



Name: _____ Date: _____ Period: _____

A MUSLIM VIEW: IBN KHALDUN

Ibn Khaldun was one of the greatest historians and geographers of all time. Born in Tunis, North Africa, he lived from 1332 to 1406. He served as an official in Tunis, Morocco, and Spain and traveled widely, finally settling, as a scholar, in Egypt. His great work was the *Kitab al-Ibar* (universal history), which included comments on the active trade that he saw around him, at the time when Muslim commercial success was still near its height.

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CHARACTERISTICS OF TRADERS

Commerce, as we have said before, is the increasing of capital by buying goods and attempting to sell them at a price higher than their cost. This is done either by waiting for a rise in the market price; or by transporting the goods to another place where they are more keenly demanded and therefore fetch a higher price; or, lastly, by selling them on a long-term credit basis. Commercial profit is small, relatively to the capital invested, but if the capital is large, even a low rate of profit will produce a large total gain.

In order to achieve this increase in capital, it is necessary to have enough initial capital to pay in cash the sellers from whom one buys goods; it is also necessary to sell for cash, as honesty is not widespread among people. This dishonesty leads on the one hand to fraud and the adulteration of goods, and on the other to delays in payment which diminish profits because capital remains idle during the interval. It also induces buyers to repudiate their debts, a practice which is very injurious to the merchant's capital unless he can produce documentary evidence or the testimony of eyewitness. Nor are magistrates of much help in such cases, because they necessarily judge on evident proofs.

As a result of all this, the trader can only secure his meagre profits by dint of much effort and toil, or indeed he may well lose not only profits but capital as well. Hence, if he is known to be bold in entering law suits, careful in keeping accounts, stubborn in defending his point of view, firm in his attitude towards magistrates, he stands a good chance of getting his due. Should he not have these qualities, his only chance is to secure the support of a highly placed protector who will awe his debtors into paying him and the magistrates into meting justice out to him. Thus he gets justice spontaneously in the first case, and by compulsion in the second. Should a person, however, be lacking in boldness and the spirit of enterprise and at the same

These effects will differ according to the conditions of the traders. For those of them who are of mean condition and in direct contact with the cheating and extortion of sellers will be more affected by these evils and further removed from manliness.... The other kind of traders are those who are protected by prestige and do not have to undertake directly such operations. Such persons are very rare indeed and consist of those who have acquired wealth suddenly, by inheritance or by other, unusual means. This wealth enables them to get in touch with the rulers and thus to gain prestige and protection so that they are released from practising these things [viz. buying and selling] themselves; instead, they entrust such business to their agents. Moreover the rulers, who are not indifferent to the wealth and liberality of such traders, protect them in their right and thus free them from certain unpleasant actions and their resulting evil effects. Hence they will be more manly and honourable than the other kind of trader; yet certain effects will still make themselves felt behind the veil, inasmuch as they still have to supervise their agents and employees in their doings—but this only takes place to a limited extent and its effects are hardly visible....

... Consider, as an example, the lands of the East, such as Egypt, Syria, Persia, India, or China; or the lands lying North of the Mediterranean. Because social life is flourishing there, notice how wealth has increased, the state has grown stronger, towns have multiplied, trade has prospered, conditions have improved....

As for Trade, although it be a natural means of livelihood, yet most of the methods it employs are tricks aimed at making a profit by securing the difference between the buying and selling prices, and by appropriating the surplus. This is why [religious] Law allows the use of such methods, which, although they come under the heading of gambling, yet do not constitute the taking without return of other people's goods....

Should their standard of living, however, rise, so that they begin to enjoy more than the bare necessities, the effect will be to breed in them a desire for repose and tranquillity. They will therefore co-operate to secure superfluities; their food and clothing will increase in quantity and refinement; they will enlarge their houses and plan their towns for defence. A further improvement in their conditions will lead to habits of luxury, resulting in extreme refinement in cooking and the preparation of food; in choosing rich clothing of the finest silk; in raising lofty mansions and castles and furnishing them luxuriously, and so on. At this stage the crafts develop and reach their height. Lofty castles and mansions are built and decorated sumptuously, water is drawn to them and a great diversity takes place in the way of dress, furniture, vessels, and household equipment.

Such are the townsmen, who earn their living in industry or trade. Their gains are greater than those working in agriculture or animal husbandry and their standard of living higher, being in line with their wealth. We have shown, then, that both the nomadic and the urban stages are natural and necessary.

