

IBN KHALDUN'S THOUGHT IN MICROECONOMICS: DYNAMIC OF LABOR, DEMAND-SUPPLY AND PRICES

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I. BRIEF HISTORY

Abu Zaid Abdurrahman bin Muhammad bin Khaldun Waliyuddin Hadhrami, known as Ibn Khaldun, was born in Tunis 1st Ramadhan 732 H/ 27 Mei 1332 M from an influential family who emigrated from Seville to Spain. His descendant came from Yaman who lived in Spain in the beginning of Muslim administration in 8th century, but after the fall of Seville they move to Tunisia.¹

Ibn Khaldun received good education in sharia, logics, philosophy, Arabic grammar and poetry; all contributing to his capability of a statesman. No doubt if his role is vital in politics in North Africa and Spain, where he had an opportunity to write an analysis and valuation for what was happened. He worked for the ruler of Tunis, Fez, Granada and Biaja. Finally he worked in Egypt for 24 years in a high level position, namely as Rais Qadhi (chief judge) of Maliki school and as lecturer in Al-Azhar University. Political intrigue and jealousy for his position cause him expelled from high court position for five times.²

Ibn Khaldun is known as Father of Social Sciences.³ In his famous book, *Muqaddima*, he writes on dynamics of civilization or *umran*, which is considered as foundation of Sociology. However, one can find foundation of other sciences in the book as well, such as economics⁴ and alchemy. He is considered to complement foundations of alchemy that was written by Jabir ibn Hayyan through his dialogue with the famous alchemist Ibn Bishrun, student of Maslamah Al-Majriti, a greatest alchemist from Spain.⁵

His book *Al-Ibar* is unique source of historical analysis in his time, while other work, *Tarikh al-Barbar*, provides basic introduction in understanding Arab and Barbar tribes in Maroko, and history of medieval time.

Ibn Khaldun died in Cairo at 25th Ramadhan 808 AH/ 19th March 1406 AD.

* Opinion in this paper does not represent the view of the institution where the writer works.

¹ AbulHasan M. Sadeq & Aidit Ghazali, *Readings in Islamic Economic Thought*, Longman Malaysia, 1992, page 222; Hamed A. Ead, *Alchemy in Ibn Khaldun's Muqaddima*, <http://www.frcu.eun.eg/www/universities/html/hamed2.htm>

² Hamed A.Ead, *ibid*

³ Jan Marie Fritz, *The Development of the Field of Clinical Sociology*, <http://digilander.iol.it/cp47/clinica/fritz.html>

⁴ Ibrahim M. Oweiss, *Ibn Khaldun, the Father of Economics*, <http://www.georgetown.edu/oweiss/ibn.htm> ; About Ibn Khaldun's contribution in Education, see Fahri Kayadibi, *Ibn Khaldun and Education*, in Fahri Kayadibi, *Ibn Khaldun and Education*, <http://www.renaissance.com.pk/novrefl2y1.html>

⁵ Hamid A. Ead, *ibid*

II. CONTRIBUTION IN ECONOMICS

Like other scientist in 14th century, who are usually *generalist* (in the sense that their expertise covers many disciplines), Ibn Khaldun wrote his work by explaining various foundations of science. His book *Muqaddima* is written to describe how a civilization (*umran*) begins, strengthens and finally falls. For that purpose he elaborates various constructing elements that finally become its foundation.

However, Ibn Khaldun represents a generation of scholars who wrote their books using positive-rational approach. This approach diverts from scholars tradition in previous century, and even centuries afterwards, which is usually embedded with legal-normative method in their writing. This uniqueness in approach seemed unpopular in his time since only few scholars who wrote book using this style, even after some centuries later. Positive-rational approach might have been extensively used in science books such as astronomy, medicine and alike but to apply such new approach in history and sociology was really a new invention.

In economics, Ibn Khaldun's writing covers almost every foundation of modern economic thought, ranging from microeconomics to international trade. It is not a surprise when one finds almost one third of his *Muqaddima* consists of socio-economic concepts. He wrote the concepts in such a way that they are interconnected to one another, that one will not understand a concept without knowing basic ideas about others. Due to scope limitation, this paper will only discuss element of microeconomics (supply, demand and prices) in Ibn Khaldun writing.

1. Labor Theory of Value

According to Ibn Khaldun, labor is source of value. He explains in details about his theory of labor value and presents it for the first time in the history.⁶ According to him,

“...everything in the world is purchased with labor.⁷ What is purchased with money or other good is purchased by labor, inasmuch as gained by labor from our body. Money or commodities indeed save us. They contain certain quantity value of labor that we exchange for what it should be, when it contains the same quantity. The value of a commodity for those who own it, and those who do not use it for himself, but exchange it with other commodity, therefore, equal to labor quantity that enable him purchasing or, directing it. Labor, therefore is a real measure of exchangeable value of all commodities.⁸”

⁶ He never mentions it as a theory, but adeptly presents it in his analysis on workers and their work

⁷ This proposition is quoted by David Hume in His *Political Discourse*, published in 1752

⁸ This quotation is even used by Adam Smith as a footnote. See Ibrahim M. Oweiss, *ibid*

“Labor is necessary for revenues and capital accumulation. This is obvious in the case of manufacture (craft). Even if revenue generated from something other than manufacture, the value of generated profit (and capital) should cover labor value by which the commodity is obtained. Without labor, all other things will not be acquired.”

Khaldun divides all revenues into two categories: *ribh* (gross revenue) and *kasb* (life revenue). *Ribh* is secured when man works for himself and sells his product to others. In this context the value should contain cost of raw material and natural resources. *Kasb* is achieved when man works for himself. Therefore *ribh* means profit or gross revenue, depending on the context. In this instance, *ribh* means gross revenue because raw material cost and natural resources are included in selling price of an object.

Box 1 – Theory of Profit

Profit theory in economics is known by equation:⁹

$$\Pi = TR - TC$$

If $\Pi > 0$ then there will be a positive return (profit)

If $\Pi < 0$ then there will be a negative return (loss)

Where

Π = Total Profit

TR = Total Revenue, namely QP = total quantity sold multiplied by price

TC = Total Cost, namely $f(C) = \alpha + \beta C$ where α is fixed cost and βC is variable cost

It appears that Ibn Khaldun already differentiated *kasb* (Total Cost) from *ribh* (positive return = profit = Π)

Whether *ribh* or *kasb*, revenue is the value realized from man's labor i.e. all that is obtained through human effort. According to Ibn Khaldun, although commodity value comprises of cost from raw material and natural resources, it is through labor that value become increasing and hence, wealth grows. Without man's effort, the opposite will occur. Ibn Khaldun underlines the role of *extra effort* that later known as *marginal productivity*, in the welfare of a society. His theory on labor give the reason for the increase of cities, such as one indicated by his historical analysis, that becomes major element of civilization.

⁹ Koutsoyiannis, *Modern Microeconomics*, McMillan, London, 1979

If we can interpret Ibn Khaldun's idea on work, it is clear that labor is necessary and sufficient condition for revenue and natural resources is only necessary condition. Labor and effort tend to produce which in turn will be used against an exchange through barter, or through the use of money, namely gold and silver. The process hence generates revenue and profit that is acquired by man from a manufacture/commodity as value of his labor, after deducting cost of raw material. Ibn Khaldun also explains causes of different labor revenue.¹⁰ They might be caused by different in skill, market size, location, expertise (craftsmanship) or work, and in how far the authority and governors purchase final products. When a certain kind of labor become more expensive, namely if the demand exceeds available supply, the revenue must increase.

High return in a manufacture will attract other players. This is a dynamic phenomenon that finally increase available supply, and bring to lower profit. This principle explains how original Ibn Khaldun idea was, in adjusting long term of the labor, and between certain profession and others.¹¹

Ibn Khaldun precisely observes how income may differ in one place to another, even for similar profession. Income for judges, crafters even burglars, for instance, is directly related with welfare level and living standard in every city, achieved through labor result and crystallization of productive society. Adam Smith explains the difference in labor income by comparing between England and Bangladesh, similar to what Ibn Khaldun did four centuries before, when he compares income in Fez and Tlemcen.¹² It is Ibn Khaldun, not Adam Smith who presents, for the first time, labor contribution as wealth creation for a nation, by stating that labor increases productivity, and that product exchange in a large market is the prime reason of wealth (and prosperity) of a nation. On the contrary, decrease in productivity may lead to decrease in economy and income of its society. In his words, "*a civilization generates large profit (income) due to large number of labor force that is the cause of profit.*"¹³

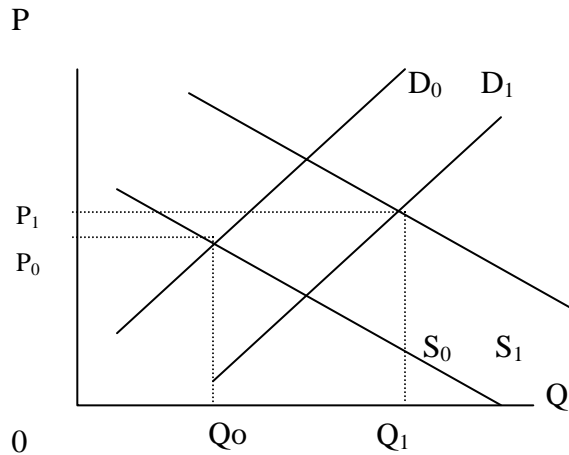
¹⁰ It means long time before Ricardo publish his *The Principle of Political Economy and Taxation* in 1817

¹¹ This concept is challenged by Keynes by his famous expression "in the long term we are dead". However, Ibn Khaldun's analysis is not only proved historically correct, but also creates the core thought of classical economist.

¹² Ibn Khaldun, *Muqaddima, tahqiq* by Darwish AlJuwaidy, Maktaba Mishriyyah, Beirut, Part IV Chapter 11, p. 334

¹³ Ibn Khaldun, *Muqaddima*, Part 4 Chapter 14, p. 339

Box 2 – Basic Market Theory



A large market means consisting a high demand (D_1) compared to small market. (D_0) even in different price level. This also causes large investment, causing high supply (S_1). Through cost and return function, a large market generate large income as well.

Source: Koutsoyiannis, Modern Microeconomics

It is Ibn Khaldun, who asserts on the need of free economy and free choice. Quoted from his *Muqaddima*,

Among suppressive action, and very perilous measure to the people is to compel someone to do forced work injustice. Because labor is a commodity, like the one we will show later, in income and profit, representing work value of its recipient... unfortunately most people do not have income source other than his own labor. Therefore, if they are forced to work for what they achieved through training, or compelled to do work in their own field, they will lose the result of their work, and pulled out of the greatest part of, even all, their income.¹⁴

To maximize revenue and utility level, man should be free to do what is led by their talent and ability. Through natural talent and learnt ability man can freely produce high quality objects, and often more work-unit per hour.

2. Demand, Supply, Price and Profit.

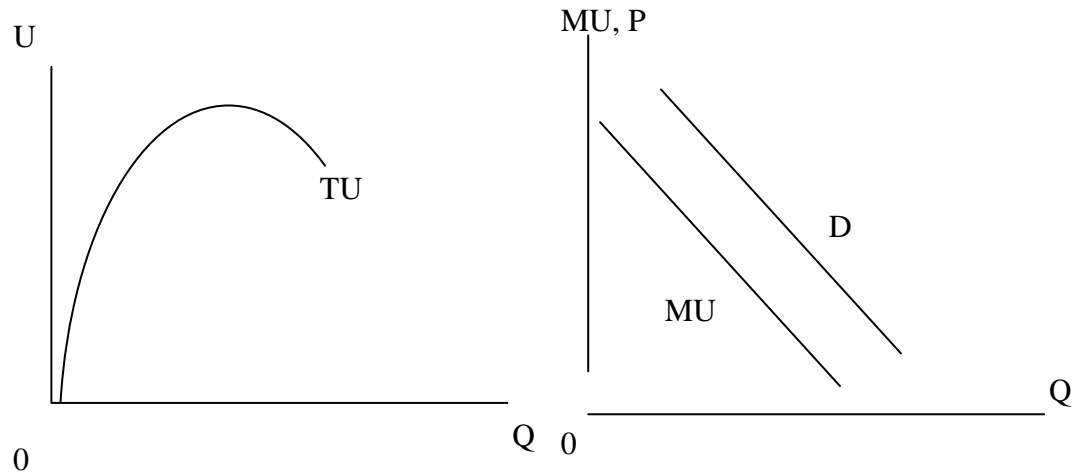
Other original contribution to economics of labor is that Ibn Khaldun introduces and analyses the relationship of some economic instrument analysis such as demand, supply, price and profit.

¹⁴ Ibn Khaldun, *Muqaddima*, Part 4 Chapter 43, p. 264

a. Demand

Demand for a commodity is based on utility to gain it, and not always based on the need for it. Hence satisfaction is the motive behind the demand. It creates incentive for a customer to purchase in market. Ibn Khaldun therefore planted the first seed of demand theory that later on developed by Thomas Robert Malthus, Alfred Marshall, John Hicks and others. If a commodity demanded attract more customer purchase, either price or quantity sold will increase. On the other hand, if the demand for manufacture (craft) decreases, the sale will goes down and therefore the price will decrease.

Box 3 – Derivation of Demand



Graphical presentation of Utility function by Thomas Malthus and Alfred Marshall. Derived from Total Utility (TU) curve Marginal Utility is congruent with Demand curve (D) against price and quantity.

Source: Koutsoyiannis, Modern Microeconomics

Demand for certain commodities depends also on how far they will be purchased by state. *Sultan* (king) and ruling elite buy more quantity than the people can buy individually. A manufacture develops when state purchase its products. By his analytical and genius thinking, Ibn Khaldun has found a concept that is known in modern economic literature as “derived demand”. He said: “Manufacture increases and goes up when demand for its products increases.” Demand for a manufacture worker is also derived from the demand for this product in the market.

b. Supply theory

As generally accepted, modern price theory states that cost is the backbone of supply theory. It is Ibn Khaldun who for the first time explores analytically the role

of production cost in supply and price. In searching differences between food price produced in fertile land and the less fertile one, he finds the difference among others merely in production cost.

In coast and hill areas, where the land is not suitable for agriculture, the inhabitants are forced to uplift the area condition and its plantation. They undertook it by giving additional work and things that need cost. All of them increases cost in agriculture product, which they include them in determining its sale price. And since then Andalusia is known for the high price...Its position is in opposite with land of Berber. Their land is very rich and fertile so that they do not need to add any cost in agriculture; therefore in that country the food price become low.¹⁵

Besides personal and state demand, and production cost, Ibn Khaldun introduces other factors that influence the cost of commodity or service, namely (a) welfare and prosperity level of a region, (b) wealth concentration rate and tax level imposed to intermediaries and traders. Direct functional relationship between income and consumption provided by Ibn Khaldun opens the way for consumption function theory as the cornerstone of Keynesian economics.

c. Profit

Ibn Khaldun also gives original contribution about concept of “profit“. In economic literature, a theory stating profit as a reward for uncertainty risk in the future generally refers to Frank Knight, who published his idea in 1921. Undoubtedly it is Frank Knight who substantially forwards a profit theory in a well established form. However, it is Ibn Khaldun, not Knight, who put the cornerstone of this theory.

Business (commerce) means to buy commodities, store them and wait for a market fluctuation brings about an increase in price (of these commodities). This is called “ribh” (profit).¹⁶

In other context Ibn Khaldun states again the same thought:

The clever and experienced people in the city know that to hoard and wait for high price is not good, and its profit can reduce or lost through this hoarding.¹⁷

The concept of profit hence becomes a reward for facing a risk. In undertaking uncertainty in the future, one who bears the risk may lose instead profit. Similarly, profit or loss may occur as a result of speculation by profit seekers in the market.

¹⁵ Ibn Khaldun, *Muqaddima*, Part IV, Chapter 12, p. 337

¹⁶ Ibn Khaldun, *Muqaddima*, Part V, Chapter 14, p. 366

¹⁷ Ibn Khaldun, *Muqaddima*, Part V, Chapter 13, p. 368

To maximize profit, Ibn Khaldun introduces magical word of traders: “*Buy low and sell high.*”¹⁸

d. Price

If Ibn Khaldun’s magical word is applied in cost analysis, it will be clear that profit may increase, even for a price of final product, when someone reduces raw material and other input used in production. It can be done by the means of purchasing them with discount -or in general- at low price even from distant market, as indicated in his explanation about benefit of foreign trade. However, Ibn Khaldun concludes that both excessive low price and excessive high price will potentially destroy the market.

Therefore, it is advised to a country not to bring prices artificially low through subsidy or other method of intervention. Such a policy is economically perilous because low price commodities will disappear from market, and increase disincentive for suppliers to produce whenever their profit is directly affected.

Ibn Khaldun also concludes that excessive high price will not be appropriate with market expansion. When high-price commodities are few in the market, high price policy becomes counterproductive and damage goods flow in the market. Ibn Khaldun hence put the basis of thought that afterward lead to formulation of *disequilibrium analysis*. He also mentions some factors that influence the increase in general price level, such as increase in demand, supply limitation and increase in production cost that includes sale tax as one component of total cost.

After his analysis about what creates overall demand in a growing economy, Ibn Khaldun states the following:

*Because demand for luxury goods finally becomes habits and then becomes necessity. In addition, all labor become expensive in the city, convenience becomes expensive because there exist many purpose that also become demand of luxury, and also because the government impose tax in the market and business transaction. This is reflected in sale price. Convenience tools, food and labor hence become expensive. As a result, expenditure increase drastically, proportionate to the culture (city). A big sum of money is spent. In this situation, people need big amount of money to acquire necessities for themselves and their family, and other need as well.*¹⁹

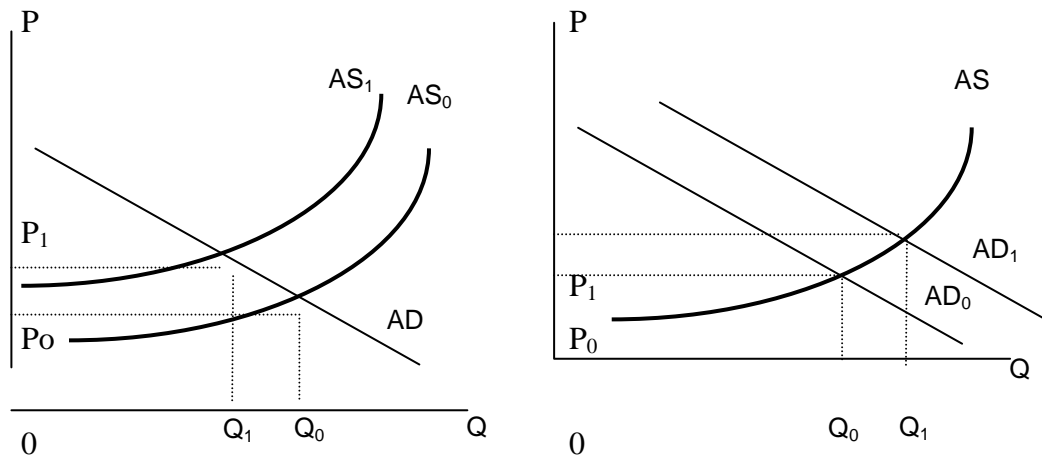
And he therefore concludes: *When goods are less, its price increases.*

¹⁸ Ibn Khaldun, *Muqaddima*, Part V, Chapter 9, p.366. In his translation, Franz Rosenthal states in its footnote: *in 1952 a book written by Frank V. Fischer appears, titled Buy Low, Sell High: Guidance for Readers in Good Investment Method and Wise Trade Technique.*

¹⁹ Ibn Khaldun, *Muqaddima*, Part IV, Chapter 13, p. 338.

By reading carefully both quotations above, it is clear that Ibn Khaldun finds what is known now as *cost-push inflation* and *demand pull inflation* (see Box 4 for comparison). In fact, he is the first philosopher in the history who systematically identifies factors that influence both commodity price and general price level.

Box 4- Cost Push dan Demand Pull Inflation



Economists agree that increase in cost -as illustrated by shifting Aggregate Supply upward (AS₀-AS₁)- causes increase in general price level. From P₀ to P₁. Similar effect occurs when there is increase in Aggregate Demand-illustrated by shifting upward of AD curve (AD₀-AD₁).

Source: William A. Branson, Macroeconomic Theory and Practice; Paul A Samuelson and William Nordhaus, Macroeconomics.

e. Role of Government in State's Economy

What make Ibn Khaldun differs from his western successor, especially Classicalist writer is that Ibn Khaldun believes that government plays a critical role in the economy.

Government plays important role in growth and in country's economy in general through the purchase of goods and services through fiscal policy, namely tax and expenditure. Government may also provide an incentive environment for work and prosperity, or the opposite, an oppressive system that finally become self-defeating. Although Ibn Khaldun considers government as inefficient (*too many calculation* is done by those what is called today as cost and benefit) they still play important role in country's economy through purchase in big scale. Government expenditure

stimulates economy using income that increases through multiplier effect. However if *Sultan* (king, government) accumulates income from tax, business becomes slow and country's economic activities will be affected significantly through multiplier effect.²⁰ In addition, welfare program to reduce poverty, help widows, orphans and blinds should be launched (if not become heavy burden to state treasury). Government should spend its tax income wisely to raise their condition in order to maintain their rights and save them from danger.²¹

f. Macroeconomy and Theory on Money

In macroeconomics, Ibn Khaldun also gives contribution in theory of money. According to him, money is not the real form of wealth, but an instrument where the wealth may be obtained. He is the first writer who present prime function of money as measure of value, store of value and numerairie.

*Mines, gold and silver as (measure of) value for capital formation...considered as wealth and property. Even in a certain situation, everything is obtained, the final purpose only to acquire them. Everything depends on the fluctuation from which (gold and silver) are exempted. They are basis for profit, property and wealth.*²²

The real form of wealth is not money. The wealth is created or transformed through labor in the form of capital formation in the real measure. Hence it is Ibn Khaldun who the first time differentiate between money and real wealth; although he realizes that the later is obtained by the former. However, money plays more efficient role than barter in business transaction in a society, where man exchanges to each other the result of his labor, both in the form of goods and services, to fulfill the need that cannot be fulfilled individually. Money can also facilitate goods flowing from one market to other, even across the country's border.

III. CRITICISM TO IBN KHALDUN

Criticism to Ibn Khaldun comes from modern Islamic economic thinker, among other, Masudul Alam Choudury.²³ In analyzing political economic thought in Islamic perspective in classical Islamic literature, Choudhury compares Ibn Khaldun, AlGhazali, Ibn Taimiyya and Shah Waliyullah Dahlawi. According to him, Ibn Khaldun

²⁰ Ibn Khaldun, *Muqaddima*, Part III, Chapter 40, p.257

²¹ Ibn Khaldun, *Muqaddima*, Part III, Chapter 51, p.285

²² Ibn Khaldun, *Muqaddima*, Part V, Chapter 1, p. 354

²³ M.A.Choudhry, *A History of Islamic Political Economy thought Among Early Writers; Ibn Khaldun (1332-1406)*, in <http://islamic-finance.net/islamic-economy/chap14/chap14-6.html>

..... had equally failed to present a Quranic philosophy of history to show the rise and decline of civilizations owes to the primal condition of the believers' commitment or otherwise to the observance of Shari'a and Sunna Allah in the midst of society and self. These were the undertakings of Al-Ghazzali and Ibn Taimiyya. Hence, no philosophy of history could be afforded by Ibn Khaldun. He thus remained to be merely an empiricist without the greater depth of epistemological-analytical vision that sways permanence of historical explanation. In the Western world, we find this attempt being made for Occidentalism by Hegel. In the Islamic world, a better and deeper study of the philosophy of history was given by Shah Waliullah.

According to Choudhury, only empirical theory of political economy, not Islamic political economic theory, that can be derived from Ibn Khaldun's book, *Muqaddima*. Hence for those who believe in the reductionist philosophy of rationalism as the controller of destinies, and for those who treat the Divine Reality as outside the determining life of history as an endogenous force, will continue to take stock of Ibn Khaldun's work. Thus has Ibn Khaldun become popular in the West today, but not so Shah Waliullah, Imam Ghazzali and Ibn Taimiyya. That is because, Ibn Khaldun championed his Greek leanage along with the Hellenic philosophers like, Ibn Sina, Ibn Rushd, Razi and others. That was the fashion of intellectual of the time when Ibn Khaldun wrote and it was the very kind of inquiry that gained the privileges with the elites and rulers of the time.²⁴

Choudhury himself concedes that,

It is true that Ibn Khaldun thought of the pure economic functions of urban life -- division of labour, economic development and public finance -- long before Adam Smith and Keynes. He also argues that the transition from the state of dynasty to the state of towns and cities is a costly one, but he also promotes the importance of government functions. From Ibn Taimiyya to Ibn Khaldun, the importance of government in the economy has increased albeit not without cost.

However, Choudhury does not agree with development transformation of society with excessive role of government. Consequently, the capitalistic and elitist tend will arise in the society who lost their freedom to the state.

Ibn Khaldun's taxes for the state have become increasingly onerous. In the above paragraphs, he is in a way defending the taxing powers of the state in spite of the costs that he recognizes in this state function. Thus, what can be concluded from these is the seemingly costly processes involved in the recommended transitions from basic needs regimes of development to

²⁴ ibid

*industrial states of development with great degree of government presence in this transformation.*²⁵

*It has taken off the human freedom to participate in development and has individuals have lost it to the overweening states. If Ibn Khaldun's ideas are taken first, as a prescription of development, it is a socially and economically costly way to develop in the face of capitalistic and elitist claim over the resources of development, ownership and empowerment of elitism. kings and rulers. This sorrowfully has happened in the Arab world contrary to the Islamic precepts of governance.*²⁶

Finally, Choudhury sees that the idea of development model by Ibn Khaldun leads to disequilibrium, and contrary to Islamic methodology on development of socio-economy, political economy and history.

*....if Ibn Khaldun's ideas are taken as dynamics of the historical process of change, there is no relevance in all of these of the Islamic view to development, wealth and progress, growth and industrial advance while keeping the moral precepts in tact as was delineated by Ibn Taimiyya and Imam Ghazzali. Likewise, while the great Shari'a scholars described their politico-economic universe in the midst of equilibrium, Ibn Khaldun described it in terms of a disequilibrium dynamics. Economic development as an evolutionary process leading to the destruction of dynasties and the rise of cities and nation states as costly entities, means that this inevitable development must be increasingly costly in Ibn Khaldun's framework of political economy. Taken in this perspective, Ibn Khaldun's prescription and message of history are both contrary to the essentially Islamic methodology of socioeconomic development, political economy and historicism.*²⁷

From this criticism it appears that Choudhury tries to understand Ibn Khaldun as an intellectual who is separated from spirit of Islamic epistemology, something that actually may become perilous. This can be understood if the ideas in Ibn Khaldun's work are not viewed in a unified concept. It is undenied that a large part of Ibn Khaldun's writing in *Muqaddima* contains empirical explanation on contemporary phenomena that goes on around him in his age. It is because Ibn Khaldun's career path walked in the midst of political situations, which contain dynamic intrigues and interests of different rulers. However, to place Ibn Khaldun as an intellectual who does not have any methodology that leads to Islamic epistemology is clearly a misconception. Furthermore, it should be noted that Choudhury's criticism is merely based on *Muqaddima* (translated by Franz Rosenthal), a book written by Ibn Khaldun as introduction to a planned bigger book called *Kitab al-Ibar*.

²⁵ *ibid.*

²⁶ *ibid.*

²⁷ *ibid.*

A small part of the book has been written and never been completed afterwards, because of his death.

Choudhury seems to ignore some details that may cause his criticism unnecessary. When discussing political decision-making, for instance, Ibn Khaldun clearly refers to *Wilaya al-'Ahd* that is practiced during Prophet Muhammad's companions era (Part III, Chapter 30); and the role of government head in religious matter (Chapter 31); also his dislike toward the replacement *caliph* institution to kingdom (Chapter 28) or his appreciation to the letter of Tahir bin Husein (Chapter 51) – a senior minister in Abbasid era who is also a literalist, philosopher and brave man – to his son on a method to manage a government so as to be the way toward the pleasure of Allah. Ibn Khaldun's fond of this letter made him quote fully in his *Muqaddima*.

Similar misconception is found in Ibn Khaldun's socio-economic analysis. Choudhury is trapped with Western intellectual analysis that confines Ibn Khaldun on empiricism without examining details given him to lead them to Islamic perspective. In discussing monopoly (*Ihtikar*, Part IV, Chapter 13) for instance, can be seen how Ibn Khaldun explains it according to sharia and from psychological perspective, or his criticism against the ruler who applies pricing regulation policy, quoting Quranic verse 58 of Sura Azzariyat (Part IV, chapter 15). With this verse, Ibn Khaldun seems to suggest to the ruler that price regulation will have a negative effect for development of their society and that the policy is against Islamic *aqida* (ideology, theology). Besides that, like other Islamic scholars and intellectuals in terms of ethics (*akhlaq*) Ibn Khaldun always ends his writing by reminding the reader that there is He Who knows more than everyone in this world.

It can then be concluded that Choudhury has a fractional view on Ibn Khaldun, namely from merely an empirical approach. He may not realize that what Ibn Khaldun has done is to explain scientifically what is already laid by the Almighty in the dynamics of human civilization, from the perspective of power, socio-economy and knowledge. Furthermore, Ibn Khaldun wants to teach his Muslim brother an important lesson that to achieve a success in the world (and the hereafter) a nation cannot ignore *Sunnatullah* through empirical description. If a nation deviates from it, then the disaster will be the logical consequence.

Wallahu A'lam

Allah knows the best

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