

CHAPTER I

INTRODUCTION

A. Background of Research

Many people in the world state that almost of economic theories are famous from western economic thinker, such as Adam Smith who is popular with his book with the title “The Wealth of Nation”, Thomas Robert Malthus which is famous with many books as his magnum opus but the most popular book is “Principles of Population”.¹ There is also the economic thinker namely David Ricardo with his book by the title is “The Principles of Political Economy and Taxation”, John Stuarde Mill who is famous with the book “Principles of Political Economy With Some of Their Applications to Social Philosophy”. They are the thinkers of capitalism side. In the beginning of this part, the writer has told about some of the pioneer of western economics concept. Then, the people in the world should know that there are many Islamic thinkers who expert in economic and created many economics theories. Abu Yusuf is famous with the book *Kitab al-Kharaj* (the book about the taxation). Ibn Taimiyah is famous with his magnum opus *Majmu' Fatâwâ Syaikh al- Islam*. Al- Syaibani wrote *al- Kasb* which explains about the production activity in Islam. Beside that there was Ibn Khaldûn who is popular with his book namely *Muqaddimah*. This thesis would like to explain about the economic perspective of Ibn Khaldûn , especially on his book *Muqaddimah*. In this thesis the writer researches specifically about equilibrium price depend on Ibn Khaldûn 's perspective which is written in *Muqaddimah* book and happened in his era. The perspective of Ibn

¹Deliarnov, *Perkembangan Pemikiran Ekonomi* (Jakarta: PT. Raja Grafindo Persada, 2007), p. 48.

Khaldûn about equilibrium price proves that classical Muslim scholars had assumed the economic concept which will be developed in modern era.

B. Statement of Problem

1. How about Ibn Khaldûn 's perspective about the equilibrium price in his era and what are the factors influenced the equilibrium of price in his era?
2. What are the similarities and the differences between Ibn Khaldûn 's equilibrium of price and contemporary equilibrium of price ?

C. Objective of Research

1. To understand about Ibn Khaldûn 's perspective about the equilibrium of price in his era and about the factors which influence equilibrium of price.
2. To know about the similarities and the differences between Ibn Khaldûn 's equilibrium of price and contemporary equilibrium of price.

D. Significance of Research

There are two benefits of this research:

1. Theoretical Benefit

This research will give many benefits for developing the knowledge about the economic perspective of Ibn Khaldûn based on *Muqaddimmah* book, especially about equilibrium price.

2. Practical Benefit

- a. The academic side

Actually this research will give much knowledge for the students or lecturers. Because it will lead the readers to understand about the economic perspective of Ibn Khaldûn based on *Muqaddimmah* book, especially about equilibrium price.

E. Research Method

1. The Kind of Research

This kind of this research is literary study, because this research focuses to explain and understand about Ibn Khaldûn 's perspective especially about equilibrium price in his book. Depend on the research method, this research is qualitative research.

2. Research Approach

This research uses conceptual approach because it will understand about the concept which build from the perspective about equilibrium price which assumed by Ibn Khaldûn in *Muqaddimmah* book. This research also uses the philosophical approach which focus on economic concept by Ibn Khaldûn from philosophy side.

3. The Kind of Data

This research uses secondary data. In the literary research, the data used is secondary data, it is the data which is gotten from the written documents.

4. Data Collecting Method

The method of collecting data in this research is documentation. Documentation comes from the word document which is has the meaning as the written goods such as the related books, or the written data which has the relation with the research's problems.

5. Managing of Data

Managing of data is the process which is the writer will manage all of data collected with the collecting data method before. Usually this process done by some steps. Editing, classifying, verifying, analyzing, and the last is concluding.

6. Method of Data Analyzing

The method of analyzing in this research is descriptive analyzing which have the beginning from making group of data and the relevance information to make the interpretation in giving the meaning and making understanding in every aspects which are related to the problems to get the complete explanation.²

F. Previous Research

No.	The Reasercher	The Title	Formal object	Material object
1	Ali Mahmudi	Konsep Ekonomi Politik Dalam Perspektif Ibn Khaldûn dan Karl Marx	Ibn Khaldûn's Perspective and Karl Marx's Perspective	Economy Political Concept
2	Khoirul Taqwim	Relevansi Pemikiran Ibn Khaldûn Dengan Ekonomi Islam	Ibn Khaldûn's Perspective	The Relevance Between Ibn Khaldûn's Perspective with Islamic Economy Concept
3	Irfan Syauqi Beik and Laily Dwi Arsyianti	Ibn Khaldûn 's Contribution on Modern Economics Development: An Analysis Based on Selected Economic Issues	Ibn Khaldûn's Perspective	Ibn Khaldûn 's Contribution on Modern Economics Development
4	Ahmad Fauzi	Peran Ekonomi Islam Dalam Pengetasan Kemiskinan Menurut Pemikiran Ibn Khaldûn	Ibn Khaldûn's Perspective	The Action of Islamic Economy in Pushing the Poverty

² Bahder Johan Nasution, *Metode Penelitian Ilmu Hukum* (Bandung: Mandar Maju, 2008), p. 124.

G. Structure of Discussion

CHAPTER I:	INTRODUCTION
CHAPTER II:	REVIEW OF RELATED LITERATURE
CHAPTER III:	FINDINGS AND DISCUSSION
CHAPTER IV:	CONCLUSSION AND SUGGESTION

CHAPTER II

REVIEW OF RELATED LITERATURE

A. The Figure Of Ibn Khaldûn

Ibn Khaldûn is one of the famous thinkers in Islam. He wrote many things about some knowledge, not only in the one side. The complete name of Ibn Khaldûn is Abdurrahman Abu Zaid Waliudin Ibn Khaldûn . He was born in the beginning of Ramadhan 732 H. ³He was died in Cairo 25 of Ramadhan 808 H (19 of March 1406).⁴ He born on the scientific family, his family also has the honor from the society.

B. The Book of Ibn Khaldûn

There are two famous book as his opus:⁵

1. *Al- 'Ibar, wa Dîwân al-Mubtada' wa al-Khabar, fî Târîkh al- 'Arab wa al- 'Ajam wa al-Barbar* book.
2. *Al-Ta'rif bi Ibn Khaldûn wa Rihlatuhu Syarqan wa Gharban* book. The western people called it the autobiography systematically with the scientific method, because it arranged in the chapters, but it related each other.

C. Equilibrium price

³ Adiwarman Azwar Karim, *Sejarah Pemikiran Ekonomi Islam* (Jakarta: PT Raja Grafindo Persada, 2010), p. 391.

⁴ Badri Yatim, *Historiografi Islam* (Jakarta: Logos Wacana Ilmu, 1997), p. 139.

⁵ Fuad Baali and Ali Wardi, *Ibn Khaldûn dan Pola Pemikiran Islam* (Jakarta: Pustaka Firdaus, 2003), p. 20.

1. The definition

Price is the changing value which is same as the money or other goods to get the benefit from it for some one or the group in certain time and place. The price of some goods or services can be changed with suitable to the market situation. Actually, the changing of price is usually happen in the market. The situation makes it happen. In the law of demand, the consumer will do rationally, that is the consumer will increase his buying when the price is lower or decreased, he will decrease his buying when the price is increase or upper. It will happen to the law of supply , the seller or the producer will do rationally, that is will making his selling more when the price is increase, and he will decrease his selling when the price is decreased.

2. Supply and Demand

One of the most important tool of economic analysis is supply and demand. With this tool, the economist can analyze almost of aspect in economy, the two aspect that related to supply and demand as the tool of analyzing are price and the goods sold in the market.⁶

Depend on the consumer behavior, the consumer will respect about the changing of the supply of goods or the services. The price of the other goods as the complementary goods or the changing goods, the income and other, one aspect which is influence in that is the approach from supply.⁷

⁶ Yoopi Abimanyu, *Ekonomi Manajerial* (Bogor: Ghalia Indonesia, 2004), p. 14.

⁷ Soeharno, *Teori Mikroekonomi* (Yogyakarta: C.V ANDI OFFSET, 2009), p. 13

1. The factors influenced the equilibrium price which are related to the supply and demand.

There are some factors influenced to both of supply and demand. They are will be explained after:

- a. The price of that goods or produc
- b. The price of related product
- c. Taste
- d. The number of population
- e. The effort of the producer in improving the selling
- f. The distribution of income
- g. The expectation of goods available

CHAPTER III

IBN KHALDÛN 'S PERSPECTIVE ABOUT THE EQUILIBRIUM PRICE

A. The Equilibrium Price Depend On Ibn Khaldûn 's Perspective

One of the classical Muslim thinker who explain about the market and the price is Ibn Khaldûn. He is a man who called by Schumpeter in the two places of his book entitled "History of Economic Analysis" although it does not related to his thinking in economical problems.⁸

⁸ Muhammad, *Ekonomi Mikro Dalam Perspektif Islam* (Yogyakarta: BPFE-YOGYAKARTA, 2004), p. 361.

In *Muqaddimah* book, Ibn Khaldûn wrote a chapter specifically with the title “The Prices in The Town”. This title is written in the fourth chapter in *Muqaddimah* book. He told about the condition of price in his era.

B. The Factors Which Is Influence The Equilibrium Price

1. The capability of workers and the needed of employer.
2. The condition of city and the population there.
3. The additional cost of goods because of taxation
4. The political condition in certain place.
5. The understanding of trader about the taste of buyers.
6. The distance and the challenge faced by the trader
7. Monopoly Practice
8. The prosperity of the population

CHAPTER IV

CONCLUSSION AND SUGGESTION

A. CONCLUSSION

1. The conclusion about Ibn Khaldûn ’s perspective about the equilibrium price in his era.

The equilibrium price happen in Ibn Khaldûn ’s era depend on his explanation in *Muqaddimah* book when the quantity of demand as same as the quantity of supply of goods. It is related to the available of goods, and the situation of development of city. It also become the concept in the economic modern when the supply and demand of product should influence to the equilibrium of price.

2. The conclusion about Ibn Khaldûn ’s perspective about the factors which influence the equilibrium price.

- a. The capability of workers and the needed of employer
 - b. The condition of city and the population there.
 - c. The additional cost of goods because of taxation
 - d. The political condition in certain place.
 - e. The understanding of trader about the taste of buyers
 - f. The distance and the challenge faced by the trader.
 - g. The prosperity of the population.
3. The similarities and the differences between Ibn Khaldûn 's equilibrium of price and contempore equilibrium of price.

The similarities between them are general concept of equilibrium of price and the concept of supply and demand as the explanations below:

- a. The similarity between the concept of equilibrium of price from Ibn Khaldûn and Adam Smith is about the situation of happening of equilibrium price, that is when the quantity of commodity as same as the demand of buyers.
- b. The similarity about the situation when the available of commodity is not enough for completing the demand, so the price will be expensive.
- c. The similarity about the condition when the available of commodity is more than the demand, so the commodity will not be sold all, then the seller should decrease the price to the lower price.
- d. The similarity about the condition when the quantity of available commodity is same as the quantity of demand, and no more. So, the equilibrium of price can be implemented.

Beside the similarities, there are also some differences between Ibn Khaldûn 's equilibrium of price and contemporary equilibrium of price, it is around the allowed commodity which can be sold depend on Islamic law and western perspective is different. Beside that, the different between them shown especially about the remind of limitation of necessity for every people.

B. SUGRESSION

1. For Academic Aspect

The result of this research can be previous lesson for the next research. Although actually, this research does not give the explanation perfectly, it because of the limitation of the writer and the data gotten.

2. For The Reader

This research can be a good lesson for all the reader especially about Ibn Khaldûn's perspective about equilibrium price. It also give the understanding that actually the Muslim classical thinker has good contribution for the economical thinking. If we look at fairly on Ibn Khaldun's thought, we will come up with conclusion that Ibn Khaldun has built very fundamental analysis for modern economics development. However, in many mainstream economics literature, his contributions are often neglected.