

A COMPARATIVE ANALYSIS OF ISLAMIC ECONOMIC THOUGHT: ABU YUSUF AND M. UMER CHAPRA

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ABSTRACT

This article discusses the Islamic economic thoughts of two prominent figures, Abu Yusuf and M. Umer Chapra, focusing on the main question of how their contributions in different historical contexts can provide insights for the development of Islamic economic theory. Abu Yusuf, a jurist from the Abbasid era, through his work Kitab al-Kharaj, laid the foundation of economic thought focusing on state financial administration, taxation, and social justice. In contrast, M. Umer Chapra, a contemporary economist, integrates Islamic economic principles with modern challenges such as globalization and financial instability, emphasizing the importance of moral values in economics. This research uses a qualitative method with a literature study approach to comparatively analyze the thoughts of these two figures. The main findings indicate that despite the differences in historical context, the thoughts of Abu Yusuf and Chapra complement each other in offering solutions to achieve social justice and economic stability. Abu Yusuf focuses more on technical and administrative aspects, while Chapra emphasizes ethical and moral values. This combination of classical and modern thought provides a strong foundation for the holistic and applicable development of Islamic economics in the contemporary era.

Keywords: *Islamic Economics, Abu Yusuf, M. Umer Chapra, Comparative Analysis*

ABSTRAK

Artikel ini membahas pemikiran ekonomi Islam dari dua tokoh penting, Abu Yusuf dan M. Umer Chapra, dengan pertanyaan utama mengenai bagaimana kontribusi mereka dalam konteks sejarah yang berbeda dapat memberikan wawasan untuk pengembangan teori ekonomi Islam. Abu Yusuf, seorang ahli hukum dari era Abbasiyah, melalui karyanya Kitab al-Kharaj memberikan dasar pemikiran ekonomi yang berfokus pada administrasi keuangan negara, perpajakan, dan keadilan sosial. Sebaliknya, M. Umer Chapra, seorang ekonom kontemporer, mengintegrasikan prinsip-prinsip ekonomi Islam dengan tantangan modern seperti globalisasi dan ketidakstabilan finansial, serta menekankan pentingnya nilai-nilai moral dalam ekonomi. Penelitian ini menggunakan metode kualitatif dengan pendekatan studi pustaka untuk menganalisis secara komparatif pemikiran kedua tokoh ini. Hasil utama menunjukkan bahwa meskipun terdapat perbedaan konteks historis, pemikiran Abu Yusuf dan Chapra saling melengkapi dalam menawarkan solusi untuk mencapai keadilan sosial dan stabilitas ekonomi. Abu Yusuf lebih fokus pada aspek teknis dan administratif, sementara Chapra menekankan nilai-nilai etika dan moral. Kombinasi pemikiran klasik dan modern ini memberikan dasar yang kuat untuk pengembangan ekonomi Islam yang holistik dan aplikatif di era kontemporer.

Kata kunci: *Ekonomi Islam, Abu Yusuf, M. Umer Chapra, Analisis Komparatif*

PENDAHULUAN

Islamic economic thought has become an intriguing field of study, attracting many researchers and practitioners, especially amidst the global economic crises that frequently reveal the weaknesses of conventional economic systems (Khan, 2013). Two prominent figures in the history of Islamic economic thought are Abu Yusuf, a classical jurist and economist from the Abbasid era, and M. Umer Chapra, a contemporary economist who has significantly contributed to the development of modern Islamic economic theory (Chapra, 2000b). Abu Yusuf, in his work *Kitab al-Kharaj*, emphasized the importance of justice in the taxation system and wealth distribution, which remains relevant in today's economic context (Islahi, 2015). Meanwhile, M. Umer Chapra highlighted the need for integrating Islamic moral values with economic policies to achieve sustainable welfare (Zarqa, 2003). Recent studies also show that the application of Islamic economic principles can offer fairer and more stable alternatives for the global economy (Ahmed, 2011).

Research on the economic thoughts of Abu Yusuf and M. Umer Chapra is essential because they represent two different periods in the history of Islamic economics: classical and modern. Abu Yusuf, through his work *Kitab al-Kharaj*, provided the foundational economic thought focusing on state financial administration, taxation, and social justice (Hasan, 2019). His thoughts reflect the economic context and challenges during the Abbasid caliphate, whose relevance is still felt today in discussions about the state's role in the economy.

On the other hand, M. Umer Chapra, with his various works such as *Islam and the Economic Challenge*, offers a more modern perspective on how Islamic economic principles can be applied in the context of globalization and modernization (Chapra, 2000b). Chapra focuses on issues such as economic stability, social justice, and sustainable development, all of which are highly relevant in addressing contemporary economic challenges. According to Chapra (Chapra, 2018), Islamic economics has the potential to offer fairer and more stable alternatives compared to conventional economic systems, which often fail to address social injustice and financial instability.

By analyzing and comparing the thoughts of these two figures, this study seeks to delve deeper into the evolution of Islamic economic thought from the classical to the modern era. This is important for understanding how Islamic economic principles can be applied in various historical and social contexts, as well as how they can provide solutions to current and future economic challenges (Islahi, 2015).

Research on the economic thoughts of Abu Yusuf and M. Umer Chapra has been extensively conducted, but most studies tend to focus on one figure without examining the relationship and comparison between the two. For instance, the research by Hasan (Hasan, 2019) examines Abu Yusuf's contributions in the field of taxation and financial administration but does not connect them with the development of Islamic economic thought in the modern era. On the other hand, the study by Khan (Khan, 2020) highlights M. Umer Chapra's contributions in developing contemporary Islamic economic theory but does not explore how classical thoughts like those of Abu Yusuf can contribute in this context.

This research bridges the gap by offering a deep comparative analysis between the thoughts of Abu Yusuf and M. Umer Chapra. Thus, this research not only provides insights into the individual contributions of each figure but also how their thoughts can complement each other and provide a strong foundation for the development of a more holistic and applicable Islamic economy (Ismail, 2021).

Furthermore, this research enriches the literature on Islamic economics by integrating classical and modern views. According to Ismail (2021), integrating classical and modern thoughts is essential to provide a more comprehensive perspective in facing global economic challenges. This research aims to meet this need by providing thorough and comparative analysis, making it a valuable reference for academics, practitioners, and policymakers in developing Islamic economics.

By highlighting the relationship between the thoughts of Abu Yusuf and M. Umer Chapra, this research also opens the door for further discussions on how Islamic economic principles can be applied in contemporary contexts. This aligns

with Zaman's (2018) view that Islamic economics must continue to evolve and adapt to changing times without neglecting its fundamental principles.

In facing complex global economic challenges, it is essential to see how Islamic economic thought can provide innovative and sustainable solutions. This research demonstrates that by understanding and integrating the classical thoughts of Abu Yusuf and the modern thoughts of M. Umer Chapra, a more holistic and relevant Islamic economic theory and practice can be developed for the present and future. This research is not only important for enriching the literature on Islamic economics but also provides practical contributions to the development of fairer and more sustainable economic policies.

Therefore, this article aims: *first*, to analyze and compare the economic thoughts of Abu Yusuf and M. Umer Chapra. *Second*, to identify their relevance and contributions to contemporary Islamic economic theory and practice..

METODE PENELITIAN

This research employs a qualitative approach with a type of library research, aiming to conduct a descriptive comparative analysis of the economic thoughts of Abu Yusuf and M. Umer Chapra. The qualitative method is chosen because it allows the researcher to explore and understand the meaning and context of the economic concepts proposed by these two figures in depth and holistically.

Library research involves the collection and analysis of data from various library sources, including books, journals, and writings produced by Abu Yusuf and M. Umer Chapra. These sources are selected based on their relevance and contribution to understanding Islamic economic theory and application. According to Hasan (Hasan, 2019), library research is an effective method for tracing the development of economic thought from various historical and theoretical perspectives.

Descriptive comparative analysis is used to compare and contrast the economic thoughts of the two figures. This analysis aims to identify the main similarities and differences in the economic thinking of Abu Yusuf and M. Umer Chapra, and how each contributes to Islamic economic theory and practice. According to Ismail (Ismail, 2021), descriptive comparative analysis allows

researchers to present findings systematically and structurally, making it easier for readers to understand the contributions of each figure.

The data sources in this research include the main works of Abu Yusuf, such as *Kitab al-Kharaj*, and the main works of M. Umer Chapra, such as *Islam and the Economic Challenge and The Future of Economics: An Islamic Perspective*. In addition, this research also examines relevant and recent journal articles from accredited journals such as the Journal of Islamic Economics, Banking and Finance, and the International Journal of Islamic and Middle Eastern Finance and Management.

This research also refers to the following works: *first*, an article written by Zubair Hasan (2019) titled "Economic Thought of Abu Yusuf: Its Relevance in the Contemporary World," published in the Journal of Islamic Economics, Banking and Finance. *Second*, an article written by Mohamad Ismail (2021) titled "Integrating Classical and Modern Islamic Economic Thought: A New Perspective," published in the International Journal of Islamic and Middle Eastern Finance and Management. *Third*, a book written by M. Umer Chapra (2018) titled *The Future of Economics: An Islamic Perspective*.

With this method, the research is expected to provide a comprehensive and in-depth picture of the contributions of Abu Yusuf and M. Umer Chapra's thoughts to the development of Islamic economic theory.

ANALISIS DAN PEMBAHASAN

Background and Thought of Abu Yusuf

Abu Yusuf, or his full name Ya'qub ibn Ibrahim al-Ansari, was born in 113 AH (731 AD) in Kufa, a city in Iraq that was an intellectual and cultural center of Islam at the time (Anisa, 2023). He grew up in an environment that highly supported the development of knowledge, particularly Islamic religious and legal sciences. From a young age, Abu Yusuf showed a great interest in knowledge and education. He studied under the guidance of prominent scholars of his time, including Imam Abu Hanifah, the founder of the Hanafi school of Islamic jurisprudence. Abu Yusuf is known as one of the principal disciples of Imam Abu Hanifah and played a crucial role in the codification and dissemination of the Hanafi school (Hallaq, 2005).

Abu Yusuf's education was not limited to legal sciences alone. He also delved into hadith, tafsir, and various other branches of Islamic knowledge. His diligence and intelligence made him one of Imam Abu Hanifah's favorite students, who provided him with much guidance in understanding the principles of Islamic law and economics. The influence of Abu Hanifah was significant in shaping Abu Yusuf's thought, especially in terms of methodology and approach to understanding Islamic law (Makdisi, 2019).

One of Abu Yusuf's greatest contributions is *Kitab al-Kharaj*, a monumental work discussing issues of taxation and state financial administration. This book was written at the request of Caliph Harun al-Rashid, who sought practical guidance in managing the state's finances. In this book, Abu Yusuf emphasized the importance of justice in the taxation system, efficient management of state resources, and the welfare of the people as the primary goals of economic policy (Yaqub, 2005).

Abu Yusuf's economic thought was heavily influenced by his views on the state's role in managing finances and public welfare. In *Kitab al-Kharaj*, he provided detailed guidance on various aspects of state financial administration, including taxation, state expenditures, and natural resource management. He emphasized that the main goal of state financial policy should be public welfare and social justice.

Abu Yusuf stressed the importance of justice in the taxation system. He argued that taxes should be collected fairly and should not overly burden the people. He also highlighted the importance of equitable wealth distribution, where tax revenues are used for the common good and public welfare. This view is highly relevant in the modern economic context, where issues of social justice and wealth distribution remain major concerns (Kahf, 2000).

In his view on resource management, Abu Yusuf emphasized the importance of efficiency and responsibility in managing state resources. He argued that natural resources should be managed wisely for the benefit of the entire community, not for personal or group gain. This approach shows a deep understanding of the principles of sustainability and social responsibility in Islamic economics (Ahmad, 1995).

One of Abu Yusuf's greatest contributions is *Kitab al-Kharaj*, a monumental work that discusses various aspects of state financial administration, including taxation, state expenditures, and natural resource management. This work not only provides practical guidance for managing state finances but also presents the underlying economic principles. *Kitab al-Kharaj* was written at the request of Caliph Harun al-Rashid, who sought practical guidance in managing the state's finances. In this work, Abu Yusuf emphasized the importance of justice in the taxation system and the management of state resources. He proposed that taxation should be based on the ability to pay and should not overly burden the people. Abu Yusuf also highlighted the importance of efficient management and responsibility in the use of public funds (Yaqub, 2005).

This book also discusses various types of taxes, including land tax (*kharaj*), poll tax (*jizya*), and zakat. Abu Yusuf provides detailed guidance on how these taxes should be collected and managed, intending to ensure that state revenues are used for public welfare. According to research by Hasan (Hasan, 2019), *Kitab al-Kharaj* is one of the most comprehensive works in classical Islamic economic literature, covering various aspects of financial administration and economic policy.

In *Kitab al-Kharaj*, Abu Yusuf also discusses the importance of efficient resource management. He believed that natural resources should be managed wisely for the benefit of the entire community, not for personal or group gain. Abu Yusuf emphasized that the state should actively manage natural resources, including land and water, to ensure that they are used efficiently and sustainably (Ahmad, 1995). Abu Yusuf's views on resource management are highly relevant in the modern context, where issues such as sustainability and social responsibility are increasingly important. According to Coulson (1994), Abu Yusuf's views on resource management demonstrate a deep understanding of the principles of sustainable economics and social responsibility in Islam. The main objective of economic policy according to Abu Yusuf is public welfare. He emphasized that the state has a significant responsibility to ensure that all its citizens live in decent and prosperous conditions. This view is highly relevant in the context of modern

public policy, where public welfare often becomes a key indicator of government success (Zaman, 2018).

Abu Yusuf believed that the state should actively manage the economy to achieve this goal. This includes fair tax management, efficient public expenditures, and protection of vulnerable groups. According to research by Makdisi (Makdisi, 2019), Abu Yusuf's views on public welfare demonstrate a deep understanding of the principles of social and economic justice in Islam. Abu Yusuf, through his work *Kitab al-Kharaj*, presents a comprehensive view of taxation and financial administration in Islam. He emphasized the importance of justice in the taxation system and the management of state finances. The principles proposed by Abu Yusuf in this field are highly relevant and can be applied in the modern economic context.

The economic principles proposed by Abu Yusuf in *Kitab al-Kharaj* are highly relevant in the modern context. He emphasized the importance of justice in the taxation system and the management of state finances, as well as the importance of social justice and wealth distribution. His views demonstrate a deep understanding of the principles of sustainable economics and social responsibility and can serve as valuable guidance for policymakers in managing the modern economy.

Background and Thought of M. Umer Chapra

M. Umer Chapra, a prominent economist in the field of Islamic economics, was born in 1933 in Bombay, India. He moved to Pakistan after the partition of India in 1947. Chapra showed a strong interest in economics from a young age, which led him to pursue higher education in this discipline. He earned his B.A. and M.A. in Economics from the University of Karachi, Pakistan, and later continued his doctoral studies at the University of Minnesota, USA, where he received his Ph.D. in Economics in 1961 (Chapra, 2000b). 2000). As a scholar, Chapra has made significant contributions to the development of Islamic economic theory and its applications (Islahi, 2008). His works include in-depth analyses of the role of morals and ethics in Islamic economics (Siddiqi, 2008). Chapra is also known for his efforts to integrate Islamic economic principles with contemporary challenges in the global economy (Kahf, 2003). His views on social

and economic justice have influenced many policies in Islamic countries (Ahmed, 2002).

Chapra also emphasizes the importance of transparency and accountability in the Islamic financial system. He argues that all financial transactions must be conducted honestly and transparently to prevent fraud and abuse. According to research by Khan (2020), transparency and accountability are key to creating a stable and sustainable financial system. Chapra argues that one of the main advantages of the Islamic financial system is its ability to create financial stability. He argues that the prohibition of *riba* and speculation in Islam can help prevent financial crises and create a more stable financial system. In his book "The Future of Economics: An Islamic Perspective," he outlines how Islamic financial principles can be applied to achieve financial stability and prevent the instability that often occurs in conventional financial systems (Chapra, 2016). According to research by Tripp (2006), one way to achieve financial stability is to ensure that the financial sector supports the real sector of the economy. Chapra emphasizes that the financial sector should support productive economic activities such as production and trade and not engage in excessive speculation. This approach can help create a more stable and sustainable financial system.

The economic principles proposed by M. Umer Chapra offer a holistic and sustainable approach to achieving social welfare and financial stability. By emphasizing the importance of justice, transparency, and responsibility, Chapra shows that Islamic economics has the potential to create a more just, stable, and sustainable economic system. His views on welfare theory and sustainable development, as well as the concepts of economic and financial justice in Islam, provide a strong foundation for the development of Islamic economic theory and practice relevant in the modern context.

Comparative Analysis of the Economic Thoughts of Abu Yusuf and M. Umer Chapra

Similarities in Thought

Both Abu Yusuf and M. Umer Chapra have clear views on the role of the state in the economy, despite living in very different historical contexts. Both figures emphasize that the state should play an active role in ensuring social and

economic justice and the welfare of society. Abu Yusuf, in his work *Kitab al-Kharaj*, stresses that the state has a significant responsibility in managing resources and wealth for the welfare of society. He believes that the state should collect taxes fairly and without overburdening the people. The collected taxes should be used for public interests, such as infrastructure development, education, and healthcare services. Abu Yusuf also emphasizes the importance of transparency and accountability in state financial administration to prevent corruption and abuse of power (Yaqub, 2005).

Chapra also believes that the state has an important role in the economy, particularly in creating social welfare and financial stability. In his book *Islam and the Economic Challenge*, Chapra outlines that economic policies should be based on Islamic moral and ethical values, such as justice, equality, and social welfare. He emphasizes that the state should actively participate in wealth redistribution, infrastructure development, and the provision of social services to ensure that all members of society can benefit from economic growth (Chapra, 2000a).

According to Chapra, the state must also play a key role in regulating the financial sector to prevent speculation and financial instability. He argues that the prohibition of *riba* (interest) in Islam is one way to ensure that the financial system remains stable and just. Chapra emphasizes the importance of integrating the financial sector with the real economy, where the financial sector should support productive and sustainable economic activities (Khan, 2020). Both figures also have strong views on the importance of justice and wealth distribution in Islamic economics. They emphasize that one of the main goals of Islamic economics is to achieve social and economic justice through fair wealth distribution.

Abu Yusuf stresses that justice is a fundamental principle in the taxation system and state financial administration. He believes that taxes should be collected fairly and should not excessively burden the people. The collected taxes should be used for public interests, including aid for the poor and needy. Abu Yusuf believes that fair wealth distribution is key to achieving social and economic welfare (Hasan, 2019). According to Abu Yusuf, the state has a significant responsibility in ensuring that wealth is distributed fairly throughout

society. He emphasizes that the state should actively collect and distribute zakat, which is one of the important mechanisms in Islamic economics for achieving fair wealth distribution. Zakat helps reduce economic disparities and ensures that all members of society can benefit from economic growth (Ghazanfar, 2003).

Chapra also emphasizes the importance of justice in wealth distribution. He believes that one of the main goals of Islamic economics is to ensure that wealth is not concentrated in the hands of a few but is distributed equitably throughout society. In his book *The Future of Economics: An Islamic Perspective*, Chapra outlines that the Islamic economic system has effective mechanisms for achieving fair wealth distribution, such as zakat, charity, and inheritance (Chapra, 2016). Chapra also emphasizes that the state should actively ensure that wealth distribution is done fairly. He believes that the state should ensure that all members of society have equal access to resources and economic opportunities. According to research by Kuran (Kuran, 2010), Chapra believes that justice in wealth distribution is key to achieving social welfare and financial stability.

Both figures also share similar views on how Islamic economic principles can be implemented in economic policies. They emphasize the importance of transparency, accountability, and efficiency in state financial management. Abu Yusuf and Chapra both believe that the state should actively manage resources and wealth to achieve social and economic welfare. Abu Yusuf emphasizes the importance of transparency and accountability in state financial administration. He believes that all financial transactions should be conducted honestly and transparently to prevent corruption and abuse of power. According to Hasan (Hasan, 2019), Abu Yusuf's views on transparency and accountability are highly relevant in the modern context, where corruption and abuse of power remain major issues in many countries.

Chapra also emphasizes the importance of transparency and accountability in the financial system. He believes that all financial transactions should be conducted honestly and transparently to prevent fraud and abuse. According to research by Khan (Khan, 2020), Chapra believes that transparency and accountability are key to creating a stable and sustainable financial system. Abu Yusuf and Chapra both emphasize the importance of efficiency in resource

management. They believe that natural resources should be managed efficiently and sustainably to ensure that their benefits can be enjoyed by all members of society. Abu Yusuf emphasizes the importance of wise management of natural resources, such as land and water, for the public good (Yaquub, 2005). Chapra also emphasizes the importance of efficient management of natural resources. He believes that Islamic principles teach human responsibility to protect and preserve the earth. According to Tripp (Tripp, 2006), Chapra believes that sustainable development in Islamic economics includes overall human development, meaning that development should not only focus on economic growth but also on improving quality of life, education, health, and social welfare.

These two figures, despite living in different historical contexts, share similar views on the role of the state in the economy and the importance of justice in wealth distribution. Abu Yusuf and M. Umer Chapra both emphasize that the state should actively ensure social and economic welfare and manage resources fairly and efficiently. Their views on justice and wealth distribution offer valuable insights for the development of Islamic economic theory and practice relevant to the modern context.

Differences in Thought

Abu Yusuf, in his work *Kitab al-Kharaj*, emphasizes a very pragmatic and direct approach to financial administration and taxation. He believes that the state should collect taxes fairly and without excessively burdening the people. The collected taxes should be used for public interests, including infrastructure development, education, and healthcare services. Abu Yusuf emphasizes the importance of transparency and accountability in state financial administration to prevent corruption and abuse of power (Yaquub, 2005). Abu Yusuf's approach to taxation is very technical and detailed. He provides detailed guidelines on how taxes should be collected, the types of taxes to be applied, and how these taxes should be managed. He emphasizes the importance of efficient and wise management of state resources to ensure that their benefits can be enjoyed by all members of society. According to Hasan (Hasan, 2019), Abu Yusuf believes that fair and efficient taxation is key to achieving social and economic welfare.

In contrast, M. Umer Chapra adopts a more philosophical and holistic approach to financial administration and taxation. In his book *Islam and the Economic Challenge*, Chapra emphasizes that taxation should be based on Islamic moral and ethical values. He argues that taxation is not only a technical issue but also a moral one, where the main goal is to achieve social justice and welfare (Chapra, 2000b). Chapra emphasizes the importance of wealth redistribution through zakat, charity, and other mechanisms prescribed in Islam. He believes that the taxation system should be designed to reduce economic disparities and ensure that all members of society can benefit from economic growth. According to Khan (Khan, 2020), Chapra believes that taxation based on Islamic moral and ethical values can help create a more just and sustainable economic system.

The main difference between Abu Yusuf and Chapra's approaches lies in their focus. Abu Yusuf focuses more on the technical and administrative aspects of taxation and state finance, while Chapra focuses more on moral and philosophical aspects. Abu Yusuf provides detailed guidelines on how taxes should be collected and managed, whereas Chapra emphasizes the importance of moral and ethical values in taxation and financial administration. Both aim to achieve social justice and welfare, but their approaches differ in methodology and focus.

Abu Yusuf's views on micro and macroeconomics are more focused on the practical and operational aspects of economic administration. In *Kitab al-Kharaj*, he discusses various aspects of state financial administration, including taxation, state expenditures, and natural resource management. He emphasizes the importance of efficient and wise management of state resources to ensure that their benefits can be enjoyed by all members of society (Yaqub, 2005). In the context of microeconomics, Abu Yusuf emphasizes the importance of justice in economic transactions and the protection of individual rights. He believes that the state should actively ensure that economic transactions are conducted fairly and transparently. According to research by Ghazanfar (Ghazanfar, 2003), Abu Yusuf's views on microeconomics are highly relevant in the modern context, where issues such as consumer protection and fair trade remain major concerns.

In the context of macroeconomics, Abu Yusuf emphasizes the importance of efficient and wise management of state finances. He believes that the state should ensure that fiscal and monetary policies are designed to achieve social and economic welfare. According to Hasan (Hasan, 2019), Abu Yusuf's views on macroeconomics demonstrate a deep understanding of sustainable economic principles and social responsibility.

In contrast, M. Umer Chapra has a more holistic and integrated view of micro and macroeconomics. In his book *The Future of Economics: An Islamic Perspective*, Chapra outlines how Islamic economic principles can be applied in both micro and macroeconomic contexts. He emphasizes that Islamic economics should be based on moral and ethical values prescribed in Islamic teachings, such as justice, equality, and social welfare (Chapra, 2016). In the context of microeconomics, Chapra emphasizes the importance of protecting individual rights and justice in economic transactions. He argues that Islamic principles, such as the prohibition of *riba* and *maysir* (speculation), can help create a fair and stable market. According to research by Khan (Khan, 2020), Chapra's views on microeconomics demonstrate his commitment to the principles of justice and welfare in Islam.

In the context of macroeconomics, Chapra emphasizes the importance of financial stability and sustainable development. He believes that the Islamic economic system has effective mechanisms for achieving financial stability and sustainable development, such as the prohibition of *riba* and support for the real economy. According to Kuran (Kuran, 2010), Chapra's views on macroeconomics demonstrate a deep understanding of the importance of integrating the financial sector with the real economy to achieve financial stability.

The main difference between Abu Yusuf and Chapra's views on micro and macroeconomics lies in their approach to integrating moral and ethical values into the economic system. Abu Yusuf focuses more on the practical and operational aspects of economic administration, while Chapra emphasizes the importance of integrating moral and ethical values into every aspect of the economy. Both aim to achieve social justice and welfare, but their approaches differ in methodology and focus.

Abu Yusuf and M. Umer Chapra, despite living in different historical contexts, have similar views on the importance of the state's role in the economy and justice in wealth distribution. However, their approaches to financial administration and taxation, as well as their views on micro and macroeconomics, show significant differences. Abu Yusuf focuses more on technical and administrative aspects, while Chapra emphasizes moral and ethical values in every aspect of the economy. Both approaches, though different, offer valuable insights for the development of Islamic economic theory and practice relevant to the modern context.

Unique Contributions of Each

Abu Yusuf (731-798 AD) was one of the most prominent economists and Islamic jurists of the Abbasid era. His major work, *Kitab al-Kharaj*, made significant contributions to taxation and state financial administration in the context of Islamic law. As the principal disciple of Imam Abu Hanifah, Abu Yusuf integrated legal and economic principles in his work, making him one of the main references in classical Islamic economics (Yaqub, 2005). Abu Yusuf emphasizes the importance of justice in tax collection and management. He believes that taxes should be collected based on an individual's ability to pay and should not excessively burden the people. He also emphasizes that the collected taxes should be used for public interests, such as infrastructure development, education, and healthcare services. According to Hasan (Hasan, 2019), Abu Yusuf's views on taxation and financial administration demonstrate a deep understanding of social justice principles in Islam.

Abu Yusuf's contribution to the legal foundations of Islamic economics is significant as he provides practical guidelines on how Islamic economic principles can be applied in state administration. In *Kitab al-Kharaj*, he provides detailed guidance on various types of taxes, including land tax (*kharaj*), poll tax (*jizya*), and zakat. These guidelines not only cover the technical aspects of tax collection but also principles of justice and efficiency in state resource management (Yaqub, 2005). Additionally, Abu Yusuf discusses the importance of transparency and accountability in state financial administration. He emphasizes that tax officials must be honest and fair, and that the tax collection process should be conducted

openly and auditable. According to Ghazanfar (Ghazanfar, 2003), Abu Yusuf's views on transparency and accountability are highly relevant in the modern context, where corruption and abuse of power remain major issues in many countries.

Abu Yusuf also emphasizes the importance of wise management of natural resources. He believes that natural resources should be managed efficiently and sustainably to ensure that their benefits can be enjoyed by all members of society. This approach demonstrates a deep understanding of sustainable economic principles and social responsibility in Islam (Yaqub, 2005). M. Umer Chapra is one of the most prominent Islamic economists in the modern era. He has written many books and articles that have made significant contributions to the development of Islamic economic theory. Chapra adopts a more holistic and integrated approach, emphasizing the importance of moral and ethical values in the Islamic economic system (Chapra, 2000b).

Chapra argues that Islamic economic principles can provide solutions to many of the economic problems faced by the world today, such as social injustice, financial instability, and environmental degradation. In his book *Islam and the Economic Challenge*, he outlines how Islamic economic principles can be applied in the context of globalization and economic modernization. According to Chapra, Islamic economics offers a more just and sustainable alternative compared to conventional economic systems (Chapra, 2000a). Chapra also emphasizes the importance of wealth redistribution through mechanisms such as zakat, charity, and inheritance. He believes that fair wealth distribution is key to achieving social welfare and economic stability. According to Khan (2020), Chapra believes that the Islamic economic system has effective mechanisms for reducing economic disparities and ensuring that all members of society can benefit from economic growth. Furthermore, Chapra emphasizes the importance of integrating the financial sector with the real economy. He argues that one of the main weaknesses of conventional economic systems is the separation between the financial and real sectors, which often leads to instability and financial crises. In the Islamic economic system, the financial sector should support real economic activities,

such as production and trade, to ensure that economic growth is based on real and sustainable economic activities (Chapra, 2016).

Chapra also emphasizes the importance of education and public awareness in achieving the goals of Islamic economics. He believes that society should be adequately educated about Islamic economic principles and their benefits, so that they can actively participate in creating a more just and sustainable economic system. According to research by Tripp (Tripp, 2006), this holistic approach can help create a more harmonious and prosperous society. Although Abu Yusuf and M. Umer Chapra lived in different historical contexts, their contributions to Islamic economics are significant. Abu Yusuf provided the legal foundations and practical guidelines on how Islamic economic principles can be applied in state administration. His technical and detailed approach is highly relevant in the classical context, where state financial and taxation administration required clear and practical guidance. On the other hand, Chapra adopts a more holistic and integrated approach, emphasizing the importance of moral and ethical values in the Islamic economic system. His approach is highly relevant in the modern context, where globalization and economic modernization pose many new challenges that require sustainable and just solutions.

These two figures show that Islamic economic principles have enduring relevance and can be applied in various historical and social contexts. Their contributions demonstrate that Islamic economics is not only about the technical aspects of financial administration but also about the moral and ethical values that underpin every aspect of economic life. Abu Yusuf and M. Umer Chapra have made unique and significant contributions to the development of Islamic economic theory and practice. Abu Yusuf, with his classical approach, provided the legal foundations and practical guidelines on state financial and taxation administration. Chapra, with his modern approach, emphasizes the importance of moral and ethical values in the Islamic economic system and the relevance of Islamic economic principles in the context of globalization and economic modernization. Both show that Islamic economic principles have enduring relevance and can provide sustainable and just solutions to various economic problems faced by the world today.

Relevance and Application of Their Thoughts in the Contemporary Era

Abu Yusuf, in his work *Kitab al-Kharaj*, emphasizes the importance of fair taxation and transparency in financial administration. These principles can be implemented in contemporary economic policies to enhance social justice and fiscal efficiency. Abu Yusuf argues that taxation should reflect the ability to pay, ensuring that taxes do not become an excessive burden on the people. In the modern context, this can be applied through a progressive taxation system, where individuals or entities with higher incomes are taxed at higher rates. For instance, in various countries, progressive taxes have helped reduce income inequality and distribute wealth more equitably (Hasan, 2019).

Abu Yusuf also stresses the importance of transparency and accountability in public financial management. Implementing technologies such as e-government and blockchain can help enhance transparency in tax collection and expenditure. These systems enable more effective public oversight and prevent corruption in state financial administration (Ghazanfar, 2003). Prudent management of public resources is another important principle from Abu Yusuf. This can be applied in modern policies through efficient and sustainable management of natural and public resources. Governments can adopt policies that ensure natural resources are used sustainably and their benefits are distributed fairly among all members of society (Yaqub, 2005).

M. Umer Chapra emphasizes the integration of moral and ethical values in economic development and financial stability. These principles are highly relevant in the context of globalization and economic modernization today. Chapra advocates for sustainable economic development by emphasizing the importance of wealth redistribution through mechanisms such as zakat, charity, and endowments (*waqf*). In the modern context, governments can implement more effective redistribution policies to reduce economic inequality and enhance social welfare. This can include social assistance programs funded by progressive taxes and other redistribution mechanisms (Chapra, 2000b).

Chapra also stresses the importance of financial stability based on Islamic principles, such as the prohibition of *riba* (interest) and excessive speculation. The Islamic financial system, which encourages risk-sharing and cooperation between

capital owners and entrepreneurs, can help create greater financial stability. According to research by Khan (Khan, 2020), applying Islamic financial principles can help prevent financial crises and create a more stable and sustainable financial system. Chapra emphasizes the importance of integrating the financial sector with the real economy. In the modern context, this can be implemented through policies that encourage investment in productive sectors such as agriculture, manufacturing, and infrastructure. Thus, the financial sector does not merely function as speculative but also supports real and sustainable economic growth (Chapra, 2016).

The principles proposed by Abu Yusuf and M. Umer Chapra offer valuable guidance for developing fair and sustainable Islamic economic policies. Implementing these principles can help create a more transparent, efficient, and fair public taxation and financial system, as well as support sustainable economic development and financial stability in the context of economic globalization. Integrating the classical thoughts of Abu Yusuf and the modern thoughts of M. Umer Chapra in Islamic economic policy presents several significant challenges. One of the main challenges is the difference in historical and socio-economic contexts in which these thoughts were developed.

Abu Yusuf lived during the stable and centralized Abbasid era, while Chapra developed his theories in the context of a dynamic global world. Adapting classical principles to modern realities requires a deep understanding of both contexts and the ability to translate classical principles into policies that can be applied in contemporary situations (Ghazanfar, 2003). The modern economic system is much more complex than the system in Abu Yusuf's time. This includes challenges such as integrating the financial and real sectors, using information technology in financial administration, and market globalization. M. Umer Chapra emphasizes the importance of moral and ethical values in addressing these challenges, but applying them in a highly complex system requires a holistic and comprehensive approach (Chapra, 2000b).

Global economic instability caused by market fluctuations, financial crises, and geopolitical factors adds to the challenges in integrating classical and modern thoughts. The Islamic financial system proposed by Chapra, which prohibits *riba*

and encourages risk-sharing, offers solutions to some of these problems, but its implementation on a global scale still requires broad support and a clear framework (Khan, 2020).

Despite many challenges, there are great opportunities to develop a holistic and applicable Islamic economic theory by integrating classical and modern thoughts. One effective approach is to leverage modern technology to apply classical principles in relevant and efficient ways. Information technology can be used to enhance transparency and accountability in public financial administration, as proposed by Abu Yusuf. Using blockchain and e-government systems can help manage the collection and distribution of zakat more efficiently, ensuring that these funds are used for public benefit (Hasan, 2019).

Improving education and public awareness of Islamic economic principles can help promote the application of moral and ethical values in the economy. Comprehensive educational programs and awareness campaigns can help people understand the importance of social justice, wealth redistribution, and sustainable development as proposed by Chapra (Chapra, 2016). International cooperation and collaboration among Muslim countries can help develop and implement more effective Islamic economic policies. Through platforms such as the Islamic Development Bank and other international organizations, Muslim countries can share knowledge and experiences and develop common standards and frameworks for Islamic economics (Tripp, 2006). Developing a holistic and applicable policy framework that integrates classical and modern principles can help overcome challenges and leverage existing opportunities. This includes developing regulations that support the Islamic financial system, fair redistribution policies, and sustainable development programs based on Islamic moral and ethical values (Kuran, 2010).

Integrating classical and modern thoughts in Islamic economic policy faces significant challenges but also offers great opportunities to develop holistic and applicable theories. By leveraging technology, improving education and awareness, and promoting global collaboration, the principles proposed by Abu Yusuf and M. Umer Chapra can be effectively applied in the contemporary context to achieve social welfare and economic stability.

KESIMPULAN

The thoughts of Abu Yusuf and M. Umer Chapra, though emerging from different historical and social contexts, offer valuable insights for the development of Islamic economic theory and practice. Abu Yusuf, with his classical approach, provides a legal foundation and practical guidelines on state financial administration and taxation, emphasizing the importance of justice, transparency, and accountability. On the other hand, M. Umer Chapra, with his modern approach, emphasizes the integration of moral and ethical values in the Islamic economic system, highlighting the importance of wealth redistribution, sustainable development, and financial stability.

Abu Yusuf's contribution lies in establishing a systematic and detailed framework for the just and efficient management of public finances, while Chapra offers a holistic view relevant to the current global economic challenges. Chapra develops theories encompassing both micro and macroeconomic aspects, providing solutions for financial instability and social injustice often encountered in conventional economic systems.

For further research, a deeper exploration is needed to integrate these classical and modern thoughts, adapting the principles proposed by Abu Yusuf to the technological and globalization context faced by Chapra. This research could include case studies on the application of these principles in various countries with different economic contexts.

For policymakers, it is important to apply Islamic economic principles in national and international economic policies, emphasizing social justice, transparency, and sustainability. Policies that support wealth redistribution, the use of technology to enhance accountability, and international cooperation to develop Islamic economic standards can help achieve greater social welfare and economic stability. With a comprehensive and practical approach, Islamic economic principles can make a significant contribution to creating a more just and sustainable economic system.

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