

Implementation of Economic and Fiscal Systems (Case Study of the Umayyad Period)

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ABSTRACT

During the Umayyad period, policies emerged in the form of development of the Islamic economic system in terms of stock trading, murabahah, muzara'ah, and the work of Al Kharaj. His government. This article uses a qualitative literature review approach by collecting data from a number of literature-based books, which will then be reviewed and processed to obtain appropriate findings. This technique is known as the documentation method. The results and discussion of the article are that during the Umayyad Daulah era, Islamic economic development policies emerged in the form of increasing economic growth and development, namely trade, agriculture and industry, fiscal reform and currency creation. The development of Islamic economic thought during the Umayyad Daulah period. During the reign of the 3 caliphates, namely the First Caliph Mu'awiyah Bin Abu Sofyan, he was able to implement progressive policies and bring success to the Muslim economy at that time. Mu'awiyah bin Abu Sofyan was a figure who was skilled at being an organizer and drafter, this skill was able to reduce the chaos at that time well, and was able to build a Muslim society with good order; The second caliph, Abdul Malik bin Marwan, during his leadership, policies included: 1. Currency Issuance 2. Postal Institutions 3. Restrictions on Urbanization 2 4. Agriculture 5. Trade 6. Kharaj and Zakat; The third caliph, Umar bin Abdul Aziz, during his leadership, policies included: 1. Eliminating discrimination 2. Zakat 3. Administration 4. Agriculture 5. Kharaj and Jizyah.

Keywords: Islamic Economic Thought, Islamic Economic Policy, Mu'awiyah bin Abu Sofyan, Abdul Malik bin Marwan, Umar bin Abdul Aziz

INTRODUCTION

The Umayyad dynasty was founded when Islamic rule was under the Umayyad family which lasted from 661 AD – 750 AD. The Umayyad Daula, also known as the Umayyad Caliphate, was a caliphate based in Damascus, Syria, and lasted from 661 to 750 AD. This Caliphate founded by Muawiyah I after the first Islamic Civil War and the fall of the Rashidun Caliphate. The Umayyad Daulah was one of the four great dynasties in Islamic history, the others being the Umayyad, Abbasid and Ottoman dynasties.

Under Umayyad rule, the caliphate's territory expanded with major conquests in various regions, including Persia, Egypt, and parts of the Eastern Roman (Byzantine) territories in Anatolia and North Africa. The Umayyad Caliphate is also known for establishing various magnificent architectural projects, including the Grand Mosque in Mecca and the Aqsa Mosque in Jerusalem. The Umayyad dynasty was the first Islamic kingdom, independence in all aspects of the economy

was something that had to be realized in order to achieve community prosperity and to support the continuity of the Umayyad dynasty. In its long journey, the Umayyad dynasty was led by 14 caliphs, with various styles of leadership possessed by each caliph. However, of the 14 caliphs who have led, there are only 3 leaders who brought the Umayyad daulah to the peak of glory. The three caliphs included Mu'awiyah bin Abi Sofyan, Abdul Malik bin Marwan and Umar bin Abdul Aziz.

During their reign, optimal transformation occurred in many ways. At that time baitul mâl had a very important role, this was because the conquests carried out were very extensive, in the west to Africa, north of Andalusia and to the east to India and the Chinese border, this area was famous for its natural wealth, so the state treasury was very abundant. The state earns income from kharâj, jizyah, khums, ushyur, zakat, fai' and others. During the time of Abdul Malik bin Marwan, money was printed from gold and silver, decorated with verses from the Koran. This currency is a process of Arabization throughout the Islamic region. This currency is different from the Persian and Byzantine empires. The time of Umar bin Abdul Aziz or Umar II was the golden age of the Umayyad Daula.

Now we will examine economic ideas during the Umayyad Daula period, the role of these three caliphs, which makes the author want to examine more deeply the development of Islamic economic thought during the Umayyad Daula period. During the reign of the three caliphates, including Mu'awiyah bin Abi Abi Sofyan, Abdul Malik bin Marwan and Umar bin Abdul Aziz.

The situation in Medina ended with the death of Caliph Ali bin Abi Talib. Muawiyah bin Abi Sufyan was a political and government leader. During the reign of Caliph Umar, he led the province of Sham. The first caliph of this family was Muawiyah bin Abi Sufyan. This dynasty began when Muawiyah became Caliph in 661 AD/41 H. This happened after Muawiyah took over the caliphate from Hassan bin Ali. Hassan ibn Ali was chosen by Ali's loyal followers to succeed Ali as caliph, but he left politics to prevent more fighting and gave full power to Mu'awiya. The organization founded by Hassan bin Ali was previously called the Organization for the Unity of Science ('Am al Jam'ah). Mu'awiya is said to have been a wise leader and administrator. Once upon a time, Umar bin Khattab considered himself intelligent, honest and good at running the government.

After the Rashidun Caliphate, which ruled from 661 to 750 in and around the Arabian Peninsula and from 756 to 1031 in Cordoba, Spain, the Umayyad Caliphate was the first. This dynasty was named after Umayyah bin 'Abd Ash-Shams, who was the great-grandfather of the first Umayyad caliph, Muawiyah bin Abu Sufyan. Initially he only supervised Syam. However, when Caliph Ustman bin Affan died, he took advantage of the opportunity to challenge Ali bin Abi Talib's power. Because of this, the Siffin War broke out.

During the nearly twelve year reign of Caliph Abdul Malik bin Marwan, the Umayyads experienced a period of relative stability. This was because he received help from al-Hajjaj, a cruel commander who conquered Mecca and was responsible for the security-prone provinces in the east. Together, Abdul Malik and Al Al formed a strong Hajj government and invested more money in building roads and mosques in various provinces. The Dome of the Rock (Qubbah al-Sahra), built on top of the Al-Aqsa Mosque in Jerusalem, is the largest project.

Abdul Malik's son, Walid bin Abdul Malik, succeeded him as Caliph. He received two important things from his father. First, great wealth was acquired through many conquests. Therefore, the reign of the Second Arab Al-Walid is considered the pinnacle of the Umayyad Dynasty, as the future caliphate showed signs of disintegration and there were few important events that could be called economic progress. During Walidra's reign, Islamic troops advanced westward. Walid bin Abdul Malik used some state funds to improve urban infrastructure and do other things to help the community. He repaired roads, built homes for sufferers of leprosy and other chronic diseases, and built hospitals and mosques, including the largest Umayyad mosque in Damascus. This beautiful mosque built by the Umayyads still stands tall and majestic today.

The following are the 3 caliphates, including Mu'awiyah bin Abi Abi Sofyan, Abdul Malik bin Marwan and Umar bin Abdul Aziz. As the first caliph, Muawiyah was the founder of the government system. He reformed the Islamic government system which was very different from the time of Rasulullah SAW and the khulafâ' alrasyidîn who adhered to the Byzantine system. The system he implemented was quite reasonable, because after the political situation changed, the political situation was not yet stable. Even though socio-political turmoil kept him busy, he was still able to implement progressive policies and succeeded in boosting the Muslim economy. Indeed, his abilities as an organizer and ideator were tested in such a chaotic situation. He also managed the organization and development of the Muslim community well. It turns out that Muawiyah appointed several royal officials of Christian origin at that time. Muawiyah began his duties by establishing the National Archives Office.

The process of exchanging information during the Umayyad era was very effective and efficient thanks to the establishment of the Diwan Al-Barid institution. Fast information services have a positive impact on communication in the economic sector. During Abdul Malik's time, this postal institution was organized and developed in various regions such as Damascus and other provincial capitals. Muawiyah was an Islamic figure who pioneered the maritime economy. After he came to power, Islamic forces succeeded in controlling the Acre shipyard.

The shipyard is the second largest and most complete shipyard in Egypt. In fact, it was originally used to transport Islamic soldiers, but as Islamic territory expanded to India and China, it opened up great opportunities for international trade routes. Apart from that, ships are also an

important requirement for the maritime economy. To develop the quality of state institutions, he adopted a policy of providing fixed salaries to soldiers, building a navy, and developing bureaucracy such as taxation institutions and political administration. In terms of tax policy, Muawiyah levied an annual income tax of 2.5% for Muslims. This tax value is the same as the modern income tax value.

During the reign of Abd al-Malik, the Umayyad dynasty experienced significant progress in prosperity. Because, organized management of national income, trade and economic development supported by guaranteed security and order can bring a society to a level of prosperity. It was at this time that the first translation of manuscripts from Persia and expeditions to various countries began, which continued until the time of Khalid bin Yazid. Their first priority was documents containing superpower regulations or policies. Abdul Malik's policies were as follows:

- Issuance of Currency Technological developments during the Umayyad era were quite advanced, there is evidence that Caliph Abdul Malik issued coins in 693 AD. Printing Center in Dar Ijad. The government directly controls and regulates currency circulation. Economic competition between the Umayyad Daura and Rome was the logical reason for the issuance of this currency. Not only does it have economic value, but it is also a symbol of sovereignty and economic independence of Islamic countries. Abdul Malik will punish anyone caught printing his own currency outside the state printing machines. This breakthrough is important for the economic progress of the Islamic region.
- Postal Agency (Diwan al-Bārşd) The main task of this agency was to connect the Caliph with the governor of the Umayyad-Daula province. On the other hand, this body also plays an important role in speeding up the delivery of information to the leadership, with the aim of the caliphate immediately detecting and resolving various problems, including messages that move from one province to another. In the Persian region, the animals used as media to help spread news were horses and donkeys. In Arabia and Syria, camels and even pigeons were used to carry messages from the air. In an emergency, 50-100 soldiers can guard the message.
- Restricting Urbanization In the process of state economic development, Abdul Malik's strategy to maintain the stability of the state's financial balance is marked by a policy of limiting urbanization. This policy was a response to the large number of people who converted to Islam to avoid jizyah and kharâj, some also moved to cities to try their luck from being farmers to becoming soldiers in order to get more privileges and pay. This happened quite reasonably, because the tax burden was quite high, causing many of them to abandon their rice fields, but with this policy of limiting migration, Abdul Malik succeeded in returning Muslim Arabs to work on the fields and pay kharâj.
- Agriculture Agriculture occupies an important position, because it is a potential sector for the development of the country's economy and finances. During the Umayyad caliphate, on the instructions of Abdul Malik bin Marwan, the governor paid great attention to the agricultural

sector. Among them is the governor of Iraq, al-Hajjaj. Although popular among historians for its brutality and ruthlessness, al-Hajjaj is noted to be active in developing the agricultural sector. He issued two policies, namely: 1) Preserving land according to the suitability of its plants and 2)

Build new communities on newly cultivated land. e. Trade With the expansion of the Islamic state from India in the east to Spain in the west, political barriers were removed, which, with security, urbanization, and the diversity of agricultural and manufactured products, helped promote trade in the Islamic world. Several types of commodities were traded: food products, animal stock, wood and forest products, metals, and textiles, stone and earth products, fish and sea foods, writing materials, medicinal products, and slaves.

In the early years of his reign, Umar II focused on improving the country through increasing people's welfare and implementing egalitarian policies. He also stopped expanding his territory. His leadership was even able to bring peace between enemies. The wave of rebellion could be calmed because of his wise actions in persuasive dialogue with the rebels. The period he led was a period where based on the policies implemented in 1960, policies that were very detrimental to the people were eliminated and replaced. Policy of Rasulullah Saw and Hulafa Rasyid Singh.

The progress of the Umayyad Dynasty during the time of Umar II is very well known among historians. His character is the prototype of an ideal leader because he has Sufi character, the soul of a scholar, and a leader's mentality. It turns out that every policy he takes is always discussed with the ulama in an effort to make decisions that are in accordance with Islamic law. Umar II's policies were as follows: a. Eliminating discrimination. The most interesting policy during Umar II's time was that Umar II eliminated the social gap between native Arabs and non-Arabs, so that society was no longer considered first and second class in the social order. . separated. Disputes or conflicts between religious groups also did not occur at that time. b. Zakat This famous pious caliph gave freedom to each region in regulating zakat, so that taxes were not handed over to the central government, even if there was a shortage of zakat and taxes, the central government would provide subsidies. With this policy, many regions experienced surpluses. Umar II selected trustworthy and professional officers and monitored their performance. It turns out. The entire taxation system and distribution of state assets have an impact on people's welfare. c.

The initial strategy of Umar II's government was divided into two, namely administrative reorganization. This is an important part because he realizes how important it is to ensure the health of the system, in an effort to develop policies that are proportional and well targeted and consistent with religious requirements. Umar II regulated regional rulers and officials, maintained neutrality and justice, and provided equal rights and obligations to the community Marwari and Arabic. Officials who are unfair, corrupt and unfriendly to the people will be dismissed. He was

also known for his piety and honesty. Second, reform of state-owned asset management. The Umayyad era was full of sectarian and class conflicts. These socio-political problems have caused degradation and even incompetence in public financial management, giving rise to tyranny in treasury management. As for the management of state assets, he realized it in regulations on land, agriculture, jizya, halaj, zakat, trade, etc. He was very brave and firm in taking action against officials who deviated. d. Umar II Agriculture prohibits the sale of cultivated land so that there is no land control, and all its people have the right to earn income. If a Muslim wants to work on rice fields, he must obtain state approval, namely renting land from Baitul Mal for a certain duration and a rental fee of kharâj. He also applied almost the same rules to the Muslim mawali, where they had to stay in the village and work on the rice fields and the results belonged to them like the land owner. He made these efforts so that not a lot of land was abandoned, and was diverted to investment in agriculture. To support agricultural land, Umar II built irrigation canals. This step ensures that the planting process does not depend on rain alone. e. Kharâj and Jizyah Umar II's success in managing linear farming was his success in obtaining large income from the kharâj sector. There is no doubt that kharâj is the country's largest source of income. If we only rely on jizyah, fai', zakat and others, it will be quite difficult for this country, because improving the agricultural sector and natural resources is long-term development, while the others are only situational. His accuracy in reading the pluralistic situation of society was the key to stabilizing all aspects of life at that time.

Three years is a short time, but its achievements are a sweet note in the history of the Umayyad daulah, which has many problems and criticism. Umar II re-imposed the old policy, namely that kharâj land belonged to Muslims and was shared. Umar II influenced non-Muslims to convert to Islam with the promise of exemption from land tax (kharâj) and security tax (jizyah). Even though this policy caused state income to decrease and resulted in a reduction in army salaries, Umar succeeded in conditioning it with a policy: if someone converted to Islam, his agricultural land would be handed over to his non-Muslim brother so that state income would not decrease and result in state bankruptcy, or it would be cultivated. yourself and get a 50% tax burden.

Another policy of Umar II was that kharâj land should not be converted into usyr land. If a Muslim buys land without permission from the government, then the transaction is void and the land purchased loses ownership. He also prohibits taxation on infertile land and fertile land. Tax collection must also take into account the level of welfare of the farmers concerned. The kharâj withdrawal system that he implements must take into account the level of soil fertility, level of welfare, irrigation costs, and crop yields or muqâsamah.

RESEARCH METHODS

The data for this article was collected using a qualitative literature review approach. The aim is to collect data from a number of literature-based books, which will then be reviewed and processed to obtain appropriate findings. This technique is known as the documentation method.

RESULTS AND DISCUSSION

Economic Implementation During the Umayyad Era

During the Umayyad era, Omar bin Abdul Aziz implemented the idea of a welfare state or known as a prosperous state. Omar has a new plan to change people's way of life. One proof of this is that no one is allowed to receive zakat because there is enough food for everyone in the city. As part of managing jizya funds, Umar reduced the amount of jizya that Christians had to pay. Umar also developed a policy for dealing with dead sites. He also brought the idea of fertile land to the idea of planting trees, building and working together. Even though the Umayyad dynasty fell when Abu Malik bin Marwan came to power, he still retained Nasr bin Sayyar as governor of Khorasan.

Non-Muslim tax policies led to several rebellions and the fall of the Umayyad dynasty. Other factors that contributed to the decline and collapse of the Umayyad Dynasty were the struggle for power between the royal family, protracted conflicts, ethnic conflicts between northern and southern Arab tribes, the inability of the caliph as leader, the tendency to live in luxury, and the overthrow of the Umayyad Dynasty. regime. The Shia groups Bani Hashem and Maawali helped the Bani Abbas. The contribution of the Umayyad Caliphate in the field of economics is not too great when compared to other scientific disciplines. However, their ideas contributed to the development of Islamic economics in several ways, including increasing understanding of stock trading, murabahah, muzara'ah, and the work of the Al-Huror book of Kharaj. his government.

Implementation of the Economic and Fiscal System During the Umayyad Era

During the Umayyad era, the economy grew and developed. that is:

a. Trading

After the Umayyad Daula controlled a fairly large area, it was safe to trade by land and sea. Muslims considered it safe to travel overland to China along the Silk Road to trade in silk, ceramics, medicines, and perfume. People searched for spices, herbs, musk, gems, precious metals, ivory, and furs on the eastern sea routes. Thus, Basra on the Persian Gulf grew into a bustling trading center.

b. Agriculture and Industry in the Agricultural Sector,

The Umayyads promoted development; he created a water system (irrigation) intended to boost agricultural yields.

c. Fiscal Reform

Under the Umayyad rule, both Muslim and non-Muslim landowners had to pay land taxes, but Muslim residents no longer had to pay head taxes. As a result, many non-Muslims convert to Islam for financial reasons, which means less money for the government. Even so, this daulah was very rich because the Umayyads succeeded in defeating the Persian and Byzantine empires. During the reign of Umar bin Abdul Aziz, he said, people's welfare could be improved not by collecting taxes like the previous Umayyad caliphs, but by using the natural resources they already had and managing state finances well.

d. Currency Creation

From 65 to 86 AH, when he was caliph, Abdul Malik bin Marwan earned his own money. At that time, the government made Daar idjard a place to make money. Caliph Abdul Malik made a special dinar with Islamic designs and Islamic writing in Kufic script in 77H/697AD. The image of the dinar lam has been changed to include Islamic words such as "Allahu Ahad" and "Allah Baqa'." Since then, Muslims have used Islamic dinars and dirhams as a substitute for Byzantine and Kirsa dinars and dirhams. use natural resources already owned and manage state finances well.

CONCLUSION

During the time of the Umayyad Daulah, Islamic economic development policies emerged in the form of increasing economic growth and development, namely. Trade, Agriculture and industry, Fiscal reform and Currency creation. The development of Islamic economic thought during the Umayyad Daulah during the reign of the 3 caliphates of Mu'awiyah bin Abi Abi Sofyan, Abdul Malik bin Marwan and Umar bin Abdul Aziz. Caliph namely:

Mu'awiyah Bin Abu Sofyan was able to implement progressive policies and bring success to the Muslim economy at that time. Mu'awiyah bin Abu Sofyan was a figure who was skilled at being an organizer and drafter, this skill was able to reduce the chaos at that time well, and was able to build a Muslim society with good order; Caliph

During his leadership, Abdul Malik bin Marwan's policies included: 1. Currency Issuance 2. Postal Institutions 3. Urbanization Restrictions. 4. Agriculture 5. Trade 6. Kharaj and Zakat.

Umar bin Abdul Aziz during his leadership policies included: 1. Eliminating discrimination 2. Zakat 3. Administration 4. Agriculture 5. Kharaj and Jizyah.

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