AL-MISBAH RESEARCH JOURNAL

المصباح ریسرچ جرنل

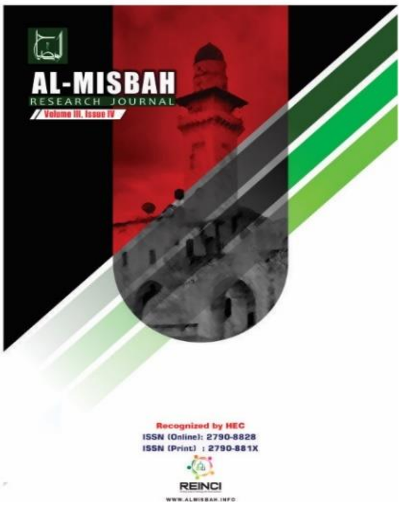
ISSN (Online): 2790-8828. ISSN (Print): 2790-881X.

Volume III, Issue VI

Homepage: https://reinci.com/ojs3308/index.php/almisbah/index

Category Y

Link:https://hjrs.hec.gov.pk/index.php?r=site%2Fresult&id=1089437#journal_result



Article: **A COMPARATIVE ANALYSIS OF THE FINANCIAL POLICIES DURING THE PIOUS CALIPHATE AND THE UMAYYADS RULE**

Authors & Affiliations:

[1]**Dr. Muhammad Daniyal Khan**

Lecturer, Department of History, University of Peshawar.

[2]**Professor Dr. Salman Bangash**

Department of History, University of Peshawar.

Email Add: [1]daniyalkhan@uop.edu.pk

[2]salmanbangash@uop.edu.pk

ORCID ID:

Published: 20-10-2023

Article DOI: https://doi.org/10.5281/zenodo.10598612

Citation: Dr. Muhammad Daniyal Khan, and Professor Dr. Salman Bangash. 2023. "A COMPARATIVE ANALYSIS OF THE FINANCIAL POLICIES DURING THE PIOUS CALIPHATE AND THE UMAYYADS RULE". AL MISBAH RESEARCH JOURNAL 3 (04):69-84. https://reinci.com/ojs3308/index.php/almisbah/article/view/222.

Published By: Research Institute of Culture and Ideology, Islamabad.

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A COMPARATIVE ANALYSIS OF THE FINANCIAL POLICIES DURING THE PIOUS CALIPHATE AND THE UMAYYADS RULE

*Dr. Muhammad Daniyal Khan
*Professor Dr. Salman Bangash

ABSTRACT

The study of financial policies during the prophetic era, pious caliphal period, and Umayyad rule provides insights into the economic foundations of early Islamic civilization. The prophetic age prioritized fair commerce, social welfare, and charity. The pious caliphal period saw the Rashidun Caliphs consolidate administrative systems and implement financial policies for social welfare and economic justice. The Umayyad rule introduced complex financial systems and policies, influenced by pre-Islamic traditions and evolving Islamic economic principles. This analysis aims to clarify the continuity, changes, and adaptations in the economic frameworks that led to the development of Islamic culture and the lasting impact of these early financial policies on modern Islamic economic theory and practice.

Keywords: Finances, Economy. Pious Caliphs, Umayyad Rule

Introduction:

The study of financial policies during the pious caliphal period, and the subsequent Umayyad rule serves as a critical exploration of the economic underpinnings that shaped the early Islamic civilisation. The financial landscape during these distinct historical periods was intricately linked to the socio-political developments, religious principles, and the expansion of the Islamic realm. Examining the financial policies of these epochs, offers profound insights into the economic mechanisms that facilitated trade, commerce, and governance, laying the groundwork for the evolution of Islamic economics.

Following the sad demise of the Holy Prophet Muhammad (SAW), the pious caliphal period was marked by the leadership of the Rashidun caliphs, who were renowned for their fair administration and commitment to the precepts established by the Holy Prophet (SAW). Administrative systems were consolidated during this time, and financial policies that supported social welfare and economic justice were put into place.

Subsequently, the Umayyad rule marked a significant shift in the economic landscape, with the expansion of the Islamic Empire leading to the adoption of more complex financial systems and policies. The Umayyad Caliphs introduced innovations in taxation, revenue collection, and trade regulations, which had a profound impact on the economic dynamics of the time. This period witnessed the amalgamation of diverse economic practices, reflecting influences from the pre-Islamic traditions as well as the evolving Islamic economic principles.

*Lecturer, Department of History, University of Peshawar.
* Professor, Department of History, University of Peshawar.

This study explores the complex facets of financial policies in these two disparate eras, providing insight into the guiding ideas, workings, and advancements that influenced the economic course of the early Islamic epoch. The research tries to clarify the continuity, changes, and adaptations in the economic frameworks that led to the development and consolidation of Islamic culture by analysing the financial policies of the two aforementioned periods. It also aims to demonstrate the interaction of political governance, economic practices, and religious principles, highlighting the lasting impact of these early financial policies on modern Islamic economic theory and practice.

Monetary Policy

A rarely thought-about field of economy, money-minting was literally a novel field for the Muslims when the Islamic polity appeared on the map. Although the Holy Prophet (SAW) used the coins as money, he was barely aware of the central monetisation of money-minting under a central authority.[1]

The pious caliphs and the Makkans were aware of the usage of coining in the pre-Islamic period of the Persian and Byzantine empires. Therefore, the Holy Prophet (SAW) and his pious caliphs also granted permission to the Muslim subjects to use the coins in their trade and commerce as they used them in the pre-Islamic era.[2]

There were instances that the Muslim traders used the Byzantine coins after the Muslim troops threw out the Byzantinians from Syria and the Persians from Iraq. Hence, it is credible that they left their gold as well as silver coins used as currencies in their respective territories. This currency continued to be in circulation until the 7th century AD. However, it used to bear the figures of Heraclius and the Persian king, which were later replaced with the caliphatic name and religious Arabic script.[3] These improvements crept into the coinage-making industry during the period of the pious caliphate, specifically during the period of Hazrat Usman (RA), when coins inscribed with Allah is Great (Allah O Akbar) were issued.[4] However, the work on coin minting started during the time of the Holy Prophet (SAW), and pious caliphs such as Hazrat Umar (RA) is stated to have fixed dirham weightage after witnessing some variations in the local currencies of the other Empires such as the Persian and the Byzantine.[5] Therefore, he ordered new coin minting to make it and tohave some specific weightage with some differences. Despite the Islamic bearings, these coins still had remarkable similarities to the neighbouring empires of that time. The purely Islamic touch crept into the money-minting industry during the period of the third caliph.

Such models and examples demonstrate that the Islamic coinage industry took ideas from the caliphatic period and started but became quite strong during the Umayyad period. Amir Muawia (RA) is stated to have paid special attention to Islamic coins and currency. He introduced coins and currency on the lines of the existing Persian and Roman Empires. Interestingly, some Umayyad caliphs had the coins with the Persian Emperor's seal of that time; maybe a rebel of the caliphatic period.[6] The periods of the usage of these seals seem to fall during the time of Amir Muawia to Abdul Malik bin Marwan. Amir Muawia likely used these coins during his reign when rebelling against the central authority of the fourth caliph.[7]

There are several pieces of evidence that the Umayyad governor Ziad Ibn Abihi, struck new coins rather than the coins minted during the rule of the second caliph. The orders, in this connection, were issued by Amir Muawia himself.[8] It also appears that some governors made genuine efforts to bring an Islamic coinage system which shows that Arabic-Sassanian coinage proliferation ended with the exit of Hajjaj bin Yousaf from the scene[9] because after that the Abbasides took the helm of the affairs. However, an interesting fact has surfaced that even Sassanian dirhams appeared to have been in circulation including coins of the Arabic-Sassanian stamps, and that, too, without any counter stamp of the Islamic polity, or any of its governorate. It is stated that the similarity was sticking that only a highly literate Muslim was able to identify the amended coins of the Islamic polity and that of the Khosrau-II dirhams.[10] It demonstrates that the drive for a purely Islamic coinage system continued until the next phase of the Umayyad period.

With Abdul Malik at the helm of the affairs, the new period of reforms in the coinage system kicked off. However, this change was the impetus of the anti-Islamic moves of Justinian-II, the Byzantine Emperor, for both Abdul Malik and Justinian-II were almost contemporary.[11] This post-reform currency period brought dinars in 77AH/696AD, which ended the monopoly of the Greco-Roman coins circulating in the market. This move is stated to have launched the purely Muslim coinage minting system.[12] It started two similar moves of bringing coins such as “the Shahada solidus” and “the Shahada darham” which became purely Muslim coins.[13]

These reforms were, though, long due, finally brought by the Umayyad governors, Hajjaj, Abdullah, and Aziz bin Marwan, the Egyptian governor. They were instrumental in the reformation of fiscal and monetary policy, too. It is also stated that the first evidence of minting coins in appearing during the Hajjaj’s governorial period in 74AH or 76AH according to some accounts in 685AD. The coins had the name of Hajjaj, as well as the Islamic slogan of Allah is One (Allah o Ahad).[14] Interestingly, the acceptance of these coins was quite minimal. According to other accounts, the Persians also demurred in accepting them due to their being very light in weight.[15] And it was Abdul Malik who reduced coins' weight emerged during the period of Hajjaj[16], who is said to have circulated two types of coins as stated above.

During the Umayyad period, coin minting was influenced by Jews. Abdul Aziz ordered the minting of a purely Arabic version of the coin, which was introduced around 76 AH.[17]

This policy continued throughout the Umayyad reign, until the Abbasides took over. Umar bin Hubaira brought silver coins, which were better than the current coins. Hisham bin Abdul Malik ordered the introduction of new coins of al-iyar in 106AH. Khalid bin Abdullah enacted the withdrawal of sikak from all cities except al-Wasit. Yusuf bin Umar al-Thaqafi replaced him in 120AH, reducing the size and weight of the dirhams. The Umayyad coins, such as Khalidiya, Hubairiya, and Yusufiya, gained popularity.[18]

The Umayyad governors played a crucial role in monetary policy, particularly in coin minting. Unlike the Pious Caliphs, they did not show interest in coin minting, leading to the continuation of Persian and Roman coins.[19] Only a few governors took initiative, such as Khalid bin Walid, who issued a copper piece with Caliphatic approval.[20] However, from Amir Muawia to Marwan II, various Umayyad governors issued coins, some with caliphatic approval and others independent. Most Umayyad governors, including Hajjaj, issued reformed coins, which were further reformed by other caliphs.[21] The main difference lies in the centrality of monetary policy, but in terms of authority, Umayyad governors held more financial powers.[22]

The Umayyad governors, including Hajjaj, Ziyad, and Khalid, were prone to embezzlement due to their power in financial matters and policies. They were ahead of their time in coin minting and were instrumental in bringing different types of Umayyad coins. Unlike the Pious Caliphatic governors, Umayyad governors were more powerful in financial matters.[23] The expansion of the Umayyad empire led to the minting of coins, with the imposition of jizya on non-Muslims. Hazrat Umar and Hazrat Usman took the initiative, and it became almost a norm during the fourth caliph's reign. However, competition among governors continued during Amir Muawia's reign, leaving the caliph with little time to focus on central financial matters. The Umayyad governors were not only instrumental in consolidating the Umayyad caliphate but also significant in bringing financial prosperity to the empire through their financial policies.[24]

Finance is crucial for a robust governance structure, demonstrating organisational wisdom. Despite early separation of finance from military and general administration, the Islamic polity's rapid expansion led to increased financial sources. As S. A. Q. Hussaini writes his observation in Arab Administration, saying:

> The Islamic revolution pulled out the bulk of the Arab population from their tribal stage and set them on the road to the next stage of social, economic, and political organisation. The nomadic Arab with very uncertain means of livelihood became a regular soldier in the way of Allah and, as we shall see later, was destined to own large estates and great riches.[25]

Hussaini discusses the financing of the embryonic state, highlighting that nomadic Arabs, lacking permanent income sources, turned to rich lands as soldiers, acquiring large estates and wealth that served as a revenue source for the newly founded state.

The revenue generation system of the Islamic polity included five major sources, including spoils of war, which was the primary source of revenue for the polity and the Holy Prophet (SAW). The term al-ghanima,[26]equated with 'plunder', was distributed to soldiers, horsemen, and walking soldiers. Soldiers who showed bravery by killing enemies received a double share, while one-fifth went to Allah and the Holy Prophet (SAW) for support. People falling into the hands of the Muslim army were also considered spoils of war and were divided as slaves.[27]

a. Jizya

Jizya has been mentioned in the Holy Qur'an in the 19th verse of the 9th chapter. The verse goes thus; "Fight those who do not believe in God, nor in the Last Day, nor forbid what God and His Messenger have forbidden, nor abide by the religion of truth-from among those who received the Scripture until they pay the due tax, willingly or unwillingly (9:29).[28] It is the second type of tax imposed on non-Muslims, translated as poll-tax, head tax, or tribute. Hussaini argues that it was an expressed tax levied only on those who could afford it, not on children, monks, beggars, women, children, and terminally ill people. It was derived from a Persian tax called gezit, which meant to pay tribute.[29]

b. Zakat

Zakat is an Islamic tax imposed on Muslim subjects, as per the Holy Prophet's instructions. The Qur'an emphasises the obligation to pay zakat, equates it to worship, and provides specific recipients. The verse says, "And attends to your prayers, and practice regular charity, and kneels with those who kneel."[30] The tax is levied on natural products like grain, fruits, cattle, precious metals, and trading goods, with specific timeframes and individuals responsible for imposition and calculation.

c. Sadaqat or Sadaqah

Sadaqat or sadaqah as it is called in Arabic means to give alms[31] as well as to speak the truth. However, it has been stated that it is better to speak politely than to give sadaqah with annoyance.[32] However, it is also used in the same sense as zakat but it is its voluntary nature that sets it apart from zakat which is an obligation as well as a responsibility.[33]

d. Kharaj

Kharaj or al- Kharajwas a type of land tax imposed on the non-Muslim subjects of an Islamic polity. It also means land revenue in which land is returned to the original owners with the condition that they would pay tax on it called kharaj. "It is necessary that something to be imposed and deducted from the subsistence of infidels and tribute is the most suitable to their situation".[34] Later different jurists have determined different amounts or quantities of kharaj to be levied upon the non-Muslim subjects and their lands.[35]

e. Fay

Fay or al-fayis used in a very limited sense of taxation in the Islamic taxation regime and levied, fall in the ownership of the state and not individuals. There were certain lands that fell under the name of the Holy Prophet (SAW) and its income was distributed to the family of the Holy Prophet (SAW). It was also to be distributed among the poor, the needy, the orphans, and the travellers.[36]

The imposition of taxes during the Prophetic Era was based on historical records and varied regional and place-specific policies. The authority was required to levy specific taxes, such as kharaj, after determining the amount and terms. Examples of poll taxes imposed by central authority include Taima, Ta'if, and Tabuk, as well as Al-Jabrah. While in the case of Makkah it was something different such as Al-Baladhuri has quoted a letter from the Holy Prophet (SAW).[37]

There shall be no oppression on you nor hostility against you. Against whatever the Prophet of Allah protects himself, he will protect you. Only to the Prophet of Allah shall belong your cloth-stuff, slaves, horses and coats of mail, save what the Prophet or the Prophet's messenger shall exempt. Besides that, you shall give one-fourth of what your palm-trees produces, one-fourth of the product of your nets, and one-fourth of what is spun by your women; but all else shall be your own; and God's Prophet has exempted you from all further poll-tax or forced labour.[38]

The letter outlines various taxes imposed on Makkah's people, highlighting the amount and authority of the pious caliphs. As analysed by Al-Baladhuri, the people of Najran faced varying policies, with robes being imposed on them. The governors and officials had been advised on financial and theological issues. Most researchers only mention the governorial role in revenue generation, including common revenues, specific Islamic taxes, non-Muslim taxes, and occasional taxes during warring periods.[39] The Holy Prophet, Hazrat Muhammad (SAW), was a skilled administrator and financial planner who established the Islamic polity in Madina. He used alms and sadaqat as tax collection strategies, advising governors to generate revenue and transfer it to the central authority.[40]

However, in the post-Prophetic period, governors faced financial issues and were left with little to transfer to the central authority. In fact, the use of bait al-mal, the public exchequer, was the sole prerogative of the governors who lavishly spent on themselves and their relatives in the early Caliphatic period, but the second caliph enforced new regulations and revenue-generating officials to improve tax collection. Issues with sadaqat emerged, with some governors returning money collected from the public and refusing to reroute it to the central authority. The Holy Prophet's sad demise left a void, making it crucial for the new caliph to ensure the continuity of Islamic administration and polity. He imposed taxes on both Muslims and non-Muslim subjects, ensuring protection for life and property.[41]

Post-Prophethood, issues arose regarding sadaqat, with some governors returning money collected from the public and refusing to reroute it to Madina or Malik bin Nuwaira, asking people to use it themselves.[42] The Holy Prophet (SAW) provided divine guidance to governors,

ISSN-Online: 2790-8828
ISSN-Print: 2790-881X

leaving them rudderless after his departure. The post-Prophethood period was crucial for the new caliph to assure the public of the Islamic administration and polity. The Holy Prophet imposed taxes on Muslims and non-Muslim subjects, ensuring protection for life and property. Post-demise, necessary changes occurred.

During the first pious caliph's reign, governors had significant influence over the financial administration of vanquished territories. Taxes imposed in Iraq were different from those in Egyptian or Syrian territories and varied regionally and town-by-town. The central authority issued decrees for new taxes, which governors had to collect. The taxation system in Iraq was almost reversed, with governors having a significant say in it since the time of Khalid bin Walid. The first example of a non-Muslim tax was imposed on the Hira tribe, following the Holy Prophet's principle. The second caliph, Hazrat Umar, introduced a different tax regime for different irrigated palm orchards, which was approved by the caliph.[43] The initial taxation system in Iraq was significant, but it was almost reversed due to governors' influence. Khalid bin Walid's first caliph imposed jizya on the Hira tribe, marking the first non-Muslim tax in Iraq. [44]

During the reign of the second caliph, Sad bin Abi Waqqas levied taxes beyond the fixed amount of jizya and kharaj when appointed as governor of Kufa. He appointed al-Ala bin Wahab to govern the region of Hamadan and Mah with the same powers, even subduing the Mahans with force on his own terms of kharaj and jizya.[45]

The caliph's trust in his governors led to precedents, such as Hazrat Umar ordering the governors to double the amount of sadaqah for the Banu Taghlab tribe. In the region of Al-Jazirah, the governor's role was significant, as he ordered Umair bin Saad to double the amount for the Banu Taghlab tribe. The governor's role in taxation seemed to override the caliph's role, as it did not seem to have anything to do with the implementation of initial tax regulations.[46]

This demonstrates the caliphatic sanguinity in the selection of governors adept and resilient enough to adjust to administrative measures even in collecting taxes. The governor's role in taxation was significant in the Islamic era, as it was applied to various regions, including Persian territories, Egyptian and North African contexts. Governors like Amr bin al-As applied kharaj to Egyptians, imposing jizya for every individual based on their capacity. Abdullah bin Sad also levied taxes on slaves and gold during his rule. The governor's role was significant in providing financial strength to the empire, as his estimation of taxation was based on his vision and public capacity.

The Holy Prophet (SAW) paid attention to the collection of sadaqah from Muslims, and different officials were appointed for the collection of these taxes. The duration of the tax, alms, or sadaqah was not specified, but zakat was to be collected annually with specifications about products, things, or yield.

Governors' self-empowerment went too far during the period of Hazrat Umar (RA) when they had to intervene when one of their governors issued a decree for Christian subjects to pay it twice in a single year.[47]

Some taxes, including alms, were collected on a monthly basis, while others were levied based on harvesting seasons. This made a considerable sum for the Public Treasury of the Muslim polity, even in the first Islamic century, to pay for the army and regular soldiers. The role of governors in this initial period is of pivotal importance because they were also tax collectors with the delegated authority for concessions as well as acquittals.

Kharaj officials in the Islamic polity often used punishments to extract tax without considering individual cases' payable capacity. This was a clear violation of Islamic polity and the Holy Prophet's policies. Hazrat Umar (RA) laid down a policy advising tax collectors not to overstay in regions, be lenient with relatives, and be just to the people. The caliph warned against such tactics, as they could cause discomfort and decrease revenue. Some governors, like Kudama and Abu Huraira, were dismissed or punished. Comparing the Caliphatic-cum-Prophetic and Umayyad periods can help understand the role of governors in financial policy implementation and their personal behaviour in revenue collection.

The Islamic polity's fiscal success was largely due to the establishment of the Central Treasury during the Holy Prophet's rule. The fiscal policy relied on governors' authority for collecting bait al-mal. The public treasures grew during initial conquests and large-scale conquests during the second caliph's rule. The Islamic theological and political moves laid the foundation for the public treasure, which was later transferred to administration blocks. However, when insurgent elements began plundering bait al-mal, governors moved to other locations, with each province having a separate treasury and officials.

The Islamic polity's fiscal success was largely due to the establishment of the Central Treasury during the Holy Prophet's rule, which was based on the delegated authority of governors for collecting bait al-mal. These treasures grew during the initial conquests and later expanded during the second caliph's rule. The foundation of the public treasure was laid in local mosques, later transferred to administration blocks. However, when insurgent elements began plundering bait al-mal, governors moved to other locations, such as Sa'd bin Abi Waqqas, which established the public treasure alongside mosques. There was always a difference between the public exchequer and private exchequer, with a caliph having a special treasury for his personal use. Special officials were appointed for bait al-malin in provinces and other vanquished areas, indicating the expansion of the territorial conquests and financial collections.[48]

During the Pious Caliphatic period, financial irregularities occurred in some areas, with governors misappropriating public funds for personal gain. Abu Huraira, a governor of Bahrain, was dismissed and confiscated 1,500 dinars after learning about the issue. Sa'd bin Abi Waqqas and Walid bin Uqba also embezzled public funds. Some governors used punishments to extract tax, demonstrating the authority delegated to them. However, this was not an avowed policy of the Islamic polity. Hazrat Umar (RA) laid down a policy guideline for tax collectors to avoid overstaying, be lenient with relatives, and be just to the people. The caliphs warned against such tactics, but harsh punishments kept them within limits. Comparing the Caliphatic-cum-Prophetic and Umayyad periods can help understand the role of governors in financial policy implementation and their personal behaviour in revenue collection.[49]

It happened even in the earlier Pious Caliphatic period that such financial irregularities happened in some far-flung areas. Various governors were involved in the misappropriation of public funds for persuonal uses and gains. The first such case recorded in the history is of Abu Huraira, who was governing Bahrain during the reign of the second caliph. On learning about this issue, the caliph issued dismissal and confiscation of 1,500 dinars.[50]

Even Sa'd bin Abi Waqqas and Walid bin Uqba were also involved in embezzling public funds in the name of borrowing and then never returning those funds during the period of the third caliph, Hazrat Usman (RA).[51]

The Pious Caliphs ensured transparency in financial matters, but governorial powers allowed for irregularities. The second and fourth caliphs separated tax-generating officials from governorial staff to maintain transparency. This system continued during the Umayyad system, with governorial posts falling next to kin within the same dynasty. The financial policy of the Umayyad period was largely influenced by its founder, Amir Muawia, who consolidated the state despite facing internal and external threats. Muawia even brought Imam Hassan bin Ali to negotiate the caliphate in return for public money. Imam Hassan preferred Banu Hashim to receive a pension, as they deserved more than the Abd al-Shams tribe. Despite these changes, the transparency of the public treasury remained uninterrupted during the Pious Caliphatic period.[52]

The Umayyad caliphate, founded by Amir Muawia (RA), was built on the foundation of an administrative system despite facing internal and external threats. Muawia negotiated with Imam Hassan bin Ali (RA) to secure public money in exchange for a pension for Imam Hussain bin Ali (RA). He also sold loyalties to Qais bin Sa'd, including Abdullah bin Abbas, who fled with the money to baitul mal. Amir Muawia also offered Amr bin al-As a governorial position in exchange for his obedience and turning against the fourth caliph.[53] However, he did not budge from his position and distributed the public treasury to the public, keeping a share for himself. When faced with resistance from the Iraqi army, Muawia did not send assistance, and even Natil bin Qais confiscated the public treasury, breaking allegiance to Muawian authority. Despite facing opposition, Muawia offered an olive branch to the Byzantine Empire and signed a peace treaty with Byzantine, becoming the first Muslim to pay indemnity or tribute to the Roman Empire for peace.[54]

Amir Muawia (RA) even brought Imam Hassan bin Ali (RA) to his side to negotiate the caliphate in return for public money of 5.0 million dirhams left in the bait al-mal of Kufa.[55] The criticality of the steady stream of finance dawned upon him at that time and he continued asking Imam Hassan bin Ali (RA) to pay him kharaj of Darab Jirg or Al-Ahwaz[56] per annum in addition to 2.0 million dirhams for Imam Hussain bin Ali (RA) as his pension. Imam Hassan (RA), as recorded in some history books, demonstrated to Amir Muawia (RA) to prefer Banu Hashim have the right to be paid pension, for they deserved more than Abd al-Shams tribe. Amir Muawia (RA) instantly agreed[57] to this, seeing the long-term protection of his interests.[58]

Amir Muawia (RA) established institutions and implemented reforms, including the Diwan al-Khatam, which aimed to prevent embezzlement. The central implementation instrument of Muawia's financial policy was the governor, who played a crucial role in evolving statecraft based on economic power and constant financial flow. The pragmatism of Muawia also appeared in imposing taxation regimes, where theological footings receded during his era. This pragmatic view persisted in the governorial positions, with successors following their predecessors' policies. Governors were empowered to make localizations based on the viability of fiscal policy rather than the application of theological rulings. Some changes were based on territorial suitability. During the Pious Caliphate period, governors increased taxes in various regions, such as Egypt, and imposed taxes on trade and merchandise to generate more revenues for the central authority. Financial policy changed from time to time, reflecting the changing political landscape during Muawia's reign.[59]

The consolidation of the fiscal policy of the Umayyads was crucial for the consolidation of their familial caliphate, despite discrepancies in accounts from different historians. The Pious Caliphs, such as Amir Muawia, had an impact on the succeeding caliphs, but sometimes led to rebellions and increased taxes on Muslims. Later Umayyad governors treated Christians harshly in extracting increased kharaj, a policy that continued until the last Umayyad caliph, Marwan II.[60]

Judicial codes identify two types of taxes levied in the Muslim Empire: legal taxes and non-legal taxes. Legal taxes, such as jizya, zakat, khums, ushar, sadaqah, and fay, were imposed during the Pious Caliphate reign and remained the mainstay of state revenue generation. However, when the Umayyad Dynasty took the caliphatic seat, it started extracting taxes, having no room in Shar'ia. Jurists believe that these taxes evolved over time, necessitating critical administrative expenses. Despite this, the Umayyads resorted to dissuading people from embracing Islam, fearing it might cause a heavy blow to their taxation regime by leaving jizya. The Umayyad taxation practices were based on financial pragmatic approaches rather than Islamic jurisprudence, with governors playing a significant role in adding and deleting taxes. Some Umayyad governors even imposed jizya, a non-Muslim subjects' tax, on Muslims, exhorting sadaqah from non-Muslims and using government pensions to deduce zakat. This taxation regime was based more on the financial pragmatic approach than Islamic jurisprudence.

During the period of Marwan I, some cases of illegal taxes surfaced, such as levying taxes on minors' properties or transforming tithe lands intokharaj lands. This continued through the rule of Hajjaj and Umar bin Abdul Aziz. During the Umayyad caliph Abd al-Malik, jizya was imposed on monks, leading to the first-ever tax imposed on Christian clergy.[61] A historian, D. C. Dennet, states that a person named John, a governor's chum, went to Qurrah bin Sharik, the Egyptian governor of that time, and stated the facts, saying that some monks had huge coffers while some were even under-nourished and sought governorial permission to justly impose kharaj on the community according to each monk's capacity for payment. The man won the day by becoming an official for the imposition of kharja.[62]

The Umayyad governors eliminated exceptionalism, making their taxation regime almost unjustifiable and unjust. Some historians have recorded examples of Muslims being imposed with jizya tax, disregarding their conversion status. However, some governors, like Hazrat Umar and Hazrat Ali, stopped this practice, considering it un-Islamic.In the case of Hajjaj, heused the caliph's consent to impose jizya on converts, but when Ibn Hujirah pointed out their cases, the governor freed them from the tax. The Umayyad taxation regime was based on financial pragmatic approaches rather than Islamic jurisprudence, with governors showing loyalty to the caliphs.[63]

The Umayyad Dynasty attempted to increase the financial gains of the state in Iraq, particularly in Transoxiana and Khurasan. Hajjaj bin Yousuf issued a fiat in Iraq for converts to pay jizya, leading to a bloody rebellion. However, he decided to disperse the population into villages and coerced taxation. Despite these illegalities, the Umayyad Dynastic rule brought various financial reforms, such as the position of Diwan al-Kharaj, which grew in significance.

The first Reformation movement was linked to preaching and conversion to religion, encouraging conversion through other means. The second caliph, Hazrat Umar, offered special remissions for converts, such as remitting the jizya of all those who converted and embraced Islam. However, the caliph refused to reconsider the tax imposition on new converts, leading to revenue shortfalls and the need for replacements.

The second movement was linked to conversion, with Amir al-Ashras bin Abdullah governing Khurasan and pious people preaching in Transoxiana to spread the teaching of Islam. However, the governor faced resistance and forced the extraction of jizya, turning 7,000 Muslims into apostates. The policy aimed to win the hearts and minds of the people through mass conversion, but it proved disastrous for revenue generation.[64]

Nasr bin Saiyar's reforming movement favoured Muslims, leading to the appointment of Mansur bin Umar to impose jizya on non-believers, causing over 30,000 Muslims to be forced to pay jizya. This action was later corrected, leaving Muslims out. The reforms brought about by Umayyad rule led to the establishment of administrative measures and institutions, such as the Diwan, which was established by Amir Muawia in Syria. Umayyad governors borrowed financial terms and institutions from the Byzantine Empire but also made efforts for their Arabicisation. The revenue system was re-evaluated and reformed in the post-Islamic period, with two Diwans in Kufa and Basra in Iraq. The Umayyad caliphs also brought significant reforms in the tax collection system, with the appointment of non-Muslims for financial regulations and collections. Ziyad bin Abihi followed this precedent, arguing that Persians were more plaint and easier to handle than Arabs, disregarding their religious fidelities.[65]

Some Umayyad governors used extreme force in tax collection disregarding whether it was lawful or unlawful.[66] For example, Umar II berated such governors for befalling upon Kufa and called it the wrath of God in his letter to them, asking the governor to leave entirely unlawful taxes levied upon the Kufans.[67] Marwan also did the same with the people of Wadi al-Qurah when his army stayed there.[68] Hajjaj bin Yousuf also used force when he saw that people had immigrated to cities due to excessive taxes. He ordered that they be brought back as it happened in the case of Mawali, and no force could force him to take back his orders, even during the extreme public outcry.[69] However, it is not correct to state that these were just the excesses of the governors; the caliphs were fully aware of such things as Hajjaj wrote back to Abd al-Malik about it to seek his permission and he forbade him.[70]

However, whereas different techniques and methods of collections were concerned, the governors resorted to different ways that suited them the most. For example, in the case of Sawad, the Arabs had a complete record of the lands, payees, and the collected amounts. However, in the case of Khurasan, the local tribal chiefs were deputed to keep the record, registers, and payable amount to the governor.[71]

In the case of sadaqat collection, Abu Ubaid says that one-third of the total property used to go to the owner during the time of Umar Bin Abdul Aziz, while the second third used to go to the governor as sadaqa. This, however, does not seem to be the set precedent in various cases.

However, one thing is certain the Umayyad governors had a free hand in coercing the public and arms-twisting the individuals for extracting the taxable or even more amount. The methods, in this connection, used in Persian regions are cases in point. The governors used to evaluate the value of crops grown and forced the farmers to pay kharaj more than its actual payable value. The other taxes imposed upon professionals and manufacturers were besides jizya and kharaj which were conventionally taken every year. They were added to the value of these taxes. The governors were empowered to evaluate these taxes and amounts to impose on the concerned public region and used to amend their statutes accordingly without any official intimation to the centres. In case, the subjects were unable to pay, the governors were allowed to go far beyond their delegated authority and even resort to physical punishments including torture to extract the monetary value of the tax at every cost. Hajjaj bin Yusuf was notorious for this connection with the Persian public, extracting only kharaj but also other taxes without any scruples.[72]

As far as the personal financial obligations of the governors were concerned, some of the Umayyad governors were highly extravagant and involved in dishonest practices, while others were megalomaniacs or even sadistic which had some links with their financial policies. Living in relative penury in the past, some of them immediately resorted to exploiting their official positions to amass riches, as some had stables of horses, while in pre-Islamic as well as the early-Islamic period they had nothing. For example, when Amir Muawia (RA) appointed Abdul Rahman bin Ziyad to Khurasan he soon realised his financial behaviour, was not at par with the position over which he removed him. Abdul Rahman, disenchanted, is stated to have said later that he had amassed wealth lasting for a century for him even if his expenses crossed 1000 dirhams a day.[73] This profligacy, lavishness, and luxuriousness of the governors continued as it is stated Umayya bin Abdullah, when appointed as the kharaj official to Khurasan, wrote the caliph that the collected kharaj was not equal to the expenses of his kitchen at which Abdul Malik, the caliph, removed him from his position and gave charge of the province to Hajjaj bin Yusuf.[74] Things even went beyond this seeming corruption to bribery and evil practices among the governors and their staff members. The Basrian governor, Al-Hakam bin Ayyub, bribed Abdullah bin Amir for the demolition of a bridge that Hajjaj did not permit during his time. Abdullah, the police in charge, got 10, 00,000 dirhams in this deal.[75]

Umayyad governors used extreme force in tax collection, disregarding whether it was lawful or unlawful. Umar II and Marwan berated these governors for their actions, while Hajjaj bin Yousuf ordered people to return to cities due to excessive taxes. Governors resorted to different techniques and methods, such as keeping records of lands, payees, and collected amounts. They also coerced the public and arms-twisted individuals to extract taxable or more amounts. Governors evaluated the value of crops and forced farmers to pay kharaj more than its actual payable value. They were empowered to amend their statutes and even resort to physical punishments, including torture, to extract the monetary value of the tax.[76]

The Umayyad governors were known for their extravagant personal financial obligations and dishonest practices. Some governors exploited their positions to amass wealth, such as Abdul Rahman bin Ziyad, who amassed wealth for a century. The caliphs were aware of these excesses and forbade them. The governors also presented gifts to courtly poets and writers to write eulogies and odes in their honours. This was part of the Umayyad governorial system, with poets often being used for propaganda or public pacification. Hussaini highlights the violations of sound principles by the Umayyads, leading to confusion in the Empire's finances and exhortation to revolt. However, Duri defends the Umayyad caliphs, arguing that there could be some license for the excessive taxation. The problem was particularly acute in the East, where thousands of Muslims were taxed while many non-Muslims were getting off scot-free.[77]

During the Prophetic and Caliphatic periods, the public exchequer or public treasury in the Umayyad dynasty grew in importance, but its link with the governorial rule underwent a significant transformation due to the empowered governors and the ever-lenient caliphatic grip. Governors were empowered to exploit all resources, including baitul mal, for the Umayyad caliphatic consolidation and public support. They were allowed to use the money for civilian as well as military purposes.

The governors' authority over the financial institutions was not consistent and uniform, with some governors following their own haphazard policy and being accountable only to them. Bait ul mal stood at the top of the governance, as it was the centre to lay hands upon the entire governmental structure. The Islamic concept regarding bait al-mal was that it was the public property in the custody of the caliph who had no right to use it for himself.[78]

However, the new rule made a distinction that even the governors used to demonstrate their pomp and spend bait al-mal as they wished. Governors played a pivotal role in violations, unlawful confiscation, illegal taxation, and outright violation of Shr'ia-based taxation. In contrast, the Prophetic period was a golden rule where governors were clean and transparent, having no role in novel innovations in taxation or theological edicts.

In summary, the governors during the Prophetic and Caliphatic periods were well-trained in the new theo-ethical framework but were highly scrupulous in taking up any action that contravened the framework. However, when the Umayyad period arrived, the governors were unscrupulous about the theo-ethical framework established during the long Caliphatic period and Prophetic precedents, which were violated during the time of the third caliph. Despite this, the focus remained on consolidating the caliphatic rule at all costs.

Conclusion

The study of financial policies during the Prophetic era, Pious Caliphal period, and Umayyad rule provides a comprehensive understanding of the economic foundations of early Islamic civilisation. The Prophetic era prioritised fair commerce, social welfare, and charity, while the Pious Caliphal period saw the Rashidun Caliphs' fair administration and commitment to precepts. The Umayyad rule marked a significant shift in the economic landscape, with the introduction of complex financial systems and policies. The Umayyad Caliphs introduced innovations in taxation, revenue collection, and trade regulations, influencing the economic dynamics of the time. This analysis aims to clarify the continuity, changes, and adaptations in the economic frameworks that led to the development and consolidation of Islamic culture. Money mining was a new field for Muslims during the Prophetic era, with the Holy Prophet (SAW) using coins as money. The Umayyad governors, Hajjaj, Abdullah, and Aziz bin Marwan, played a significant role in reforming fiscal and monetary policy. The study highlights the lasting impact of these early financial policies on modern Islamic economic theory and practice.

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