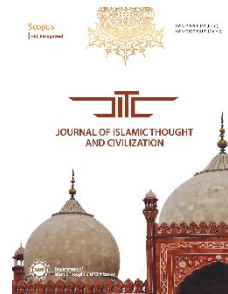




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Title: **From Labour- to Human-Oriented Views: Shifting Paradigm of Unemployment in al-Muqaddimah by Ibn Khaldun (1332-1405 AD)**

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From Labour- to Human-Oriented Views: Shifting Paradigm of Unemployment in *al-Muqaddimah* by Ibn Khaldun (1332-1405 AD)

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Abstract

The progressive view of Ibn Khaldun (1332-1405 AD) is manifested in his work *al-Muqaddimah*, which offers an alternative view of unemployment. This article redefines unemployment by referring to Ibn Khaldun's thoughts on economics, shifting from the current concepts offered by the modern economic systems. The main source of this study is *Kitab al-Muqaddimah* by Ibn Khaldun. The relevant themes emanating from the comprehensive ideas of Ibn Khaldun are analysed textually and contextually. The study shows that the starting point for evaluating unemployment lies in its definition. It is viewed as a loss of work motivation (entrepreneur-oriented) in various business fields. Meanwhile, Ibn Khaldun in *al-Muqaddimah* views unemployment as a problem of civilisation in a broader sense, not just a nominally qualifiable labour-oriented problem. This view is different from that of the modern economists asserting that unemployment is a forced choice (involuntary unemployment) due to job unavailability. This reconceptualisation enriches the Islamic economics literature, which is still limited regarding the concept of unemployment. For policymakers, this reconceptualisation can be considered for establishing effective and comprehensive strategies to overcome unemployment problems.

Keywords: *al-Muqaddimah*, human-oriented view, Ibn Khaldun, labour-oriented view, unemployment

Introduction

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Unemployment is a global issue that continues to be a major concern in various countries. According to the data from the International Labor Organization (ILO), the number of unemployed people worldwide was estimated to reach around 208 million by 2023, equivalent to a global unemployment rate of 5.8%. This figure shows an increase compared to previous years, mainly due to the prolonged impact of the COVID-19 pandemic, as well as global economic instability caused by high inflation, energy crisis, and climate change.¹ Sub-Saharan Africa and Latin America are the regions with the highest unemployment rates, while developed countries such as the United States and Japan reported relatively lower unemployment rates, despite facing challenges in their respective labor markets. On the other hand, the youth age group (15-24 years old) remains the most vulnerable to unemployment, with nearly 73 million youth worldwide out of work.²

The study of *al-Muqaddimah* by Ibn Khaldun (1332-1405 AD) can help to redefine the concept of unemployment. In modern economic systems, unemployment is viewed as a loss of motivation and capability to work in any line of business that contributes to the progress of civilisation. In Ibn Khaldun's time, unemployment reflected injustice in labour and business opportunities, resulting from the hegemony of those in power. Employment dehumanises people from the position of civilisation builder to just a means of production, undermines their full potential, and exploits them in economic activities. Therefore, Ibn Khaldun's study of unemployment is more human-oriented and not labour-oriented.

The study of unemployment can be grouped into conventional (neo-classical) and Islamic economics studies. The study of unemployment in the neo-classical economic literature refers to formal employment. Classical economists examine the unemployment problem within the labour market mechanism framework. In the labour market, some individuals offer services for a specific wage and there are individuals or companies that demand labour services.³ In the labour market framework, unemployment is comparable to abundant goods in a market that lacks buyers. When the labour force is abundant, while companies that use labour are limited, many labourers do not find employment.⁴

Doeringer and Piore put forth two labour market-oriented theories of unemployment. The first theory analyses unemployment from the demand and supply perspective.⁵ The second theory views unemployment as a matter of changing imbalances in the labour market. There is often a mismatch between the types and quality of expertise offered by job seekers and those demanded by the industry or employers.⁶ In the Islamic economics literature, research that examines the problem of unemployment remains limited. There is the work of Fahim,⁷ offering a solution to overcome unemployment based on the teachings of Islamic economics, namely by empowering the community

¹Ashish Trivedi, and Alice Lai, "Ratification Status of International Labour Organization (ILO) Fundamental Conventions on Occupational Safety and Health," *Occupational and Environmental Medicine Journal of Indonesia* 2.2 (2024): 32.

²Firooz Aslani, and Mohsen Khoshnevisan, "Constitutionalization of Fundamental Labour rights in the Procedure of the International Labour Organization and the Administrative Court of Justice," *Culmination of Law* 9.4 (2024): 63-95.

³David Colander, *Economics*, V (New York: McGraw-Hill/Irwin, 2004), 354.

⁴Paul Samuelson, *Economics*, 18th ed., (Boston: McGraw-Hill/Irwin, 2005), 655.

⁵Doeringer Peter, and Michael Piore, "Unemployment and The Dual Labor Market," in Lloyd G. Reynold, *Readings in Labor Economics and Labor Relations* (New Jersey: Prentice-Hall, Inc., 1982), 244.

⁶Ibid.

⁷Fahim Khan, *Essays in Islamic Economics* (Leicester: The Islamic Foundation, 1995), 197-209.

and providing substantial opportunities and support for individuals to become entrepreneurs.

This article aims to understand unemployment from the view of Ibn Khaldun. Theoretically, this alternative concept can enrich the literature on unemployment in Islamic economics. The results of this study can be used as a reference point for further investigations. On a practical level, this study can inform the government in designing and implementing policies to overcome the unemployment problem.

2. Literature Review

2.1. Unemployment from a Sociocultural Perspective

Unemployment is a prevalent problem in the modern economy but scholarly attention to this problem is dated back to the late 18th century.⁸ Industrial revolution changed the nature of work and turned unemployment into a chronic societal problem. For example, cyclical unemployment was not common in the traditional society because in traditional farming or pre-industrial agricultural economies, abrupt layoffs did not occur. Individuals or families shared responsibilities in times of economic downturn. In a capitalist industrial society, employers do not feel responsible for their workers. When economic activities decline, instead of reducing wages, employers fire their employees. What was previously a family problem has expanded into a social problem. Indeed, many chronic unemployment problems were born during the industrial revolution.

Doeringer and Piore coined two labour market-oriented theories of unemployment. The first theory analyses unemployment from the demand and supply perspective.⁹ The second theory views unemployment as a matter of changing imbalances in the labour market. Meanwhile, Andy Beharrell incorporated unemployment into the Keynesian and neoclassical schools of economics. Keynesian economists view unemployment at the macroeconomic level, while neoclassical economists view unemployment as a mismatch between the jobs offered and the jobs demanded in the labour market.¹⁰ In addition to studying unemployment in the formal sector, Khan studied unemployment in the 'non-specific wage labour market.'¹¹ He promotes the Islamic economic system, grounded in economic teachings such as the prohibition of usury, the promotion of sharing profits, *zakat* obligations, and so on. If properly institutionalised, the system would create job opportunities that are not oriented toward fixed-wage employment but more toward business independence.

In a sociocultural context, unemployment can lead to instability in the society, as unemployed individuals often lose their sense of confidence and social identity. In many cultures, work is considered a symbol of status and contribution to one's family and community. When a person is unemployed, they may feel alienated or even a burden on others which, in turn, can trigger social conflict or alienation. Moreover, unemployment can exacerbate social inequalities, creating a chasm between the prosperous and the marginalized. From an Islamic perspective, unemployment is seen as a condition that must be overcome through hard work and by taking responsibility. In Islamic teachings, work is not just an activity to fulfill material needs but also a part of worship and a form of gratitude to Allah SWT.

2.2. Islamic Economics in the Perspective of *Al-Muqaddimah* by Ibn Khaldun

Ibn Khaldun (1332-1405 AD), a polymath whose life experience spanned across Tunisia, Morocco, Andalusia, and Egypt, made significant contributions to science, social sciences, politics,

⁸Paul Samuelson, *Economics*, 18th ed. (Boston: McGraw-Hill/Irwin, 2005), 651.

⁹Doeringer Peter, and Michael Piore, "Unemployment and the Dual Labor Market," 244.

¹⁰Andy Beharrell, *Unemployment and Job Creation* (London: Macmillan Education Ltd., 1992), 29-40.

¹¹Fahim Khan, *Essays in Islamic Economics*, 202-207.

and culture, culminating in his seminal work *al-Muqaddimah*. Drawing on his experiences as a diplomat and traveler, he employed methods such as observation, historical analysis, and comparative study to examine social, economic, and political phenomena, deriving theories that highlighted the interplay of economic and non-economic factors, such as '*ashabiyyah*' (social solidarity), in shaping history. Although *al-Muqaddimah* delves into contemporary economic concepts—such as production, supply and demand, markets, and fiscal policy—Ibn Khaldun's economic insights remain underappreciated as compared to later Western economists such as Adam Smith, partly because his ideas have not been as widely discussed in modern economic discourse.

Al-Muqaddimah discusses many economic ideas. Baeck asserts that Ibn Khaldun was the first Muslim writer to produce a global view of economics.¹² Ali asserts that Ibn Khaldun's analysis includes the ideas put forward much later by Smith, Ricardo, Malthus, and Keynes.¹³ Ali further argues that Ibn Khaldun's most important contribution is the use of his economic concepts together with sociology, politics, and norms and beliefs in a coherent and complete system model to explain the causes and dynamics of civilisation. According to Spengler, *al-Muqaddimah* contains economic views, considered the most advanced among the views that existed in the Middle Ages of Islam.¹⁴ Sociopolitical themes at that time were generally discussed within the disciplines of philosophy and ethics as guidelines for ideal behaviour. Meanwhile, Ibn Khaldun discussed them empirically, referring to social and political behaviour in practice.¹⁵ His understanding of economics is considered dynamic. The ideas that he expounded in the pre-modern era answer the postmodern economic problems. His economic conceptions can offer a better alternative to western economic thought.¹⁶

Ibn Khaldun was of the view that labour is one of the main elements that contribute in the formation of a strong civilization. He opined that the productivity of a society depends on social solidarity (*asabiyyah*) and the level of cooperation between individuals. Ibn Khaldun believed that societies with strong social ties would be more efficient in utilizing natural resources to increase productivity. He also emphasized the importance of the distribution of labor according to the needs of the society. In his view, excessive urbanization can reduce the spirit of hard work because people in cities tend to depend more on luxuries than direct production. In contrast, rural communities living closer to nature have a better work ethic because they are directly involved in primary production processes, such as agriculture and animal husbandry.

Ibn Khaldun's thinking remains relevant to this day, especially in the context of contemporary unemployment. In the modern world, the problem of unemployment is often related to the mismatch between the needs of the labor market and the skills of the workforce. Ibn Khaldun's views on the importance of labor distribution according to the needs of the society remind us of the need for relevant vocational training and education. In addition, his concept of *asabiyyah* can be applied in efforts to build social solidarity to create collective employment, such as through cooperatives or community-based micro-enterprises.

¹²Louis Baeck, "The Global Vision of Ibn Khaldun," in *The Mediterranean Tradition in Economic Thought* (Routledge, 1994), 116.

¹³Salman Syed Ali, *Economic Thought of Ibn Khaldun* (Jeddah: IRTI, Islamic Development Bank, 2006), 14.

¹⁴Joseph J. Spengler, "Economic Thought of Islam: Ibn Khaldun," *Comparative Studies in Society and History* 6, no. 3 (April 1964): 268-306.

¹⁵Muhammad 'Abdullah Inan, *Ibn Khaldun Hayatuh wa Turathuh al-Fikri* [Ibn Khaldun: His life and Intellectual Heritage], (Kairo: al-Maktabah at-Tijariyyah al-Kubra, 1953), 126-133.

¹⁶Mohammad Zakaria, "Khaldunian Understanding of Economico-Legal Philosophy: A Living Mechanism for Civilisational Existence," *Ibn Haldun Çalışmaları Dergisi* 5, no. 1 (2020): 33, DOI <https://doi.org/10.36657/ihcd.2020.64>.

3. Method

Research on Ibn Khaldun's economic thoughts can generate novel concepts and inform policymaking to overcome unemployment. Various economic concepts have emerged from economic research; however, specific studies on unemployment have not been comprehensive. An alternative concept is needed to tackle unemployment fairly and rationally. This could be based on the teachings of classical Islamic economic thinkers such as Ibn Khaldun, whose thoughts are scientific, empirical, historical, and systematic. Some claim that his thinking has inspired contemporary economic thinkers. So far, the studies of Ibn Khaldun's thoughts have focused on economic concepts in general and not on the problem of unemployment. *Al-Muqaddimah* addresses issues related to economics and population dynamics, which, upon thorough analysis, provide effective solutions to unemployment.

This research aims to analyze the paradigm shift of unemployment in Ibn Khaldun's monumental work *al-Muqaddimah*, written in the 14th century. The main focus of the current research is to understand how the view of unemployment transforms from a labor perspective (material economy) to a more human-oriented view (humanistic). This research uses a qualitative approach with a contextual hermeneutic design, a method that allows in-depth analysis of classical texts, such as *al-Muqaddimah*. In the process, the text is analyzed in three main stages: pre-understanding, deep interpretation, and synthesis of meaning. In the pre-understanding stage, the current researcher read the text as a whole to identify the main themes related to unemployment. Next, at the deep interpretation stage, the text was analyzed by considering the historical, social, and cultural context in which *al-Muqaddimah* was written. The data analysis technique involved the use of spiral hermeneutics, where the text was reread many times to discover deeper meanings and relationships between the concepts.

To ensure the validity of the findings, this research uses the triangulation method of sources and methods. Source triangulation is done by comparing *al-Muqaddimah* with other works from the same period or the works of scholars who have discussed similar topics. Meanwhile, method triangulation was done by combining contextual hermeneutic analysis with an intellectual history approach to strengthen the interpretation. In addition, peer debriefing was also used, where the research results were discussed with experts in the fields of Islamic philosophy and economic history to ensure the objectivity of interpretations. Interpretations were made considering the linguistic, historical, and philosophical aspects of the text, as well as its relevance to the modern context. Using this approach, the research not only reveals Ibn Khaldun's views on unemployment but also provides new insights into how classical theory can be applied to understand and address contemporary socioeconomic challenges.

4. Results

4.1. The Concept of Work in al-Muqaddimah

According to Ibn Khaldun, the concept of work extends beyond merely being measured in terms of nominal wages. He defined work as *al-'imarah* and *al-i'timar*. These two words come from the root (*'amara*), which means 'to make progress.'¹⁷ To further illustrate the meaning of work as *'imarah* and *i'timar*, the following is an example from *Muqaddimah Ibn Khaldun*:

¹⁷Wortabet, *Qamus 'Araby-Inkilizy* [English Arabic Dictionary] (Beirut: Maktabah Lubnan, 1984), 439.

أبها الملك عمدت إلى الضياع فانتزعتها من أربابها وعمارها، وهم أرباب الخراج ومن تؤخذ منهم الأموال، وأقطعنها الحاشية والخدم وأهل البطالة، فتركوا العمارة، والنظر في العواقب وما يصلح الضياع، وسومحوا في الخراج لقربيهم من الملك. ووقع الحيف على من بقي من أرباب الخراج وعمار الضياع، فأنجلوا عن ضياعهم وخلوا ديارهم، وأووا إلى ما تعذر من الضياع فسكنوها، فقلت العمارة، وخربت الضياع وقلت الأموال وهلك الجنود والرعية

Figure 1. Muqaddimah Ibn Khaldun Text¹⁸

The word *imarah* means to produce resources that support the peace and prosperity of the country. Rulers who do not give their citizens a fair opportunity to work productively with the available resources ultimately direct their state toward destruction. In *al-Muqaddimah*, a piece of advice given to a king is as follows:

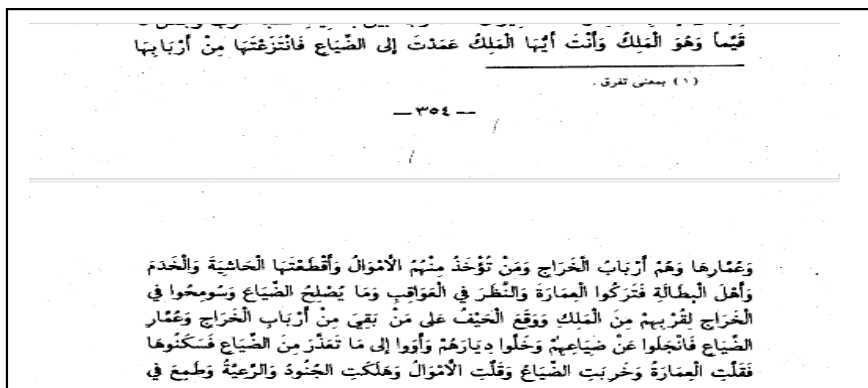


Figure 2. Muqaddimah Ibn Khaldun Text¹⁹

“You, O King, went after the farms and took them away from their owners and cultivators. They are the people who pay the land tax and from whom one gets money. You gave their farms as fiefs to your entourage and servants and to sluggards. They did not cultivate them and did not heed the consequences. (They did not look for the things) that would be good for the farms. They were leniently treated with regard to the land tax (and were not asked to pay it), because they were close to the king. The remaining landowners who did pay the land tax and cultivated their farms had to carry an unjust burden. Therefore, they left their farms and abandoned their settlements. They took refuge in farms that were far away or difficult (of access) and lived on them. Thus, cultivation slackened, and the farms were ruined. There was little money, and soldiers and subjects perished.”²⁰

The term 'imarah encompasses the concept of meaningful work, serving as a valued source of livelihood deserving of respect. Forced work or deprivation of values in people's work is dangerous and may result in the collapse of civilisation. Ibn Khaldun asserted:

¹⁸Abd Al-Rahman Ibn Khaldun, *Muqaddimah Ibn Khaldun* (Beirut: Dar Al-Fikr, 2001), 350

¹⁹Ibid., 354-355.

²⁰Ibn Khaldun, *The Muqaddimah: An Introduction to History*, translated by Franz Rosenthal (New Jersey: Princeton University Press, 2015), 367-368.

وَأَعْمَالُهُمْ كُلُّهَا مَتَمُولَاتٌ وَمَكْسَبٌ لَهُمْ بَلَى لَا مَكْسَبَ لَهُمْ سِوَاهَا فَإِنَّ الرُّعِيَّةَ
الْمُعْتَمِلِينَ فِي الْعِمَارَةِ إِنَّمَا مَعَاشُهُمْ وَمَكْسَبُهُمْ مِنْ اغْتِمَالِهِمْ ذَلِكَ فَإِذَا كَلَّفُوا الْعَمَلَ فِي
غَيْرِ شَأْنِهِمْ وَاتَّخَذُوا شُغْرِيًّا فِي مَعَاشِهِمْ بَطَلَ كَسْبُهُمْ وَاعْتَصَبُوا قِيَمَةَ عَمَلِهِمْ ذَلِكَ وَهُوَ
مَتَمُولُهُمْ فَدَخَلَ عَلَيْهِمُ الضَّرَرُ وَذَهَبَ لَهُمْ عَظْمُ كَيْسٍ مِنْ مَعَاشِهِمْ بَلَى هُوَ مَعَاشُهُمْ
بِالْجُمْلَةِ وَإِنْ تَكَرَّرَ ذَلِكَ عَلَيْهِمْ أَفْسَدَ أَمَالَهُمْ فِي الْعِمَارَةِ وَقَعَدُوا عَنِ الشُّغْرِ فِيهَا جُمْلَةً
فَأَدَّى ذَلِكَ إِلَى انْتِقَاصِ الْعُمُرَانِ وَتَخْرِيْبِهِ وَاللَّهُ سُبْحَانَهُ وَتَعَالَى أَعْلَمُ بِهِ التَّوْفِيقُ

Figure 3. *Muqaddimah Ibn Khaldun Text*²¹

“Subjects employed in cultural enterprises gain their livelihood and profit from such activities. Now, if they are obliged to work outside their own field and are asked for forced labour unrelated to their (ordinary ways of) making a living, they no longer have any profit and are thus deprived of the price of their labour, which is their capital (asset). They suffer, and a good deal of their livelihood is gone, or even all of it. If this occurs repeatedly, all incentive to cultural enterprise is destroyed, and they cease utterly to make an effort. This leads to the destruction and ruin of civilization.”²²

The word *i'timar* also refers to work that can support the country's prosperity, which depends on people's economic activities regulated by state policies. Their enthusiasm and excitement for productive work (*i'timar*) grows when government policies do not burden their creative efforts.

الْأُمُورُ مِنْ مَجْمُوعِهَا وَإِذَا قَلَّتِ الْوُزَائِعُ وَالْوُظَائِفُ عَلَى الرُّعَايَا نَشِطُوا لِلْعَمَلِ وَرَغِبُوا
فِيهِ فَيَكْثُرُ الْإِعْتِمَارُ وَيَتَزَايَدُ لِحْصُولِ الْإِعْتِبَاطِ بِقِلَّةِ الْمَغْرَمِ وَإِذَا كَثُرَ الْإِعْتِمَارُ
كَثُرَتْ أَعْدَادُ تِلْكَ الْوُظَائِفِ وَالْوُزَائِعِ فَكَثُرَتِ الْجَبَايَةُ الَّتِي هِيَ جُمْلَتُهَا فَإِذَا

Figure 4. *Muqaddimah Ibn Khaldun Text*²³

“When tax assessments and imposts upon the subjects are low, the latter have the energy and desire to do things. Cultural enterprises grow and increase, because the low taxes bring satisfaction. When cultural enterprises grow, the number of individual imposts and assessments mounts. In consequence, the tax revenue, which is the sum total of (the individual assessments), increases.”²⁴

The concept of work expressed using the terms' *imarah* and *i'timar* has a broad meaning, referring to Ibn Khaldun's concept of prosperity, which also includes various dimensions of human life or *'umran* (civilisation). Work, in terms of *i'timar*, includes all kinds of efforts that contribute to the progress of civilisation. Work, in Ibn Khaldun's view, is not only work that produces material rewards but includes all activities that improve welfare. Ibn Khaldun argued that respectable professions in the society might not necessarily translate into income generation.²⁵ Therefore, he classified work into works that meet the real short-term needs and works that aim for long-term benefits. His vocabulary includes *al-rizq* (to be used consumptively) and *al-kasb* (general in

²¹ Abd Al-Rahman Ibn Khaldun, *Muqaddimah Ibn Khaldun*, 357.

²² Ibn Khaldun, *The Muqaddimah: An Introduction to History*, 370.

²³ Abd Al-Rahman Ibn Khaldun, *Muqaddimah Ibn Khaldun*, 342.

²⁴ Ibn Khaldun, *The Muqaddimah: An Introduction to History*, 355.

²⁵ Wali Al-Din Abd Al-Rahman ibn Muhammad Ibn Khaldun, *Al-Muqaddimah* (Egypt: Matba'ah Mustafa Muhammad, n.d.), 393.

nature).²⁶

Ibn Khaldun classified workers into various types based on the conditions of employment prevalent at the time. He mentioned four types of workers: government officials, agriculture and animal husbandry workers, professionals, and traders. Government officials are those who receive regular salaries from the state, sourced from taxes. This type of work is categorised as unnatural (non-productive) work, namely relying on something produced by other parties. Meanwhile, agriculture and animal husbandry workers, professionals, and traders are classified as natural (productive) types of workers because they generate value.²⁷ Other types of unnatural work exemplified by Ibn Khaldun include extortion and exploitative actions of the authorities against the citizens' economic activities²⁸, corruption, dependent and non-creative servants, and seeking treasure that relies on luck.²⁹

4.2. The Concept of Unemployment in *Al-Muqaddimah*

In *al-Muqaddimah*, the term indicating unemployment is often associated with the context of *'umran*. Some of the words used are *al-bithalah* (unemployment), *tark al-'imarah* (leaving creative work), *al-faragh* (absence), *al-'uthlah 'an al-'amal* (absence from work), *al-qu'ud 'an al-aswaq* (sitting around not doing market activities), and *inqibadl al-yad 'an al-i'timar* (not willing to move hands for creative endeavours). The various uses of these terms are explained as follows:

- a. Unemployment is termed *al-inqibadl* (restriction of hand from business) and *al-qu'ud* (sitting idle) in *al-Muqaddimah*—a destructive act causing the deterioration of *'umran*. According to Ibn Khaldun, the number of unemployed people corresponds to the level of extortion and exploitation of people's wealth. He maintained that exploitative actions against people's wealth make them lose their passion and aspiration for a prosperous life. When this happens, unemployment rises. If exploitative action extends to all sectors, unemployment causes an economic downturn on a broad scale, weakening the *'umran* because the *'umran* is related to the splendour of work. The following is an excerpt from *al-Muqaddimah*:



Figure 5. *Muqaddimah* Ibn Khaldun Text³⁰

²⁶Wali Al-Din Abd Al-Rahman ibn Muhammad Ibn Khaldun, *Al-Muqaddimah*, 279-381.

²⁷Ibid., *Al-Muqaddimah*, 382-383.

²⁸Ibid., 281-282.

²⁹Ibid., 383-384.

³⁰Ibid., 353-354.

“Attacks on people’s property remove the incentive to acquire and gain property. People, then, become of the opinion that the purpose and ultimate destiny of (acquiring property) is to have it taken away from them. The extent and degree to which property rights are infringed upon determines the extent and degree to which the efforts of the subjects to acquire property slacken. When attacks on (property) are extensive and general, affecting all means of making a livelihood, business inactivity, too, becomes general. If the attacks upon property are but light, the stoppage of gainful activity is correspondingly slight. Civilization and its well-being as well as business prosperity depend on productivity and people’s efforts in all directions in their own interest and profit. When people no longer do business in order to make a living, and when they cease all gainful activity, the business of civilization slumps, and everything decays. People scatter everywhere in search of sustenance, to places outside the jurisdiction of their present government. The population of the particular region becomes sparse. The settlements there become empty. The cities lie in ruins. The disintegration causes the disintegration of the status of dynasty and ruler, because (their peculiar status) constitutes the form of civilization and the form necessarily decays when its matter (in this case, civilization) decays.”³¹

- b. The use of *al-bithalah* and *tark al-'imarah* is associated with unemployment attributed to the ruling class, whose income depends on the taxes imposed on productive citizens. The more the unemployed from this class, the greater the spending of the state's income and the heavier the burden on productive people. Unemployment rises as people lose their motivation and aspiration to increase their welfare because their work is not rewarded. Moreover, they feel that they are being exploited arbitrarily. In this case, Ibn Khaldun quoted al-Mas'udi, who narrated a scholar's advice to a Persian king as follows:

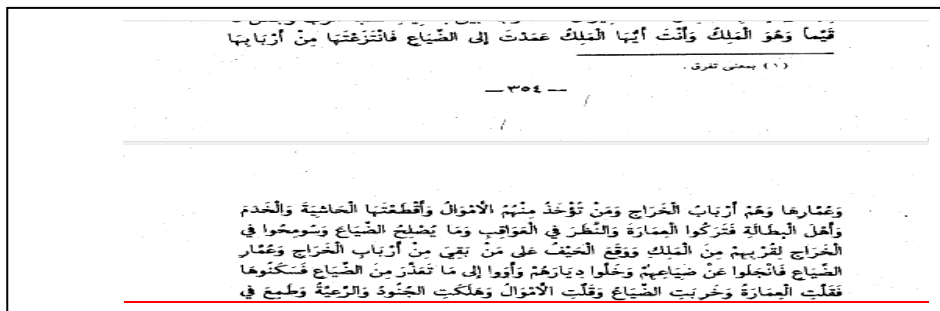


Figure 6. *Muqaddimah* Ibn Khaldun Text³²

“You, O King, went after the farms and took them away from their owners and cultivators. They are the people who pay the land tax and from whom one gets money. You gave their farms as fiefs to your entourage and servants and to sluggards. They did not cultivate them and did not heed the consequences. (They did not look for the things) that would be good for the farms. They were leniently treated with regard to the land tax (and were not asked to pay it), because they were close to the king. The remaining landowners who did pay the land tax and cultivated their farms had to carry an unjust burden. Therefore, they left their farms and abandoned their settlements. They took refuge in farms that were far away or difficult (of access), and lived on them. Thus, cultivation slackened, and the farms were

³¹Ibn Khaldun, *The Muqaddimah: An Introduction to History*, 366-367.

³²Abd Al-Rahman Ibn Khaldun, *Muqaddimah Ibn Khaldun*, 354-355.

ruined. There was little money, and soldiers and subjects perished.”³³

- c. Unemployment, alluded to with the term *al-faragh* (leisure) in *al-Muqaddimah*, refers to the condition without work after succeeding in getting what has been aspired to. Ibn Khaldun associated *al-faragh* with the idle phase in the dynastic cycle after successfully gaining power. The authorities have free time to relax, while they continue to extract retribution from the citizens. Ibn Khaldun considered this phase dangerous because it weakens the dynasty, which subsequently leads to its fall.³⁴ The word *al-faragh* means an absence of materially and spiritually beneficial activities. In *al-Muqaddimah*, *al-faragh* is associated with:

الْبَدَاوَةُ وَالْفَضَاخَةُ عَلَى الْحَالِ الَّتِي عَرَفَتْ لَهُمْ مَعَ غَضَارَةِ الدِّينِ وَشِدَّتِهِ فِي تَرْكِ
أَحْوَالِ الْفَرَاغِ وَمَا لَيْسَ بِنَافِعٍ فِي دِينٍ وَلَا مَعَاشٍ فَهَجَرُوا ذَلِكَ شَيْئًا مَا . وَلَمْ يَكُنْ

Figure 7. *Muqaddimah Ibn Khaldun Text*³⁵

“all the things that are of no utility in one’s religion or livelihood.”³⁶

Al-faragh also includes the absence of activities among the rulers after they successfully gain power. They do not perform any meaningful activities, which is akin to exploitation since they remain busy collecting taxes and levies from citizens. Ibn Khaldun described the *al-faragh* phase as follows:

مُدَافَعَتِهِمْ إِلَّا الْأَقْلَ مِنْ الْأَبَاعِدِ فَيَرْكَبُ صَغْبًا مِنَ الْأَمْرِ . الْعُلُوفُ الثَّالِثُ طَوْرُ
الْفَرَاغِ وَالِدَّعَى لِتَحْصِيلِ ثَمَرَاتِ الْمُلْكِ بِمَا تَنْزِعُ طِبَاعُ الْبَشَرِ إِلَيْهِ مِنْ تَحْصِيلِ الْمَالِ
وَتَغْلِيدِ الْأَثَارِ وَبُعْدِ الصَّيْتِ فَيَسْتَفْرِغُ وَسْعَهُ فِي الْجِنَانَةِ وَضَبْطِ الدُّخْلِ وَالْعَرَجِ
وَإِخْصَاءِ النِّفَقَاتِ وَالْقَضْدِ فِيهَا وَتَشْيِيدِ الْمُنَابِيِ الْحَافِلَةِ وَالْمُضَانِعِ الْعَظِيمَةِ وَالْأَمْصَارِ

Figure 8. *Muqaddimah Ibn Khaldun Text*³⁷

“The third stage is one of leisure and tranquillity in which the fruits of royal authority are enjoyed: the things that human nature desires, such as acquisition of property, creation of lasting monuments, and fame. All the ability (of the ruler) is expended on collecting taxes; regulating income and expenses, bookkeeping and planning expenditure.”³⁸

- d. The term *al-'athal* 'an *al-'amal* is used in the context of unemployment in general, which essentially means 'no work, no income'. It is as if Ibn Khaldun warned that one should not be unemployed because they need to work to earn a living.

³³Ibn Khaldun, *The Muqaddimah: An Introduction to History*, 367-368.

³⁴Ibn Khaldun, *Al-Muqaddimah*, 176.

³⁵Abd Al-Rahman Ibn Khaldun, *Muqaddimah Ibn Khaldun*, 539.

³⁶Ibn Khaldun, *The Muqaddimah: An Introduction to History*, 491.

³⁷Abd Al-Rahman Ibn Khaldun, *Muqaddimah Ibn Khaldun*, 220.

³⁸Ibn Khaldun, *The Muqaddimah: An Introduction to History*, 234.

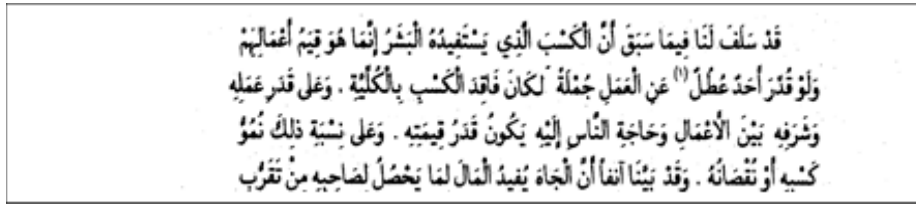


Figure 9. *Muqaddimah Ibn Khaldun* text³⁹

“We have stated before that the profit human beings make is the value realized from their labour. If someone could be assumed to have no ability whatever to do any labour, he would have no profit whatever. The value realized from one’s labour corresponds to the value of one’s labour and the value of this labour as compared to the value of other labour and the need of the people for it. The growth or decrease of one’s profit, in turn, depends on that.”⁴⁰

Ibn Khaldun's concept of unemployment can be further understood in his dynastic cycle model, which explains the rise and fall of civilisation. It starts with the formation of a dynasty, the advancement to the pinnacle of civilisation, the decline, the collapse, and the emergence of a new dynasty. The themes of *'ashabiyyah* (social solidarity), *i'timar* (creative endeavour), and unemployment are associated with the causes of the rise and fall of civilisation in the dynastic cycle.⁴¹

Ibn Khaldun's dynastic cycle model can be translated into seven states experienced by a dynasty. These are shown in Figure 10 below.

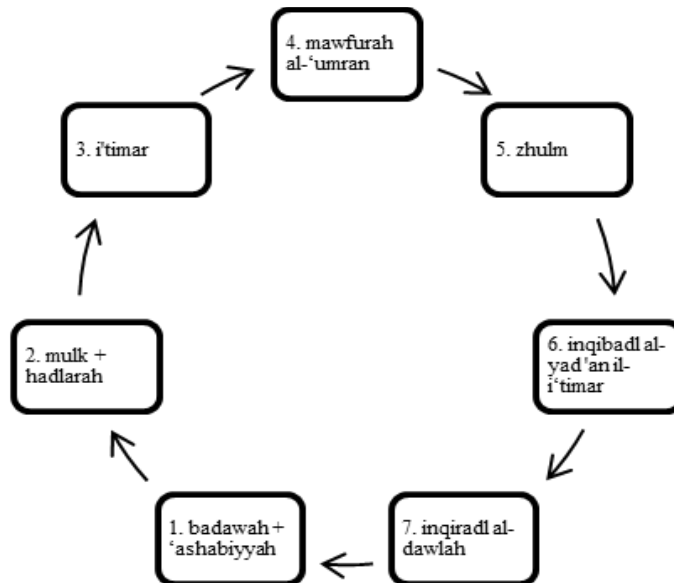


Figure 10. Unemployment in a Dynastic Cycle Model

³⁹Abd Al-Rahman Ibn Khaldun, *Muqaddimah Ibn Khaldun*, 488.

⁴⁰Ibn Khaldun, *The Muqaddimah: An Introduction to History*, 456.

⁴¹Ibid., 172- 176.

The *badawah* spirit (positive and courageous) with a strong '*ashabiyyah* (social solidarity) forms *mulk* (a ruling dynasty) with a *hadlarah* (stable settled) culture. The citizens' creative activities bring the country to *mawfurah al-'umran* (the peak of civilisation). The luxury and pleasures of life at the peak of civilisation erode the *badawah* (positive and courageous) spirit and diminish the '*asabiyyah* (social solidarity). Then, *zhulm* (persecution) emerges and crushes the creative spirit, so many people *inqibad al-yad 'an al-i'timar* (become unemployed), which eventually leads to *inqiradl ad-dawlah* (the downfall of the dynasty), which is subsequently replaced by a new generation of *badawah* with a new '*asabiyyah*.⁴²

Unemployment means being unwilling and unable to work. This is reflected in the description of Ibn Khaldun, related to the drivers of unemployment in *al-Muqaddimah* as follows:

النَّاسُ وَخَرِبَ الْعُمَرَانُ وَأَيْضًا فَلَانَهُمْ يَكْلَفُونَ عَلَى أَهْلِ الْأَعْمَالِ مِنَ الصَّنَائِعِ
وَالْجَزْفِ أَعْمَالَهُمْ لَا يَرَوْنَ لَهَا قِيَمَةً وَلَا قِسْطًا مِنَ الْأَجْرِ وَالثَّمَنِ وَالْأَعْمَالِ كَمَا
سَنَذْكُرُهُ هِيَ أَضَلُّ الْمَكَايِبِ وَعَقِيقَتُهَا إِذَا فَسَدَتِ الْأَعْمَالُ وَصَارَتْ مُجَانًا ضَعُفَتْ
الْأُمَالُ فِي الْمَكَايِبِ وَانْقَبَضَتِ الْأَيْدِي عَنِ الْعَمَلِ وَابْتَدَعُوا السَّكْنَ وَفَسَدَ الْعُمَرَانُ
وَأَيْضًا فَإِنَّهُمْ لَيْسَتْ لَهُمْ عِنَايَةٌ بِالْأَحْكَامِ وَزَجَرَ النَّاسُ عَنِ الْمَفَاسِدِ وَدَفَاعَ بَعْضِهِمْ

Figure 11. *Muqaddimah Ibn Khaldun Text*⁴³

“Furthermore, since they use force to make craftsmen and professional workers do their work, they do not see any value in it and do not pay them for it. Now, labour is the real basis of profit. When labour is not appreciated and is done for nothing, the hope for profit vanishes, and no (productive) work is done. The sedentary population disperses, and civilization decays.”⁴⁴

4.3. Unemployment Trigger Factors

Ibn Khaldun described the factors that trigger unemployment and the drivers of work when discussing the relationship between, among other things, geographical conditions and work ethics, lifestyle and civilisation, and policies and unemployment.⁴⁵ These factors can be classified into two categories: cultural factors inherently carried by individuals, and structural factors, such as market conditions and government policies.

The rationale is that everyone potentially has technical ability and skills, referred to as *shina'ah* by Ibn Khaldun.⁴⁶ A large population means that there is also a lot of potential work and prosperity. Likewise, a small population means less productive work, so the level of prosperity remains low.⁴⁷ The factors that drive unemployment in Ibn Khaldun's concept are as follows:

⁴²Muhammad Ibn Khaldun, *Al-Muqaddimah*, 172,176.

⁴³Abd Al-Rahman Ibn Khaldun, *Muqaddimah Ibn Khaldun*, 187.

⁴⁴Ibn Khaldun, *The Muqaddimah: An Introduction to History*, 201.

⁴⁵Ibid., 44- 376.

⁴⁶Ibid., 399-400.

⁴⁷Ibn Khaldun, *Al-Muqaddimah*, 382.

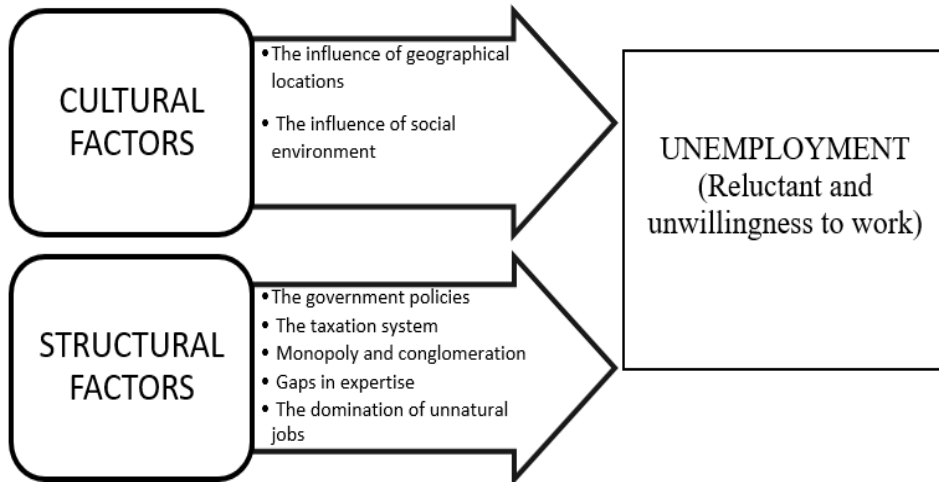


Figure 12. Unemployment Driver Scheme

(Ibn Khaldun in *al-Muqaddimah*, 49-90, 120-125, 279-290, 360-376, 380-428)

Ibn Khaldun argued that productive work (*i'timar*) drives civilizational prosperity (*'umrān*), while excessive taxation and economic injustice lead to economic decline and unemployment. A simplified employment-prosperity function can illustrate this relationship:

$$P = f(W, S, T, G)$$

where

P = Level of Prosperity (*'umrān*)

W = Workforce participation (natural employment rate)

S = Social cohesion (*'asabiyyah*)

T = Taxation burden (negative impact if excessive)

G = Government policies (support for ethical employment and business incentives)

The function suggests that prosperity increases with workforce participation and social cohesion but decreases when excessive taxation and government mismanagement reduce incentives for work. It can illustrate the optimal taxation level where employment and economic activities thrive. If taxes are too high, people lose motivation to work, and unemployment rises—leading to civilizational decay.

5. Discussion

Ibn Khaldun's understanding of unemployment is more of a human-oriented than a labour-oriented phenomenon. The starting point for his study lies in the definition of unemployment. It is when people give up employment because they voluntarily or involuntarily give up their motivation and capability to work. People generally feel unwilling to work because they no longer have the motivation to work. Unsound government policies, for example, create conditions that kill people's morale. Meanwhile, unemployment among the upper class is because they can enjoy life without having to work hard for it. Unemployment reflects injustice in the labour market and business opportunities caused by the hegemony of the people in power. Rampant unemployment indicates a decline in dignity (dehumanisation), from a builder of civilisation reduced to a means of production,

an inability of people to reach their true potential and use their *shina'ah* (skills), and exploitative actions by the authorities.

Ibn Khaldun's approach to unemployment, which is more human-oriented than labour-oriented, has the following advantages:

- Unemployment studies that are more human-oriented put humans back as intelligent, willing, and responsible individuals. Meanwhile, the labour-oriented view considers humans as tools that can be used and discarded. Their demand increases and decreases depending on the company's needs calculated from the targeted profits.
- Changes in economic conditions cannot be prevented. The more sophisticated the technology the less human labour is needed, as humans can be replaced by tools. Unemployment seen from a more human-oriented perspective would create strategies to ensure that individuals remain creative (and not just a passive) means of production.
- By emphasising the human side, Ibn Khaldun does not question the availability of natural resources in fulfilling human needs.

Ibn Khaldun's study of unemployment incorporates the problem of unemployment in the overall paradigm of civilisation and describes it not merely as an economic problem. This can extend the body of literature comprising the critiques of the conventional (neoclassical) economy, which seems to have failed to overcome unemployment.

Liberal neoclassical economics based on market fundamentalism, as criticised by Swasono, is oriented toward creating economic growth.⁴⁸ The main premise is that the unemployment problem can be solved only with high economic growth. In fact, growth does not always succeed in overcoming unemployment. Ibn Khaldun's concept rests on the basic assumption that vibrant work activities in the community allow a nation to be prosperous but do not allow the accumulation of wealth. This concept is in line with the assertion of structuralist economists criticising the views of conventional (neoclassical) economics. The key problem lies in the redistribution of work, rather than encouraging economic growth. For structuralists, it is work that sustains growth.⁴⁹ Ibn Khaldun emphasised the productive, creative work (*i'timar*) of citizens (*ahl-'umran*) as the driver of progress. Amartya Sen also explained the importance of productive work for people's independence and meeting basic needs.⁵⁰ Swasono also advocates an economy more oriented toward cooperation, not competition. In line with this spirit, Ibn Khaldun encouraged regulating economic activities in the spirit of cooperation within the framework of *'ashabiyyah* (social solidarity).⁵¹ According to Ibn Khaldun, strong solidarity prevents the exploitation of the strong against the weak.⁵²

Ibn Khaldun's ideas provide an alternative discourse in policymaking to overcome modern unemployment. In the modern concept of employment, the unemployed are job seekers with an expectation of employers. In Ibn Khaldun's perspective, unemployment is the opposite of *i'timar*. It is not merely caused by a lack of natural resources or because of a large number of job seekers but due to various reasons that make people unwilling and unable to work. The starting point for overcoming unemployment is motivating and empowering people to work. Comparison between the

⁴⁸Sri Edi Swasono, *Strategies for Development* (Jakarta: Faculty of Economics UI, 2010), 10.

⁴⁹Sri Edi Swasono, *Economic Exposé: Being Wary of Globalism and the Free Market* (Yogyakarta: Center for Pancasila Economic Studies -UGM, 2005), 33.

⁵⁰Amartya Kumar Sen, *Poverty and Famines: An Essay on Entitlement and Deprivation* (New York: Oxford University Press, 1982), 155.

⁵¹Sri Edi Swasono, *Strategies for Development*, 60-64.

⁵²Abd Al-Rahman Ibn Khaldun, *Muqaddimah Ibn Khaldun*, 175.

two approaches can also be made based on the technical terms related to unemployment, the unemployment criteria, the classification of unemployment, and the nature of unemployment, each of which offers a specific solution. The comparison between the study of unemployment in *al-Muqaddimah* and the study of employment in modern economics entails a significant perceptual difference. Ibn Khaldun views unemployment as an internal cultural problem, where every human being is influenced by environmental, social, and political factors. Meanwhile, modern economic studies consider unemployment as an imbalance in the labour market and view labour as a production factor, akin to other production factors whose behaviour fluctuates with the market.

The difference between the basic concepts of work and unemployment in Ibn Khaldun's study and conventional economic studies is grounded in their different foundations. The study of unemployment in the conventional economy differs from European industrialisation. One of the impacts of industrialisation is the emergence of labour problem. This problem is examined within the broad framework of corporate economic thinking. Therefore, the study is more labour-oriented. Meanwhile, Ibn Khaldun saw this problem from the lens of the complex societal pattern prevailing at that time, studying unemployment from social, economic, and cultural angles. He had not yet encountered the formal form of paid work in a company with many employees. Comparing the concept of unemployment between the two shows the difference when the problem is studied within and outside the influence of industrialism. This line of research is important because the complexity of the unemployment problem cannot be solved using one paradigm only.

The following is an example of a mathematical model related to unemployment reduction strategy referring to Ibn Khaldun's concept for the modern Muslim governments. A simple model to measure the impact of policy interventions on employment growth can be stated as follows:

$$U_t = U_{t-1} - (\alpha E + \beta F + \gamma S)$$

where

U_t = Unemployment rate at time t

U_{t-1} = Previous unemployment rate

E = Employment initiatives (vocational training, entrepreneurship)

F = Financial incentives (Islamic microfinance, tax relief)

S = Social cohesion programs (*'asabiyyah*-based employment models)

α, β, γ = Effectiveness coefficients of each policy

If E , F , and S increase (more investment in ethical employment policies), unemployment U_t decreases over time.

5.1. Conclusion and Implications

The findings of this research reveal that Ibn Khaldun's perspective on unemployment offers a uniquely human-centric approach rather than merely addressing the mechanics of labor markets. Ibn Khaldun posits that unemployment extends beyond economic disparity, signifying deeper issues of dehumanization and erosion of human dignity, thereby weakening the role of individuals as active contributors (*mu'tamir*) to civilization. In the contemporary context, this interpretation can underpin the development of more comprehensive and inclusive economic policies. Such policies should not solely aim at job creation but also emphasize community empowerment through skill enhancement (*shina'ah*) and the cultivation of motivation to participate actively in societal advancement.

To foster a more ethical and sustainable employment framework, governments in Muslim-majority countries must adopt policies geared toward both economic prosperity and social welfare.

Firstly, implementing a progressive taxation system is crucial, replacing high, arbitrary taxes that could dampen economic incentives. Secondly, promoting entrepreneurship through interest-free financing mechanisms (*qard al-hasan*) can support self-employed individuals and entrepreneurs. Furthermore, strengthening social cohesion by encouraging community-led employment initiatives can help reduce dependency on external labor markets. Reforms within the educational sector should emphasize practical vocational skills, such as crafts (*shina'ah*) and trades, alongside theoretical education. Adopting these strategies can enable Muslim countries to establish employment systems that are humane, ethical, and sustainable, effectively circumventing the pitfalls associated with purely market-driven employment models.

This interpretation gains particular relevance given current global challenges, notably the advent of the Industrial Revolution 5.0, characterized by increased automation and digitalization. These technological advances are rapidly redefining human roles within production processes. By drawing from Ibn Khaldun's concept of *'umran*, policies can be formulated to ensure technological advancements bolster productivity without compromising human dignity or exacerbating technological unemployment.

In conclusion, incorporating Ibn Khaldun's human-centered insights into contemporary economic policy can facilitate the creation of employment systems that prioritize human dignity and community empowerment. For future research, it is advisable to merge this conceptual approach with empirical analyses of current unemployment trends, resulting in solutions that are effectively aligned with evolving labor market conditions and societal needs.

Conflict of Interest

The manuscript authors have absolutely no financial or non-financial conflict of interest regarding the subject matter or material discussed in this manuscript.

Data Availability Statement

The data associated with this study will be provided by the corresponding author upon request.

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