Muslims and Christians could live safely and peacefully under his rule (Sucipto, 2022). But in the end, because of the weak government after the time of Sulaiman 1. (Nofrianti & Muslim, 2019) The main factor in the decline and destruction of the Ottoman Empire was the poor understanding of Islam and errors in its application. Apart from that, *ijtihad* activities stopped which caused frozen thinking, stagnant and stagnant so that at a time when Europe was progressing with various scientific and industrial discoveries, the people were confused about whether or not to take what came from the West. Unable to distinguish between knowledge and *tsaqofah*, between *hadharah* and *madaniah* and the occurrence of a Western conspiracy with its agent Mustafa Kemal Attarturk which caused the collapse of the Islamic Caliphate on March 3, 1924 (Hasnahwati, 2020) After the decline in the quality of the power of the Ottoman Empire, several regions of power rebelled to break away. Rebellious movements continued, and a government modernization movement emerged from a kingdom to a republic. Until his time in 1924, Mustafa Kemal. (Uliyah, 2021) was appointed.

The continuous wars that befell the Ottoman Empire were wars that were offensive, expansive (to expand their territory), defensive (to defend themselves from external attacks) and preventive (to quell rebellions from within). These wars greatly drained the Ottoman Turks' financial resources. (Nofrianti & Muslim, 2019) Changes that occurred in deteriorating economic conditions, the kingdom ultimately experienced difficulties in dealing with problems in the growth of trade in the international economy. (Uliyah, 2021)

## CONCLUSION

The power of the Umayyad Daula was started by Muawiyah bin Abu Sufyan, who also became the first caliph of the Umayyad government. The Umayyad Caliphate lasted only 90 years (661-750 AD). The Umayyads became the first government in Islam to implement a monarchiheridetic system or what is commonly called hereditary power. During his reign he was able to build a well-organized Muslim society as a conducive condition for his economy. The prosperity of the Umayyad people was seen during the reign of Umar bin Abdul Aziz, where he succeeded in bringing about changes in the Islamic economy by applying the concept of a welfare state, namely a prosperous country. The decline and destruction of the Umayyad dynasty was also caused by many factors, including power struggles between the royal families.

After the fall of the Umayyad dynasty, the Abbasid dynasty emerged to continue the rule of the Umayyad dynasty which focused on knowledge and domestic affairs.

The Abbasid dynasty, which was established from 750 AD - 1258 AD, at this time was called "The Golden Age" which means it reached the peak of glory, both in the fields of economy, civilization and power. During Al-Mahdi's reign, the country's economy began to increase by increasing the agricultural sector through irrigation and increasing mining output. When the reins of government were controlled by the caliph Harun Ar-Rashid (70-193 H), economic growth developed rapidly and the prosperity of the Abbasid Daulah reached its peak. The collapse of this daulah when held by caliph Al-Musta'sim (the last caliph in this daulah).

Islamic political power experienced a very drastic setback in the Middle Ages which began with the collapse of the Abbasids due to the attack of Hulagu Khan in 1258. The overall Islamic political situation gradually improved and recovered along with the emergence of three major empires, namely: the Ottoman Empire in Turkey (1300-1922) , the Safavid Empire in Persia (1501-1732) and the Mughal Empire in India (1526-1857). Thus the economic and financial conditions contributed to the development of Islam in the Ottoman Empire. Sulaiman Al Qanuni's leadership was the golden peak of Islam in the Ottoman Empire, he succeeded in carrying out laws based on Islamic law. In the economic field, at the peak of its progress, all important areas and cities that were centres of trade and economy fell into his hands. The continuous wars that befell the Ottoman Empire made economic conditions worse, the kingdom ultimately experienced difficulties in dealing with problems in the growth of trade in the international economy. The main factor in the decline and destruction of the Ottoman Empire was the poor understanding of Islam and errors in its application.

## **SARAN**

Suggestions for further research that could involve more in-depth analysis of specific aspects or specific time periods. Development of new methodologies or research approaches to deepen our understanding of Islamic economic concepts. It is hoped that this research will contribute significantly to our understanding of the evolution and implementation of Islamic economic concepts during the Umayyad, Abbasid and Ottoman periods.

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