



# ECONOMIC SITUATIONS IN THE ERA OF UMAR BN KHATTAB: AN ANALYTICAL STUDY

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## Abstract

This research revolves around the study of economic situations during the reign of Umar (may Allah be pleased with him). The study focused on some extracts of transmitted legacies of Umar that are related to economic situations in his era. These are taken from the books of hadith and their commentaries and books of Fiqh (jurisprudent books), old and new been compiled and arranged according to significance of different jurisprudence matters. The researcher studied the Fiqh of those conditions where commentary was appropriately followed with each Fiqh issues. Hence, the study identified the internal revenue for the national economic and expenditure during the reign of Umar, and it also aimed at issue of economic development during the era. The first topic discussed the national internal revenue and its expenditure of the state, while the second topic focused on the issues of economic development and state of affairs during the reign of Umar, (may Allah be pleased with him). In the conclusion, the researcher presented Umar's views (may Allah be pleased with him) on economic issues in his era. In general, these views are supported by most companions and scholars after them. Umar (may Allah be pleased with him) in his reign exemplified how possible Islamic law can accommodates all situations and ramifications, events and developments in all times with all its inventions from great endeavors in all aspects of life.

**Keywords:** *Prophetic traditions, Umar's traditions, economic situations*

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## 1. INTRODUCTION

Umar Ibn Khattab – may Allah have mercy on him – the second in command of the orthodox Kalifs and one of the leaders of the Muslims has the most transmitted tradition of the caliphs. However, being one of the orthodox caliphs, it is necessary to acknowledge justification using his transmitted traditions as evidences from the noble prophet's traditions, owing to his sayings, may the peace and blessings of Allah be upon him, (... my traditions is upon you all and the traditions of the rightly guided caliphs...)<sup>1</sup>

The legacy of Umar bn Khattab– may Allah be pleased with him– is tan important inclusive indication of the hadith, on the other hand , the transmitted traditions from Umar – may Allah be pleased with him– where distinctive because of his proximity to the prophet's time and his peaceful succession free from political instabilities with the opportunity of having the presence of many old and young companions, among whom are; theologians ,transmitters, reciters that witnessed the era of the prophets city– may the peace and blessings of Allah be upon him -,and before their dispersal into different cities, and one of the situation that made these traditions most pleasant is the congregational consensus of the companions that is universal.

The second caliph has a great fortune of diligence, and most especially his diligences in worship, politics, economy, community and others has an enormous influence on the Islamic nation in general. Allah has

<sup>1</sup> Sulayman bn Al ashath Abu Dawud Asijistaani, Alazdiy, Sunani Abi Dawud, fi kitaab lizum sunnah, Alfikr House, with review by Muhammad Muhiy ddeen Abdul Hamid, (200/4, No. 4607), And Abu Abdullahi, Ashaibaaniy, Ahmad bn Muhammad bn Hanbali, Musnad Ahmad, Qurtubi foundation, Egypt, (127/4, No. 17184).

used him to protect the Islamic inspiration, its sovereignty in the minds of the Muslims wherever they are; because he showed practically the possibility of Islamic law in accommodating entire situation and innovations that were invented (may Allah be pleased with him). These significant efforts from several aspects of life are a credit to Umar (may Allah be pleased with him) is great, adding to his pleasant history in good governance and strength to deliver efficient services to the state.

According to the legal principles in act of worship and transactions of mukalifuns (the responsible believers), it is glaring to whoever has the least cognizance of the Islamic law, that the economy has a substantial influenced by every aspect of transactions. Hence, it is not permissible for the Mukalaf to engage in exchange of money with money. There is no doubt that, whenever there is an expansion in the relationship between Muslims and non-Muslims, it renews a form of transaction in the economy. Hence the study of economic conditions in the reign of Umar (may Allah be pleased with him), plays a key role in connecting the forms of old transaction of the Muslims with its present. It familiarizes us with the derivation from the efforts of the companion after Allah's prophet (May the peace and blessings of Allah be upon him). In this matter. We are making it standards and basis for making Islamic decisions pertaining to problems and challenges that are facing Islamic nations in various forms of modern transactions in the economy. There is also the need in the Fiqh of economic transaction, successive researches, studies, different views, and independent judgement based on sound foundations to be able to accommodate what is good in Islamic jurisdiction and occurrences and what happens among people in terms of transactions and dispositions, especially, in this time when the Islamic nations are weak in actualization and accuracy in the knowledge of law in the matters that relate to contemporary jurisprudence and many new issues that are related to modern economic which are very necessary to be learnt by the Muslims.

## **2. THE STATE'S INCOME AND EXPENDITURE DURING THE REIGN OF UMAR IBN AL-KHATTAB**

In the era of Umar, Islamic state financial resources have widened to the extent that many nations were opened and it has under its governance many tribes and nations. Many of them embrace Islam voluntarily while there are those who accepted involuntarily. The where attracted by the victory and lots of spoils of war and booties acquired by the state, depending on the outcome acquired land and funds meant for the soldiers. These masses of lands belonged to the rulers of the past countries and their men, so the Umar bin al-Khattab, may Allah be pleased with him-organized way to deal with them according to the law of Allah, He also developed a financial and economic system in the state, both in resources and expenditures, also made arrangement for People's rights through the bureaucracy system. These procedures have helped him to increase proceeded for the Development of the state. Umar bn Khattab employed workers to supervise the income and expenditure box, most especially the sources of wealth accruing from Zakat, the booty, the shade and tribute, the abscess and tithes traders.<sup>2</sup> The exchequer<sup>3</sup> is the place where these sources and resources are kept; it is also the place for keeping all the expenses of appropriation funds to be disposed by caliph and other affairs of the state, such as salaries, The military, judges, workers and other acts of national services.

### **2.1 Zakat (Obligatory Charity)**

Due to the importance of money in the lives of people, Islam has ordered for it great attention, and therefore the imposition of Zakat (obligatory charity) on wealth. This aimed to show cared and attention into the affairs and maintains balanced society. It is a Mercy to the hearts of Muslims by taking from the rich and share among the poor within the Muslims based on the categories of beneficiaries<sup>4</sup> as mentioned in the Quran thus:

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<sup>2</sup> Dr. Aliy Muhammad Altulabiy, History of Amirul Mumineen, Umar bn Khatab, his personality and era, Al marifah Publisher, Bairut, 2<sup>nd</sup> Edition, 1426 Hijrah, 2006 C.E, (p239-240).

<sup>3</sup> the governmental department in charge of the public revenues

<sup>4</sup> Dr. Aliy Muhammad Altulabiy, History of Amirul Mumineen, Umar bn Khatab, his personality and era, (p239-240).

(Zakat expenditures are only for the poor and for needy and for those employed to collect [zakat] and for bringing hearts together [for Islam] and for freeing captives [or slaves] and for those in debt and for the cause of Allah and for the [stranded] traveler-an obligation [imposed] by Allah. Allah is Knowing and Wise)<sup>5</sup>

This is how Umar bn Khattab followed the tradition of the prophet (PBUH) and legacies of Abubakar Assidiq, (RTA) by organizing and implementing the institution of Zakat; after the conquest of several nations and their acceptance of Islam, he employed and ordered the trusted staff in collection of Zakat all over the Islamic nations, Umar also forbid the collectors from trespassing on the wealth of the people and from violating the public fund of the nation. For example when Umar disapproved from a collector who choose from a payer a goat with lots of milk as due from the herds as reported from Aishah may Allah be pleased with her, said: ( It passes beside Umar may Allah be pleased with him, herds of cattle from charity and Umar saw a huge goat with lots of milk, so he asked : which goat is this! and they replied: it's a goat from Charity, so Umar said: who are the people that gave this goat and they are in dare need, do not inconvenient people, do not take from the best reservation of Muslims who lack excess.

Umar bn Khattab usually received zakat in accordance with Shariah, from *Zakatable* items which are crops and fruits, and gold and silver, trade and cattle. Umar has imposed Zakat on the slaves and the horses that are For sale and commodities after consulting the Companions on the matter brought by the people from Syria and asking him to take alms from their horses and their slaves as related by Harith bn Madrib Al abdiy, saying: (The people of Sham came to Umar bn Khattab telling him that: we have acquired a lot of money, horses, and possessions, we wish to pay from them, Zakat due and purification of wealth, and he replied: by Allah's mercy I will act based on the traditions of the prophet(PBUH) and the legacy of Abubakar Assidiq, and I will seek consultation with the companions of the prophet such as Ali bn Abi Taalib who attested that it is sound in as much it is not imposed as regular tributes after you)<sup>6</sup>, and this is the reason why Umar made it as trade offers and commodities, and do not impose Zakat on the graze and horse ride that are reserved for battle because they are not trade offers, also an Hadith that was reported by Abu Hurairah, may Allah be please with him, reporting the prophet(PBUH) to have said: ( It is not compulsory on a man to pay Zakat on his horse and slave)<sup>7</sup>.

Al Daru Qutni has reported in his book titled: Assunani, with sound chain of transmitter, (About Umar; may Allah be pleased with him- usually take from the slave-sales due of ten dirhams, and from horses ten dirham and horse that is not available for riding as eight Dirham and five Dirham due from non-arab horses <sup>8</sup>.

Umar was in charge of distributing of zakat wealth to the eight categories of the beneficiaries. The needy and the poor of the era of Umar were given from the fund of zakat what is sufficient to take care of their basic needs and poverty- the beneficiaries are given the minimum due to take of poverty.<sup>9</sup> Jarad bn thaaqa bn saith; one of the senior-next generations after the companions, said: (I witnessed when a man with swollen face came to him and he said: oh, the leader of the believers! Am perished and my family is also perished, and one of them came forward as if he is blind- saying: am perished and my family is perished-then hadith was mentioned - that Umar said: give him one-fourth of the cattle as charity, and I saw him been followed by the male and female cattle. He said: I have never envy anyone as I envied such Atamimiy, then Umar said: I swear by Allah Oh brother of Atamimiy! Indeed, your companion is like a

<sup>5</sup> Surat Attaubah: 60

<sup>6</sup> Narated by Malik bn Anas, Abu Abdullahi Asubhi, Muwatha Malik, Ihyahu turaas Publisher, Egyt, reviewed by Fuad Abdul Baqiy, (1/267/No. 602), And Narated by Albaihakiy, fi Sinani Al kubrah, (3/158/7449) and in Marifati Asunani wal Aasari, (7/47/No. 2533). the Hadith is authentic

<sup>7</sup> Narated by Ahmad, fi Musnadihi, (1/14/82) and Ahmad bn Hussain bn Aliy Al baihakiy, Alkubrah, Dar Al-baaz publisher, Saudi Arabia, 1414H. 1994C.E., reviewd by Abdul Qadir athau, (4/118/No. 7205) and Alhaakim, (1/557/1456) and Addarul Qutni fi Sunanihi, (2/127/No. 2), and its tranmission is sound, and Al hakim attested its soundness.

<sup>8</sup> Ali Bin Abu Hassan Omar al-Baghdadi Daaraqutni, Sunan Daaraqutni, Dar knowledge Beirut 0.1386 her 1966 investigation of Mr. Abdulla Hashim, (126 2 / civil Yamani).

<sup>9</sup> Dr. Ali Mohamed Asolaabiy, Ibid, (p. 263).

poet while saying: feeding cattle today will pay back to the owner wherever the cattle are the benefit returns to the owner)<sup>10</sup>.

Abu Ubaid said: that Umar did it in order to alleviate him from sufferings when the man mentioned: his family is perished. And Intent of Umar was to enrich him with basic necessity<sup>11</sup>. And Umar also said: (Whenever you give charity, it should be sufficient)<sup>12</sup>.

Unlike those whom their hearth is encouraged, their portion were omitted from the state obligation, because at that time Islam was very strong and there is no need in fulfilling that particular category among the eight categories of the beneficiaries of Zakat fund<sup>13</sup>.

## 2.2 Tribute<sup>14</sup>

This is considered as due payment from the people of the scripture (Christians and Jews) or royalty charges on the unbelievers for residency in the state of Islam, at every periodic year. It is said to be the absciss that is imposed on the heads of the infidels to humiliate them<sup>15</sup>. As Allah has said:

(Fight those who believe not in Allah nor the Last Day, nor hold that forbidden which hath been forbidden by Allah and His Messenger, nor acknowledge the religion of Truth, (even if they are) of the People of the Book, until they pay the Jizya(tribute) with willing submission and feel themselves subdued.)<sup>16</sup>.

Tribute is imposed on the people of the scripture (Jews & Christian), with consensus among the companions without any disagreement, and this is the reason why Umar (may Allah be please with him) imposed it on them, but initially exempted the unbelievers such as fire idolaters from paying tributes unlike the Jews and Christians, until he was informed by Abdurrahman bn khawf, - (may Allah be pleased with him), that the prophet (pbuh) use to collect tributes from them. As reported by bajaalatu bn Abdatu Atamimiy, (may Allah be pleased with him); who was one of the senior followers of the companion as reported thus: (I was a scribe for Jazhi bn Muawiyyah as reminder, then came to us a written message from Umar saying that we should collect tribute from the fire-idolater because the Abdurrahman has reminded him that the prophet uses to impose tribute on the fire-idolaters as immigrants)<sup>17</sup>. Umar has received multiple charity donations from Arab-Christians of bani Tagaalib, when they refused to pay the tribute dues because they perceived it as a disgrace and shame as reported by Dawud bn Kardaws that: Umar bn Khattab negotiate with the people of bani tagaalib, after they wish to link up with Rome, that they should not baptized the boys and that they should not hate other religion in favor of theirs, and that upon them is ten multiples of tributes, an imposition of one Dirham on every ten Dirham. Dawud was reported to have said that the bani tagalib has no value because they baptize in their religion<sup>18</sup>.

As for the value of tribute at the era of Umar bn Khattab has no specific value, and this defers from places to the other based on the capability of the people and the situation of places, it has been imposed on the people from Iraq (*Ahlu sawaad*) an amount of forty-eight Dirham and twenty-four Dirham.

Based on respective individuals, the appropriate amount is paid every year, and the people of Sham are paying four Danaanir, and for the silver owners is to pay forty Dirham and fifteen measures size of food

<sup>10</sup> Narrated by Abu Obeid Bin Qasim Salam, Al- amwal (p. 675 / No: 1776) and Ibn Zenjoah Al- amwal (page. 1844) the Hadith is Hassan.

<sup>11</sup> Qasim bin Salam Abu Obeid, Al- amwal, Dar Al-Fikr Beirut, 1408 reviewed by Khalil Mohammed Beirut in 1414 the second edition (p. 676)

<sup>12</sup> Narrated by Abu Obeid denominator in the money (p. 676/1778)

<sup>13</sup> Dr. Ali Mohamed hardness, biography faithful Omar bin al-Khattab his personality and his age (p. 263).

<sup>14</sup> payment made periodically by one state or ruler to another, especially as a sign of dependence

<sup>15</sup> Abu Saadat Al Mubarak bin Mohammed bin Al-athir, Annihayatu fi Gharib Al-ahadith, Dar Ulum, Beirut 1399H reviewed by Tahir Ahmed Zaoui (vol 1/page:748)

<sup>16</sup> Surah Attawbah (Repentance): 29.

<sup>17</sup> narrated by Al-Bukhari (3/1151/No. 2987), and Abu Dawood (3/168/ No. 3043) 2 (3146 / No. 1586) and Ahmed, and Tirmidhi utter it to him (194 / No. 1685/1).

<sup>18</sup> narrated by Ibn Abi Shaybah , Al- musannaf(2/416/10581), and Abdul Razzaq Al- musannaf (10/416/3 (1695), and Bayhaqi in Snnan Al- kubra (9/367/10581) and Abu Obeid Bin Qasim Salam Al- amwal , (p. 649/216 / and Ibn Zenjoah Al- amwal (No. 102)

on each individual, and for the Egyptians is two Dinar, for every visionary except those that are poor<sup>19</sup>. And Umar usually command tribute collector to be lenient on people in collection as reported by Jabir bn Nafir, (may Allah be pleased with him) that Umar Bn Khattab bring to him with lots of money, he said:

“Are these from tribute, so I assumed you must have inconvenient people,” They replied: “we have taken only what was prescribed,” then he said: “Without whip or Cane, they replied: of course! All praise is due to Allah who has not placed difficulty in my possession and authority”<sup>20</sup>. Among the most prominent tribute collector of the era of Umar bn khattab may Allah be pleased with him is Uthman bn Haneef, and Saeed bn huzaiif, and Governors of cities, like Amr bn Ass, and Muawiyyah bn Sufyaan, and others, may Allah be pleased with them all<sup>21</sup>.

### **2.3 Kharaj (Land tax, earns)**

These are open lands the state imposes taxes upon, Or the land on which the people benefit from, and it is said to be land revenue which were conquered by Muslims and reserved by the Imam for the interests of the state, this is what Umar did to the land mass of Iraq and the Syria,<sup>22</sup>

The land tax is of two types: job tax: the partial tax imposed on the land use, sharing land tax is imposed on certain percentage from production made from the land<sup>23</sup>.

When Syria and Iraq and the country were conquered, and the land of Persians, Umar bn Khattab was faced with serious financial challenges of how to manage the wealth captured from the enemy as spoils of war such as gold, silvers, horses and cattle, also their possessed lands were seized and acquired as booty in the hands of the Muslim soldiers. As for wealth, Umar bn Khattab made rulings on it according to God's judgment as said in the Quran:

(And know that anything you obtain of war booty - then indeed, for Allah is one fifth of it and for the Messenger and for [his] near relatives and the orphans, the needy, and the [stranded] traveler, if you have believed in Allah and in that which We sent down to Our Servant on the day of criterion - the day when the two armies met. And Allah, over all things, is competent.)<sup>24</sup>

As for the land, Umar has different opinion on it, he viewed that the land should be under state acquisition without apportioning, its rather remain has state property under the possession of the original owner, by paying land tax, and whatever accrue from the tax is distributed among the Muslims, after reserving the wages of the state soldiers, and reservation for the governance of conquered states. Umar bn Khattab viewed that the conquered states required protection of the patrolling army which requires regular wages, because if the land were shared how will the security and defense personnel be compensated? This is because Allah does not want the fund of the state or its resources to be share among the rich alone. If the vast land were divided in Sham, Egypt, Iraq and Persia on a few thousands of companions then their hands become inflated in wealth, and there remains nothing for those willing to embrace Islam after worth.

It shall be the tremendous wealth in one hand and in extreme need in the other hand, which the conscience of Umar refuse it as he viewed in concord with the opinion of other companions such as; Uthman bin Affan and Ali Ibn Abi Taalib and Talha bin Obaidullah and Abdullah Ibn Umar and other companions, But a lot of other companions such as Abdul-Rahman bin Auf, Zubair bin Awam and Bilal and other companions disagreed with this view; rather they prefer Umar to share the booty among them as mentioned by Allah that they are entitled to its portions.

<sup>19</sup> Ali Mohammed Asolaabi, biography faithful Omar bin al-Khattab his personality and his age (p. 244).

<sup>20</sup> Good narration: Narrated by Abu Obeid Bin Qasim Salam Al- amwal (p. 114)

<sup>21</sup> Ali Mohamed Salaabi biography faithful Omar bin al-Khattab his personality and his age (p. 244).

<sup>22</sup> Ali Mohamed Salaabi biography faithful Omar bin al-Khattab his personality and his age (p. 247, 248) Mujamu luggat Fukaha, (1/194).

<sup>23</sup> Mujamu luggat Fukaha, (1/194).

<sup>24</sup> Suratul Al anfal:41



And the greatest of these opposing view is from Bilal until he shouted angrily, saying it is not established in this nation of Islam except what Allah established in His book and by the tradition of the prophet (pbuh), And he kept intensifying pressure on Umar bn Khattab until he stood and share the booty among them, as reported by Abdullah bn Abi salmah Almajishu, reported thus: (Bilal said to Umar ibn al-Khattab about the villages that was forcibly conquered:, share it among us and Take one-fifth of it!, then Umar said: No, this is not money but government acquisition for them and the generality of Muslims, then Bilal and his companions said: share it among us: then Umar said: O Allah be sufficient for me on Bilal and people like him, He said: when another year come no one them are still alive . reported by Abdul Aziz: He told me Zaid ibn Aslam reported ‘Umar to have said: do you want other people to come without having any provisions from the state)?<sup>25</sup>.

Abu Yusuf viewed on the land tax in concord with the opinion of Umar bn Khattab (may Allah be pleased with him), to prevent sharing the entire booty among the soldiers that conquer any nation, when Allah was mentioning it in the Quran, there was no specific explanation on that, but it was just a diligent initiative from him to be in accordance with the intent of Allah. And such is for the benefit of the generality of the Muslims and the state, because if this is not withheld as an endowment for the people as gift and wealth, the economy will not be strong, and the soldiers cannot be strong for the struggle, and might make the unbelievers more secured to return to their respective nations since the mercenaries for battles are abandoned, Allah knows best wherever it is <sup>26</sup> . After which the senior’s companions have concluded on same view with the opinion of Umar bn Khattab that the land should be held in possession of the people, then two important personality were chosen whom are: Uthman bn Unaif and Uzaifah bn al yamen, May Allah be please with both, to hold authority of the dark land of Iraq, and they both stood of this responsibility, and the measurement size of this land is almost (36,000,000) thirty-six million<sup>27</sup>.

They imposed on every sack of grapes ten dirhams, and on sack of palm-dates eight dirhams, and on sack of sugar-cane (reeds) six Dirham and four dirhams on sack of wheat, and sack of barley two dirhams. They wrote to Umar, (may Allah be pleased with him) on the tax structures and methods and he approved it, hence, this tax structures and methods which was implemented throughout the dark land of Iraq is the same structures was implemented in Egyptian territory by Amr Ibn al-ass, (may Allah be pleased with him) <sup>28</sup>.

## **2.4 Tithes<sup>29</sup>**

What is taken from the people of war, the people of the scripture (Jews and Christians), when crossing the borders of the Islamic State, this fund are dues levied on traders passing through the borders of the Islamic state, whether within or out of the territory of the State such as customs duties in the modern days<sup>30</sup>. These form of taxes were not in existence during the time of the Prophet (pbuh) and the first successor of Abu Bakr may Allah be pleased with him, Because that period was a period of an invitation to Islam And Jihad in the way of Allah through propagation and establishment of Islamic state, and when the state widened during the reign of Umar bn Khattab, may Allah be please with him- the borders was extended to the east and west, and trading with neighboring countries become necessity for the purpose of public interest, the Caliph Umar bn Khattab viewed that: These taxes received by Dar al-Islam (Islamic state) is like what enmity states usually imposed on the Muslim traders in their country as exchange for what they had done to them. The historians unanimous agreed that the first person that impose tithe in Islam is Umar bn Khattab; this happened when the people of Mubij from behind the Adni sea, wrote to him, proposing to enter the Arabian land with their commodities, with the pledge to pay tithe, then Umar

<sup>25</sup> Narrated by Abu Obeid Bin Qasim Salam Al- amwal (p. 73/ 47) and Ibn Zenjoah in funds (No. 185

<sup>26</sup> Yakub bin Ibrahim judge Abu Yusuf, The Al-kharaj, the printing press and the Salafist library, fifth edition (p. 270).

<sup>27</sup> Dr. Ali Mohamed Asalaabiy, biography of Omar bin al-Khattab his personality and his era (p. 40, 41).

<sup>28</sup> Dr. Ali Mohamed Asalaabiy, biography of Omar bin al-Khattab his personality and his era (p. 252, 253).

<sup>29</sup> any tax, levy, or the like, especially of one-tenth.

<sup>30</sup> Mugamul Lugat Fuqaha’, (1/312) and d. Ali Mohamed hardness, biography faithful Omar bin al-Khattab his personality and his age (p. 256).

consulted the companions of the prophet (pbuh) on this situation, (pbuh), so they reach unanimously agreed and therefore Umar became the first person that imposed the tithing<sup>31</sup>.

However, Umar wish to confirm the amount imposed on the Muslim traders in the nations of the enemy whenever they pass their border, according to Abdullah bn Abi najihi who reported that:

(Umar asked the Muslims: how where you treated when you entered the land of Abasha? and they replied that: they usually take one-tenth of whatever is with us, then Umar said: so take from them same amount they took from you.<sup>32</sup>) Also Ziyaad bn Hudair; one of tithe collector during the era of Umar reported that: the Khalifah ordered his collectors to imposed one-fortieth on Muslim traders, he said: I was employed for tithe and to collect one-fortieth from the Muslim traders) And he (Umar) may Allah be pleased with him, also commanded that: It is duty of the tithe collectors to receive from the traders of land tax half of one-tenth( one-twentieth) as reported by Hassan Al basri, that : Umar wrote to Abu Musa Al Ash ariy that: he should collect from Muslim traders from every two hundred five Darahim, and whatever above it; one Dirham in every forty Dirham, and from the traders of land tax to impose half of Tithes (one-tenth), and to impose one-tenth on the Idolater traders <sup>33</sup>.

## **2.5 The Spoils of War and Booty**

The Spoils of war: These are wealth acquired by the Muslims without fighting, and did not spur for it any horses or camels<sup>34</sup>, and one-fifth of the spoils is shared among the people of one-fifth as explained by Allah in the Quran thus:

(And what Allah restored to His Messenger from the people of the towns- it for Allah and for the Messenger and for [his] near relatives and orphans the [stranded] traveler so that it will not be a perpetual distribution among the rich from among you. And whatever the Messenger has given you - take; and what he has forbidden you - refrain from. And fear Allah; indeed, Allah is severe in penalty)<sup>35</sup>

As for the Booty of war: These are the possessions that were forcibly acquired on battle by the Muslim from the non-believing enemies. During the era of Umar, the booty and spoils of war increased tremendously because of increase in conquered nations and thus boom the economy of the Muslim state. While the captains of the Rome and Persian army surrendered their possession to the Muslims sometimes these spoils were amounting to fifteen thousand Dirham or thirty thousand Dirham. The big cities and nations where conquered such as; Jalawla and Hamedan, and others. So, the Muslims possessed great fund, and the greatest of it is the dark land of Iraq which Umar, may Allah be pleased with him, reserved for the state. The land of Sawafi was abandoned by its occupant after the battle, and the Kingdom of Kasra and its people, where all reserved and returned to the state. It is said that its yield amount to seven million Dirham. The Muslims also possess gold and silver and other treasures, amounting to six million Dirham.

However, this made individual Muslims and the State very rich and raises their standard of living particularly during Era of Uthman bn Affan, may Allah be pleased with him.<sup>36</sup>

As for the sharing of the booty, Umar bn Khattab has divided it among the recipients of the Spoils of War has practiced by the prophet (pbuh); for every horse riders are three shares; two for his horse and one for him <sup>37</sup>. That is for every man a single share, also for the one-fifth sharing that was described Allah in the Quran thus:

<sup>31</sup> Dr. Ali Mohamed Salaabiy, biography of Omar bin al-Khattab his personality and his era (p. 256)

<sup>32</sup> Narrated by Abdul Razzaq in his work (6/98/10121) And Ibn Abi Shaybah in his work, (10583/417/10121).

<sup>33</sup> Narrated by Abu Obeid Bin Qasim Slam Al- amwal (p. 640/1658).

<sup>34</sup> Dr. Ali Mohamed Asalaabiy, biography of Omar bin al-Khattab his personality and his era (p. 258).

<sup>35</sup> Al-Hashr verse 7

<sup>36</sup> Dr. Ali Mohamed Asalaabiy, biography of Omar bin al-Khattab his personality and his era (p. 258)

<sup>37</sup> Dr. Ali Mohamed Asalaabiy, biography of Omar bin al-Khattab his personality and his era (p. 259).

(And know that anything you obtain of war booty - then indeed, for Allah is one fifth of it and for the Messenger and for [his] near relatives and the orphans, the needy, and the [stranded] traveler, if you have believed in Allah and in that which We sent down to Our Servant on the day of criterion - the day when the two armies met. And Allah, over all things, is competent).<sup>38</sup>

Umar bn Khattab, (May Allah be pleased with him) left the portion of the needy, the poor and the wayfarer as practiced by the prophet (pbuh). It was changed nor amended, but the share to the of the prophet (pbuh) and his closed relatives raises different opinions after his demise, Some companions opined that the share of the prophet (pbuh) is automatically for the next successor, some viewed that the share of the prophet (pbuh) is for his family behind him, while others said the share of the succeeding Khalifah is for his family after him, and they unanimously agreed to make these into two vessel and weapons, And then Umar stood to place these two thing as public benefit and utility, like preparing the army, bridging the gaps, and empowering the state projects and infrastructures<sup>39</sup>.

## 2.6 Operation of tribute, land tax and tithes

Umar may Allah be pleased with him stood to share these as bonus for the Khalifah, the workers and the army, and the family and the wives of the prophet (pbuh).

**Bonus for the Khalifah:** It is budgeted for the Umar may Allah be pleased with him the bonus of five thousand Dirham. (AED 5000)

**Bonus of the Workers:** Umar bn Khattab had placed on his workers such as: the governors of cities and stations, the tax collectors, the judges, the scribes and workers of tributes, Zakat and charity. The bonuses in accordance with the level of their positions, this is practiced at every stations and state whether far and near, and offering charities, permits.

**Bonuses of the wives of the prophet (pbuh):** It was budgeted for each of them an amount of Thousand Dirhams (AED 10,000) per year, and later their bonuses were increased to (AED 12,000) Dirham.

**Bonuses of the Army:** Umar bn Khattab was highly concerned about the affairs of the military such that he established military record department. He based the priority on the closed relatives of the prophet (pbuh) in Islam, and that start from the descendants of the prophets (pbuh), and they are from bani Hashim, where Abass was chosen to collect on their behalf and distribute among them, As for the rest of Muslims, they are divided into layers in the order of their participation in the jihad on the path of Allah, so he started with the attendee of battle of Badri from the Muhajirin and the Ansar, and budgeted for each; forty Dirham per year, except Abdallah bn Umar (his son) who was given three thousand five hundred Dirham because he participated with his father. Later he increased the Muhajirin with extra one thousand Dirham and their bonuses became five thousand Dirham.

The companions who fought at the badr and then fought Hodaybiyah to last wars of apostasy where given three thousand dirhams (AED 3,000) for each one of them every year, and the next are those who witnessed the Qadisiyah and Yarmouk. Umar bn Khattab never forgot the issue of the servants, and foundlings, rather he budgeted for them Annual bonus and budgeted for every new born baby (100 dirhams), also prescribed on partisan two thousand to one thousand dirhams, in additions to the bonuses. Umar bn Khattab has actually shared the bonuses in many other ways, apart from the bonuses prescribed for every individual, they are also entitled monthly food stuffs from wheat. Khalifah Umar bn Khattab has mentioned at the end of his era that: if the money is more than this I would have shared with everyone

<sup>38</sup> Al anfal:41

<sup>39</sup> Dr. Ali Mohamed Asalaabiy, biography of Omar bin al-Khattab his personality and his era (p. 268).



four thousand Dirham, A thousand for his travelling, a thousand for his weapons, a thousand for his family left behind, and a thousand for his horse and mule<sup>40</sup>.

### 3. ECONOMIC DEVELOPMENT ISSUES IN THE ERA OF UMAR IBN KHATTAB

#### 3.1 The issuance of Islamic coins:

Coins are made of precious metals such as gold, silver. It is a necessary means of private and public social life, Especially in transactions between nations and states, The Muslims in the era of Prophet (pbuh), and Abu Bakr– may Allah be pleased with him, engaged in trading and exchanged as there have been Coins and banknotes in circulation before Islam, Some has on it the Herculean Christian inscriptions or engravings Kasriy, and during the reign of Umar (may Allah be pleased with him), he deal in it and approved them as legal tender, and approved Dirham as legal tender in Islam, Al mawrudiy said: it was Umar bn Khattab that specify the Dirham of Islam<sup>41</sup>.

And Al muqriziy said: Umar bn Khattab was the first person that deal in coins in Islam, in the year of eighteenth of the Hijra, with the engraving of Kasriy and with additional engraving, such as: “praise be to Allah”, ‘There is no god except Allah”, and on a portion in it is the name of Umar bn Khattab. Umar Al faaruq may Allah be pleased with him, has provided for an emergency situation in the life of the Muslims and others during the period of his reign, and the other successors has followed his footsteps, among those that expanded this philosophy for the development of the Muslim cities and civilizations<sup>42</sup>.

#### 3.2 Concerns of Umar bn Khattab (may Allah be pleased with him) on trading and markets

Khalifah Umar may Allah be pleased with him- was careful concern about accountability in the market places, he used to go around the market places monitoring sales and purchases and punish whoever is violating the law of the market with strokes of his cane. Qaadath may Allah be pleased with him said: (Umar use to punish people with his cane)<sup>43</sup>, Inspects the conditions of dealers wears simple dress, even though as commander in chief of the Muslims, and inspecting round the market searching for whoever that will violate the order of the market in order to punish him or her and has compelled them to deal according to Shariah provisions and regulation. He used to say to everyone in the market: He who does not know the rules and regulations of the market should not deal in our market, whoever that does not understand usury and sales should not sit in our market, nor is permitted deal in it because such a person might divulge usury intentionally or unintentionally.

This is the reason why Umar bn Khattab has positioned in every market, supervisors who will monitor, manage and take charge of the market places, he once employed Sulaiman bn Haithamah as supervisor for the markets, also Saaibu bn Yaziid and Abdullah bn Atabah bn masud both as his workers on the market of Madinah, there was a general supervisor for all the markets, and there is a supervisor for each market working under the order of the general supervisor. Among the benefit of his administration is it concerns and creation of an organized and easy operation within the market, this is believed to enhance social security and make great contribution to the well- being of the people by making them have easy access to their needs. So, if the authority is concern in such a way about the affairs of his people, then for him is a huge reward in the site of Allah, this operational approach of Umar bn Khattab- may Allah be pleased with him which is scientifically correct, sound and accurate signifies that the religion of Islam is for the benefit of the people in every places and times of the entire world. It promotes under developed nations to progress, and protect the developed nation from deterioration and collapse, it does not block

<sup>40</sup> Ibn Saad fi Atobaqaath, (3/296,297,298), Dr. Ali Mohamed Asalaabiy, biography of Omar bin al-Khattab his personality and his era (p. 265,266).

<sup>41</sup> Ali bin Mohammed bin Habib Abu al-Hasan al-Mawardi Basri, Al-ahkam Al- sulthaniyyah, Dar- Kitab Al- Araby, (p. 147).

<sup>42</sup> Dr. Ali Mohamed Asalaabiy, (p. 268, 269)

<sup>43</sup> narrated by Ibn Asaakir in the history of Aldamishq (44/33)

ways for whichever nation that wanted to advance and does not abandon slumbering nations from awakening to progress<sup>44</sup>.

#### 4. CONCLUSION

Praise is to God who blessed the researcher with the completion of this research, which included a study of the economic situation during the reign of Umar bn Khattab, analytical study. With the help of Almighty, the researcher has arrived at certain results; most important of these are:

1. Umar - may Allah be pleased with him – practically succeeded in explaining how Islamic law can accommodate all developments and events in every time as stipulated by the jurisprudence of Islam as it relates to all aspects of life, however, he organized and established accurately rules and regulations on the income, and resources of the state, and their appropriation.
2. Umar - may Allah be pleased with him - has put a special agent for the necessary means in the life and affairs of the Muslims and others in the course of his reign, where the first coins in Islam in the eighteen years of migration was with inscription of Alksra and also added to it an inscription of, “Praise be to Allah”. In others is an inscription of: “there is no god but Allah”, and then the disciples that came after him who followed his legacies, towards the development and progress of the city and its civilization,
3. Actions of Umar bn Khattab may Allah be pleased with him has been proven to be scientifically correct and sound, particularly in his interest and concern about the markets and trading structure in order to facilitate the growth and development of Islamic economy at every era and in every place, all over the world. This effort will have assisted the underdeveloped Nations to attain progress and saves the developed nations of the deterioration and collapse, do not block the way to those who want Progress to advance and do not abandoned those in slumber rather awake them to development.
4. Umar - may Allah be pleased with him - has designed the state's financial and economic system in the exact proper sources of wealth. The economy was based on Zakat, spoils, and spoils of wars, tributes, land tax, the tithes.
5. Workers are employed to supervise the collection and distribution of state finance through the bureaucratic and the treasury system, the Khalifah is responsible for the affairs of the state, such as salaries of military, judges, workers and other acts services to the state.

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<sup>44</sup>: D. Ali Mohammed Asalaabiy, (p. 160, 161,162,).



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