Ibn Khaldun Economic Thought: A Literature Review and Bibliometric Analysis

Miskal Kholiq¹, Muhammad Fikriadi², Muhammad Sahnan³
¹²³ Tazkia Institute of Islamic Religion, Indonesia

This study aims to find the relevance of Ibn Khaldun's theory of economic thought to modern economic theory where the focus of this research is Ibn Khaldun's micro and macroeconomic theory and its relevance to modern economic theory. This study uses the literature study method by studying literature related to Ibn Khaldun's micro and macroeconomic theories. Apart from using literature study, this research also uses bibliometric mapping using VOSviewer software where the keywords most often searched for in Ibn Khaldun's economic thinking are philosophy, humanities, political science, mathematics, history and economic thought. The results of this study indicate that Ibn Khaldun's micro and macroeconomic theories are still relevant to modern economic theory today.

Keywords: Ibn Khaldun, Economic thought, SLR
INTRODUCTION

Ibn Khaldun's economic approach contained in the Muqaddimah is inseparable from an observation of human history. The focus of Ibn Khaldun's study is on human beings, he understands that other achievements also determine the quality of individuals, society, rulers and institutions. The interdisciplinary and dynamic analysis of Ibn Khaldun is reflected in his formulation which relates all social, economic and political variables. These variables are in a circle that are interdependent because they influence each other (Aryanti 2018).

Ibn Khaldun's economic thinking is relevant enough to be able to answer various problems. Ibn Khaldun often explicitly or implicitly criticizes the extravagant behavior of an advanced society as a turning point in the decline of the economic life of a society or civilization to the point of its collapse. From the broad context of his thinking, many economic theories can be explored which are actually based on his empirical observations of the economic behavior of the various communities he meets (Aryanti 2018).

Ibn Khaldun's famous work, "Al-Muqaddimah", is a monumental work that discusses history, sociology, and economics, and is considered one of the greatest works in the history of economic thought. This work has greatly influenced modern thinkers in economics, and Ibn Khaldun is recognized as one of the pioneers of social and economic theory. Ibn Khaldun also worked as a diplomat and public official in various Muslim regions, including Granada, Fez, and Cairo (Enan, M.A. 2013).

The concept of Asabiyah or social solidarity is an important factor in the formation and sustainability of a society or country (Huda 2008). This concept can be applied in an effort to strengthen global economic resilience through strengthening solidarity and cooperation between countries and communities.

In Ibn Khaldun's view, Asabiyah is a force that unites a group in facing various challenges and developing strong economic strength. High social solidarity will encourage cooperation in various fields, including the economy, so as to form a sustainable and stable economic system.

This concept can be applied in the context of today's global economy, where challenges are complex and interrelated, such as climate change, economic injustice, and global pandemics. In facing this challenge, countries and people must work together and have high social solidarity to build a sustainable and stable economic system. The Asabiyah concept by Ibn Khaldun can be an inspiration for developing global economic strategies and policies based on cooperation and social solidarity (Huda 2008).

There have been many studies that examine Ibn Khaldun's economic thought and of course each of the previous studies has its own characteristics related to the theme of Ibn Khaldun's economic thought. This time the researcher wants to examine the influence of Ibn Khaldun's economic thought in a modern context. Studies on the influence of Ibn Khaldun's thought on modern economic thought are still very limited. This study can help clarify the relevance and value of Ibn Khaldun's economic thought in a modern context. The new finding from this research is that the researcher wants to try to examine this research using bibliometric analysis, where this bibliometric analysis is rarely found to examine Ibn Khaldun's economic thinking.

The research objective of Ibn Khaldun's economic thought is to deepen understanding of his contribution to the development of a more complete economic theory that is closely related to social, political and cultural factors. This study aims to explore the key concepts put forward by Ibn Khaldun in his famous work, Muqaddimah, such as asabiyah, muqaddimah, and trade based on cooperation, and analyze the relevance of these concepts in the current global economic context.

LITERATURE REVIEW

According to Frankel et al., (2012) a literature review is a review of the literature that supports specific problems in the research we are working on (I and Title 2002). Literature review this previous research will later become one of the references in research and writing in the discussion. The benefits of being literature review this also enriches the theory used and provides views on the same problem and also provides a perfect picture of existing research with a different touch or concept in conducting research.

Previous Research

Rusdi & Widiastuti's research (2020) aims to find out and compare the thoughts of Ibn Khaldun and Ibn Taimiyah regarding price policies in buying and selling on the market and seeing which ones are more relevant to do in the present, of course Rusdi & Widiastuti's research (2020) has similarities with This research is to see the relevance of Ibn Khaldun's economic thinking to the current economy, one of which is about price policy in the market.

Research conducted by Hasibuan (2018) aims to find out Ibn Khaldun's thoughts on national economic
development. Ibn Khaldun’s thoughts about law in the country’s economic development above find its relevance to the concept of political-economic democracy that must be carried out by both the state and society.

In their research, Ridwan & Mawardi (2019) attempted to discuss Ibn Khaldun's economic thought in his literature entitled Muqaddimah. This study concludes that historically, Ibn Khaldun's economic thought existed long before modern Western scientists put forward their ideas.

Research conducted by Sukmalia et al., (2021) has a purpose to find out the link between Ibn Khaldun's theory and the current declining economic growth. This research has something in common, namely knowing the relevance of Ibn Khaldun's theory to economic theory in modern times like now.

Research conducted by Suliswanto et al., (2019) has the results obtained in this study regarding Indonesia's development has lost its direction in determining development by focusing objections on political interests that are carried out to replace the role of the state as the subject of development in each era of leadership changing the focus of economic development.

The research conducted by Romli (2020) aims to examine Ibn Khaldun's concept of money and monetary policy in the economy and the relevance of his thoughts to monetary policy in Indonesia. This study uses a literature study design (Library Research) with historical approach and descriptive approach. The results of the study show that: the emergence of the concept of money and the monetary system in the economy came from the background of the economic and political conditions experienced during Ibn Khaldun's life.

THEORETICAL STUDY

Ibn Khaldun's Thoughts Related To Macroeconomics

Theory of the Concept of Demand

Ibn Khaldun explained that demand will cause the price of a product to rise if the number of products experiences scarcity or is available in limited quantities, as he stated "If the quantity of a commodity is only small and scarce on the market, the price will be expensive (Henry 2020). The concept made by Ibn Khaldun in his sentence which explains that price will affect the level of demand. If the price of a product is high, it will cause the demand for the product or goods to decrease and vice versa (Henry 2020).

Theory about the Function of Money

Ibn Khaldun argues that every good and service has a measure of economic value. The measure used is "gold and silver" because these two metals have a fixed value. Furthermore, Mrs. Khaldun explained the functions of gold and silver as money, including: (1) As a measure of value, (2) As a means of storing value, (3) As a medium of exchange in the market and, (4) As capital accumulation (Khaldun in Henry 2020).

Theory of Macroeconomic Balance

Macroeconomic balance according to Ibn Khaldun is the balance of government spending and the balance of government revenue. He said that the economy in a country is the economy from country to society and from society to country. After all, the nature of wealth only goes back and forth between the people and the sultan, from them to him and from him to them. So when the sultan keeps it for himself, the people experience loss (Khaldun in Henry 2020).

Theories about Market Prices and Factor Prices

Ibn Khaldun explained that every item produced in the economic activities of a kingdom and a city has value. The value used is the price of these goods including the prices of the factors of production to produce these goods plus taxes, tributes collected at the market and city gates (Khaldun Henry 2020).

Theories on Fiscal Policy

Ibn Khaldun saw that the practice of collecting taxes in kingdoms was often carried out with the aim of increasing state revenue. He is of the opinion that taxes can affect people's economic activities and state revenues in the short and long term. Such a high tax burden will only result in an increase in state revenue in a short time. In the long term, tax revenues will decrease even though the tariffs imposed are quite high, because the high production costs of goods will lead to high selling prices. This resulted in a decreased demand and decreased income levels which resulted in a decrease in tax revenue paid by entrepreneurs (Khaldun in Henry 2020).

Demand Theory

The concept of demand for goods raised by Ibn Khaldun in economic theory is known as the law of demand or theory of demand. The law of demand
explains that the quantity of goods demanded is greater at a low price than at a high price level (Mashudi 2017).

Factors Affecting Demand

Ibn Khaldun explained, under general conditions, the level of demand for an item rises and falls due to price. However, the level of demand is not always affected by price, but is also influenced by other factors (Khaldun in Henry 2020). The analysis conducted by Chapra explains that a number of other factors affect the level of demand in Ibn Khaldun's view, including income, population, habits and customs of the community, development and prosperity of society in general (Chapra 2000).

Theory of Supply

Ibn Khaldun stated that if the price is high in a market or city and the willingness of the people to buy at a high price, traders will increase the supply of commodity goods by a high amount in order to be able to fill and meet market needs. In modern economic theory, Ibn Khaldun's statement above is known as the law of supply. The law of supply is basically the seller's desire to offer his goods if the price is high. The higher the price of an item, the greater the quantity of goods supplied. Conversely, the lower the price of an item, the less the number of goods offered by producers (Sukirno 2015).

Theory of Factors Affecting Supply

Ibn Khaldun explained that price is not the only factor that drives bids by producers or traders. Chapra details Ibn Khaldun's opinion regarding the factors that affect supply, including (1) the rate of relative profit, (2) the level of demand, (3) the level of human effort, (4) calm and security, (5) the amount of labor used, (6) knowledge and skill level possessed and (7) technical ability and development of society as a whole (Chapra 2000).

Production Theory

Basically production activities are strongly influenced by the factors of production itself. Through production activities a number of goods can be produced which are human needs. Ibn Khaldun has divided the factors of production into four main parts, namely capital, workers, natural resources and technology (Khaldun in Henry 2020).

Theory of Market Functions

Ibn Khaldun explained several functions of the market as a place to obtain goods according to their value (al-Qiyam) and a place to meet the needs of human life (Khaldun in Henry 2020).

METHOD

The method in this article uses library research, which is a method of collecting data by understanding and studying theories from various literature related to this research. There are four stages of literature study in research, namely preparing the necessary equipment, preparing a work bibliography, organizing time and reading or recording research materials (Zed in Adlina et al. 2022).

Literature studies can also study various reference books and the results of similar previous studies which are useful for obtaining a theoretical basis for the problem to be studied (Sarwono 2006). Literature study also means data collection techniques by conducting a review of books, literature, records, and various reports relating to the problem to be solved (Nazir 1998).

Bibliometric analysis

Besides using literature study method, this research also uses bibliometric analysis method. The scope of the data used is scientific publication articles about Ibn Khaldun's economic thinking based on searchesite Dimension. The limitations of the publication articles used in this study are only accessed in terms of keywords.

The meta data search technique uses the keyword "Ibn Khaldun Economics" based on title andabstract on the websiteDimension. The article data according to the theme is then downloaded using the XLSX format (the file type used to store data in Microsoft Excel software). Furthermore, the data that has been downloaded is processed and analyzed using algorithm software VOSViewer (Visualization of Similarities). This is to find out bibliometric maps and publication trends based on keywords about Ibn Khaldun's economic thought. Some examples of bibliometric research on the topic of Islamic economics and finance, for example, can be found in Laila et al., (2021), Taqi et al., (2021), and also Al-Qital et al., (2022).
ANALYSIS AND DISCUSSION
Ibn Khaldun's Concept of Macroeconomics and the Concept of Modern Macroeconomics

Money Function
According to Ibn Khaldun, the function of money has several functions. Ibn Khaldun mentions several uses of money in the muqaddimah, including: (a) As a Measure of Value (b) A Store of Value, (c) A medium of exchange in the market, (d) As capital accumulation (Henry 2020). The function of money as explained by Ibn Khaldun, has shown his deep understanding of the function of money.

Ibn Khaldun's function of money with the function of money discussed in modern macroeconomic theory shows several similarities, namely: (a) To facilitate exchange activities, (b) To become a unit of value, (c) To measure delayed payments, (d) as store of value. (Sukirno in Henry 2020).

In modern economics, the function of money places more emphasis on the convenience provided by the monetary system, not just the simple functions that existed at the time of Ibn Khaldun, although in general these functions are the same (Henry 2020). Nowadays, saving gold and silver is not the main choice of deposit because the banking system is mediated by accepting deposits in the form of money which will provide security and value.

Ibn Khaldun's theory of the function of money is very relevant to the modern economic theory of money. Modern theory recognizes the same two functions of money, namely as a medium of exchange and as a means of storing value. However, modern theory also suggests an additional function of money, namely as a measure of value and as a means of repayment of debt. In addition, modern theory takes more into account factors such as inflation, interest rates, and the role of the central bank in regulating money and monetary policy. Even so, the basic concepts of Ibn Khaldun's theory of the function of money remain relevant in understanding money and its role in the economy.

Macroeconomic Balance
Ibn Khaldun argues that state revenue from taxes is related to components such as government spending and the level of economic activity in the market. For this reason, it is necessary to maintain economic activity by maintaining consumption levels, private investment and government spending in order to create production of needed goods and labor (Henry 2020).

The relevance of Ibn Khaldun's aggregate demand and the modern economy is that the component of aggregate demand in macroeconomics includes household consumption (C), investment in the business sector (I), government spending (G) and export and import (X-I) (Rahardja in Henry 2020). Meanwhile, the component of Ibn Khaldun's aggregate supply is basically the same as the macroeconomic concept, namely the level of production which includes labor, capital, natural resources and technology as components of the production function in aggregate supply (Sukirno in Henry 2020).

In addition, Ibn Khaldun also argued that political and social stability is very important for macroeconomic balance. Modern theory also recognizes the importance of political and social factors in influencing macroeconomic balances. Appropriate political and social policies such as political stability, fair trade policies, as well as good monetary and fiscal policy arrangements, can help achieve a stable macroeconomic balance (Fitriani 2019).

Pricing Mechanism
Ibn Khaldun's pricing theory is based on the principle of supply and demand. According to him, the price of goods will rise if the demand is higher than the supply, and conversely, the price of goods will fall if the supply is higher than the demand. Apart from that, Ibn Khaldun also acknowledged the importance of other factors such as production costs, people's purchasing power, and competition in determining the price of goods (Saputri 2022).

These concepts are highly relevant to the modern economic pricing theory which is also based on the principle of supply and demand. However, modern theory is more complex and takes into account other factors such as elasticity of demand and supply, cost margin, and expected profit. In addition, modern theory also highlights the role of the market as a mechanism that regulates prices, while Ibn Khaldun emphasizes more on social and political factors that influence price setting.

However, overall, Ibn Khaldun's pricing theory is very relevant to modern economic pricing theory. The basic concepts of demand, supply, costs of production, and competition are still relevant today. In addition, Ibn Khaldun's theory also shows the importance of considering social and political factors in price setting, which is important for understanding
market dynamics and making the right economic decisions.

Theories About Fiscal Policy

One of Ibn Khaldun's theories that is relevant to modern fiscal policy is the concept of "asabiyah". Ibn Khaldun considers that the economic strength of a country is very dependent on the level of social solidarity or asabiyah it has (Huda 2008). In the context of fiscal policy, this means that a country must take action to strengthen asabiyah, such as by improving income distribution and reducing economic disparities between various groups of people. These actions will help improve overall economic stability and prevent social conflicts that can damage the economy.

On the other hand, modern economic fiscal policy theory focuses on using fiscal policy, such as spending and taxes, to manage business cycles and promote economic growth. These theories consider aspects such as the impact of taxes on society, the effectiveness of public spending, and the impact of fiscal policy on macroeconomic stability.

Despite differences in approach and methodology, Ibn Khaldun's fiscal policy theories and modern economic fiscal policy theories have similarities in terms of the importance of fiscal policy in building and maintaining a country's economic strength. Both also emphasized the importance of considering social and economic factors in designing effective and sustainable fiscal policies.

Ibn Khaldun's Microeconomic Concept and Its Relevance to Modern Microeconomic Concepts

Demand Theory

The concept of demand for goods raised by Ibn Khaldun in economic theory is known as the law of demand or theory of demand. The law of demand explains that the quantity of goods demanded is greater at low prices than at high price levels (Mashudi in Henry 2020).

The concept of demand by Ibn Khaldun and modern economic theory has some relevance: (1) Ibn Khaldun emphasizes that demand is an important factor that influences the price of goods or services in the market. Modern economic demand theory also recognizes that demand is one of the main factors affecting the price of goods or services in the market. (2) Ibn Khaldun argued that demand is influenced by the desire and ability of consumers to buy certain goods or services. This is also the focus of modern economic demand theory, which considers that factors such as the price of a good or service, consumer income, and consumer preferences can influence the level of demand in a market. (3) Ibn Khaldun emphasizes that competition in the market can affect the price of goods or services and can affect consumer demand. Similarly, the demand theory of modern economists also recognizes that competition in the market can affect the price and demand for goods or services.

Supply Theory

Ibn Khaldun stated that if the price is high in a market or city and the willingness of the people to buy at a high price, traders will increase the supply of commodity goods by a high amount in order to be able to fill and meet market needs. In modern economic theory, Ibn Khaldun's statement above is known as the law of supply. The law of supply is basically the seller's desire to offer his goods if the price is high. The higher the price of an item, the greater the quantity of goods supplied. Conversely, the lower the price of an item, the smaller the number of goods offered by producers (Sukirno in Henry 2020).

The supply theory put forward by Ibn Khaldun has some relevance to modern economic supply theory, including: (1) Ibn Khaldun argued that supply is influenced by various factors such as the availability of resources, technology, and competition. This is also the focus of modern economic supply theory, which recognizes that these factors can affect the level of supply in the market. (2) Ibn Khaldun emphasizes that the price of goods or services can affect the level of supply. The higher the price of goods or services, the greater the level of supply. This is also the focus of modern economic supply theory, which claims that the price of goods or services can affect the level of supply in the market. (3) Ibn Khaldun suggests that macroeconomic factors such as overall economic conditions can affect supply in the market. Modern economic supply theory also recognizes that macroeconomic factors such as economic growth, inflation and interest rates can affect supply in the market.

Production Theory

Basically production activities are strongly influenced by the factors of production itself. Through production activities a number of goods can be produced which are human needs. Ibn Khaldun has divided the factors of production into four main parts, namely capital, workers, natural resources and technology (Khaldun in Henry 2020).
The relevance of Ibn Khaldun's production theory to modern economic production theory includes: (1) Ibn Khaldun emphasizes that the production of goods or services depends on the availability of factors of production such as labor, capital and natural resources. Modern economic production theory also recognizes that these factors can affect the level of production. (2) Ibn Khaldun also stated that technology and labor skills can affect the level of production. This is also the focus of modern economic production theory, which recognizes that these factors affect the level of production in the market. (3) Ibn Khaldun emphasizes that labor productivity can be increased through training and skills development. Modern economic production theory also recognizes that investment in human capital can increase productivity and increase production levels.

**Market Function Theory**

Ibn Khaldun explained several functions of the market as a place to obtain goods according to their value (al-Qiyam) and a place to meet the needs of human life (Khaldun in Henry 2020).

The relevance of Ibn Khaldun’s market function theory to modern economic market theory, among others: (1) Ibn Khaldun stated that the market can function as a mechanism to balance the forces between supply and demand. This is also the focus of modern economic market theory, which claims that the market functions as an important mechanism for determining prices and the amount of goods and services produced. (2) Ibnu Khaldun emphasizes that competition in the market can affect the price and quality of the goods or services produced. Modern market economic theory also recognizes that competition in the market is very important to increase efficiency and innovation in production. (3) Ibnu Khaldun also emphasized that economic factors such as government policies, inflation rates, and consumer demand can affect the balance in the market. This is also the focus of modern economic market theory which recognizes that these factors can influence market behavior. (4) Ibn Khaldun emphasizes that prices set in the market can affect production and consumption decisions. Modern economic market theory also recognizes that the prices set in the market influence the behavior of producers and consumers.

**Bibliometric Mapping Research Around Ibn Khaldun's Economic Thought**

Research article search results on the Dimension website are exported in XLSX format, inputted and analyzed with VOSViewer. The results of the network visualization on the peda co-word of research development around Ibn Khaldun’s economic thinking are divided into 9 clusters, as follows.

**Figure 1: Bibliometric Keyword Mapping**

- Cluster 1. The red color consists of 17 topics namely algorithm, coherence (philosophical gambling strategy), demography, development economics, division of labour, empowerment, geometry, morality, neoclassical economics, perspective (graphical), point (geometry),...
population, positive economics, poverty, state (computer science), term (time), unemployment.
- Cluster 2. The green color consists of 15 topics namely art, classical economics, computer science, database, finance, literature, order (exchange), physics, power (physics), praise, quantum mechanics, rationality, relation (database), statistics, value (mathematics).
- Cluster 3. The blue color consists of 14 topics namely archaeology, civilization, classics, context (archaeology), economic justice, economic thought, epistemology, history, history of islam, originality, political economy, property (philosophy), qualitative research, social science.
- Cluster 4. The yellow color consists of 9 topics namely balance (ability), economic growth, law, law and economics, neuroscience, productivity, prosperity, psychology, sociology.
- Cluster 5. The purple color consists of 8 topics namely ancient history, Arabic literature, interpretation (philosophy), Islamic philosophy, linguistics, magnum opus, periodization, politics.
- Cluster 6. The blue color consists of 8 topics namely econometrics, economics, economy, geography, international trade, panel data, political science, tariff.
- Cluster 7. The orange color consists of 5 topics namely fiqh, islam, religious studies, sharia, theology.
- Cluster 8. The brown color consists of 5 topics namely chemistry, humanities, medicine, philosophy, traditional medicine.
- Cluster 9. The light purple color consists of 3 topics namely business, business administration, mathematics.

The keywords divided into the 9 clusters above are arranged in colored circles indicating the clusters. This data can be used to determine keyword trends in recent years. The bibliometric analysis shows several keywords that are widely used in the articles that are the object of research. The more keywords that appear, the wider the circle shows the most. Meanwhile, the line relationship between keywords shows how related they are to other keywords.

The results of Ibn Khaldun's economic thinking are very broad in various sectors. Based on the results of the 9 clusters, a bibliometric map is displayed, which is generated using the Ibn Khaldun economic keywords, both related and unrelated. There are many clusters sorted by keywords. The keywords most often used to write research related to Ibn Khaldun’s economic thinking based on bibliometric mapping, namely philosophy, political science and humanities.

Based on the bibliometric mapping above, the most searched keywords are philosophy. Apart from being a figure in Islamic economic thought, Ibn Khaldun is also known for his historical philosophical thoughts. Ibn Khaldun discusses that the modern era ended after humans created settlements, which later became states. Awakened because of the inter-ethnic unity that was motivated by Ashabiyyah, he said Ashabiyyah this means a blood relationship or kinship, which will be useful when we can undergo cooperation with people who have a relationship with us (Dusan 2020).

Besides philosophy, say political science also includes the most searched keywords. This means that Ibn Khaldun is also known as a figure who took part in politics. According to Ibn Khaldun, politics is something that is noble and honorable, which only humans have, as God’s most dignified creatures. There is no other creature in this universe that has politics, as is the case among humans (Hasaruddin 2010).

**CONCLUSION**

The discussion of Ibn Khaldun’s micro and macroeconomic theories with modern economic concepts and theories is still very relevant and can be used as a reference today. Ibn Khaldun has provided concepts and practices of Islamic economics and has made contributions and repertoire of Islamic scholarship to economics in general and Islamic economics in particular. Overall, Ibn Khaldun’s economic thought shows that he understands the importance of economic cycles, international trade, and social and political factors in the economy. His contribution to the economy has influenced economic thinking around the world and is still relevant today. In general, modern economic theory focuses more on mathematical and statistical analysis in identifying patterns and trends in the market. However, modern economic theory also recognizes the importance of social and political factors in the economy. In this regard, Ibn Khaldun’s contribution can be seen as the foundation for a modern understanding of the relationship between economic, social, and political factors.

**REFERENCES**


