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# Ibn Khaldun's Production Ethics and Islamic MSME Market Supply: A Civilizational Perspective

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**Abstract**

**Background:** The low halal certification rate among Indonesian MSMEs, with fewer than 10% of 64 million business units certified halal, and the sharia economic literacy rate of only 9.14%, indicate a weak internalization of Islamic production ethics in market offerings. Meanwhile, *Ibn Khaldun's* thought, which contains strong values of Islamic production ethics, has not been sufficiently explored as a conceptual basis for strengthening Indonesian Islamic MSMEs.

**Objective:** This study aims to analyze *Ibn Khaldun's* concept of Islamic production ethics, examine its relevance to Islamic market offerings, and describe its implications for strengthening Indonesian sharia-compliant MSMEs.

**Method:** This study employs qualitative library research with a historical-analytical approach. It systematically examines *Ibn Khaldun's* ethical production thought through *Muqaddimah* as the primary source and relevant classical and contemporary Islamic economic literature as secondary sources, then contextualizes the findings within Indonesian sharia MSMEs.

**Results:** The findings show that *Ibn Khaldun's* production ethics is centered on '*umran*', which integrates labor value, '*asabiyyah*' or social solidarity, justice, ethical efficiency, and civilizational sustainability. This study constructs a five-principle operational framework for Islamic production ethics applicable to Indonesian halal MSME market supply.

**Conclusion:** Integrating '*umran*' and '*asabiyyah*' into MSME production orientation may address the dualism between Islamic identity and profit-driven conventional business practices.

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## INTRODUCTION

The global halal industry is projected to reach approximately US\$7.7 trillion by 2025, representing an undeniable contradiction at a fundamental level: namely, that increases in the size of the halal market do not directly correlate with quality improvements driven by production ethics underpinning their products and offerings (Rokhlinasari et al., 2025). In this respect, Mirakhor (2017) critique modern Islamic economics for being overly focused on the instrumentalization of Islamic finance, while production ethics, which constitute the moral essence of market offerings, are systematically neglected.

According to the Ministry of Cooperatives and SMEs (2022), Indonesia has 64 million MSMEs, but less than 60.5% contribute to national GDP; halal-certified MSMEs constitute only

<10%, and sharia economic literacy is only 9.14% (OJK, 2022). This discrepancy indicates that Islamic production ethics—such as honesty, fair pricing, and avoidance of *ihtikar*—are not fully internalized in the market offerings of Indonesian Muslim MSMEs Susiang (2024), even though MEKSI 2019–2024 positions Indonesia as a global halal production hub.

The source of this issue is epistemological. At its core, there is a clash between the concept of homo economicus—maximizing profits—and the human conception as caliphs bound by moral and spiritual responsibilities (bin Lahuri & Labolo, 2023). As a result, within Muslim MSMEs, a problematic dualism emerges: they profess a Sharia-compliant identity on one hand, yet production decisions still adhere to the logic of conventional capitalism. This calls for an analytical and operational framework grounded in Islamic production ethics.

In the *Muqaddimah*, Ibn Khaldun presents an epistemological alternative through the notion of *umran*, conceptualized as production contributing to civilization while entailing moral and spiritual obligations. Ibn Khaldun's theory of labor value, *asabiyah*-based specialization, and analysis of the impact of injustice on collective prosperity Kahf (2003) are not merely historical legacies but epistemologies with significant analytical content, constituting a realistic alternative for engaging with contemporary ethical crises produced by modernity.

Exclusively on macro-level applications of Ibn Khaldun without examining MSME production ethics. Adopt normative-descriptive frameworks lacking operational analytical models. Confirm Indonesia's near-absence from the research map of classical Islamic production ethics. None of the reviewed studies integrates *umran* and *asabiyah* into a practical supply framework for halal MSMEs. Contextually, Indonesia remains largely absent from the research map of Islamic production ethics grounded in classical thought. These theoretical, contextual, methodological, and analytical gaps position this research as a necessary and original contribution to the academic landscape of Islamic economics.

This study argues that Ibn Khaldun's production ethics, integrating monotheism, justice, social solidarity, and civilizational responsibility, provides the most relevant epistemological foundation for reformulating the offerings of Indonesian sharia-compliant MSMEs. The multi-layered justification encompasses philosophical alignment with the Islamic worldview, an analytical framework rich in interdisciplinary insights, and practical relevance to challenges such as halal certification, ethical digital offerings, and *maslahah* orientation (Alkadash et al., 2025).

Using a historical-analytical approach based on literature review, this study reconstructs Ibn Khaldun's production ethics from the *Muqaddimah*, analyzes it as a framework for Islamic market offerings, and contextualizes it within the realities of Indonesian Islamic MSMEs. An interdisciplinary approach synthesizing Islamic jurisprudence (*fiqh muamalah*), Islamic microeconomics, economic sociology, and classical Islamic thought was chosen due to the complexity of the issues, which cannot be resolved through a single scientific lens (Zuzanti, 2024).

The theoretical implication of this study is the enrichment of Islamic microeconomic theory through an epistemological reconstruction of production ethics that moves beyond normative-legalistic approaches. The practical implications extend to three stakeholder groups: (1) for sharia-compliant MSMEs, the framework offers actionable guidance for internalizing halal-ethical production values; (2) for regulators and BPJPH, it provides a policy foundation for building halal ecosystem trust capital beyond mere certification compliance; and (3) for academics, it opens an interdisciplinary research agenda linking Islamic production ethics, social capital, and the sustainability of the sharia MSME ecosystem.

## METHOD

This research is a qualitative study with a library research design using a historical-analytical approach. This type of research was chosen based on three mutually reinforcing methodological considerations. First, the primary object of the study was the thoughts of Ibn Khaldun, as contained in the classical text *Muqaddimah* (Creswell & Poth, 2016). Second, the research objective—reconstructing and contextualizing classical thought within contemporary realities—was epistemologically more aligned with the qualitative interpretative paradigm than the positivist paradigm (Neuman, 2003). Third, the historical-analytical approach was deliberately chosen because it traced a chronological genealogy of thought and was significant for

analyzing the importance and relevance of its application in contemporary contexts, acknowledging its inherent limits.

The object of this research was Islamic production ethics according to Ibn Khaldun, examined through accessible primary and secondary works, and its relevance to market offerings for Islamic MSMEs in Indonesia. This selection was justified by the fact that Ibn Khaldun provides—to our knowledge—the only systematic theories of production, markets, and civilization within a coherent interdisciplinary analytical framework composed by a single classical Muslim thinker.

The units of analysis comprised three levels of complementary sources: the primary source, namely the Muqaddimah works of Ibn Khaldun and their translations; the secondary source, which included both classical and contemporary works on Islamic economics that examined intellectual issues related to Ibn Khaldun's ideas as well as Islamic production ethics in broader terms; and finally, the tertiary source, which encompassed policy reports and empirical data relevant to the condition of Indonesian Islamic MSMEs for contextualization.

Data collection was carried out systematically and in stages using three techniques. First, literature identification and inventory involved systematically searching primary and secondary databases (Scopus, Google Scholar, JSTOR, SINTA) using predefined keywords related to Ibn Khaldun, Islamic production ethics, *umran*, *asabiyyah*, and Indonesian halal MSMEs. Second, literature selection and evaluation applied four inclusion criteria: (i) relevance to Ibn Khaldun's production ethics or the *umran* concept, (ii) publication between 1958 and 2025 or classical primary texts, (iii) peer-reviewed or academically recognized sources, and (iv) availability of full-text access. Third, documentation and registration were conducted through a research matrix system capturing the identity of each source, main arguments, ideas or concepts, with the researcher's perspective on their significance and interrelationships, along with critical observations from each reading. This instrument allowed tracing systematic argumentation between sources and identifying emerging thematic patterns.

Lincoln (1985) proposed four qualitative data validity criteria. In this research, these criteria were adapted to the context of a literature review to ensure that the findings were credible and trustworthy. Sources were triangulated to ensure credibility, with at least three sources supporting each interpretative claim. To enhance transferability, a thick description of the context was provided, allowing findings to be applicable in similar contexts. An audit trail, through recording every step of the analysis with time-stamps and data, ensured reliability. Researcher reflexivity illustrated confirmability by maintaining awareness of the researcher's epistemological background during interpretation, thereby providing a complete academic trail of the analytical process and potential implications for future scientific validation.

## RESULTS AND DISCUSSION

### Results

#### **The Philosophical Foundations of Islamic Production Ethics in the Thought of Ibn Khaldun**

The first finding, identified through close reading and thematic content analysis of the Muqaddimah, demonstrates that Ibn Khaldun grounds production ethics within a theocentric-social philosophical framework—an epistemology that ascribes an inherently moral and communal dimension to all productive activity. Ibn Khaldun develops the concept of *'umran* (civilizational flourishing) as the foundational idea of his entire production system: production must occur in a manner that enables civilization to prosper based on justice, fairness, and social responsibility derived from Islam.

In this framework of *'umran*, every actor in production is understood not merely as an economic actor maximizing profit, but as an agent of civilization responsible to the community, future generations, and Allah, the true owner of all natural resources. Independently that concept of *'umran* represents an alternative production epistemology fundamentally different from the conventional “economic man” paradigm—differences that are not merely normative but touch on basic assumptions about human nature, the purpose of production, and the relationship between economics and morality.

Furthermore, intertextual analysis connecting the Muqaddimah with classical *muamalah*

*fiqh* sources reveals that Ibn Khaldun's philosophical foundations align consistently with the Qur'anic principle of humans as caliphs on earth, entrusted with responsibly and fairly managing the earth's resources. Ethics is not merely an accessory but the core of all production decisions (Kahf, 2003). This finding clearly demonstrates that Ibn Khaldun's epistemology of production is theocentric-social, fundamentally different from the conventional anthropocentric-individual epistemology of production, and serves as the foundation for all ethical principles of production identified in the following sub-chapter.

### **Principles of Production Ethics in the Introduction**

The second finding, generated through thematic codification and comparative analysis, identifies five principles of production ethics systematically extracted from the Muqaddimah and verified through triangulation with classical and contemporary Islamic economic literature.

The first principle is the appreciation of the value of human labor as the ethical foundation of the entire production process. Ibn Khaldun asserted that the value of a product is essentially derived from human labor: "Indeed, income is the value of human labor" (Ibn Khaldun, trans. Rosenthal, 1958). This principle implies that every contribution of human labor must be rewarded fairly and proportionally, making the exploitation of labor the most fundamental violation of production ethics. This aligns with the concept of *ajr al-mitsl* in *muamalah fiqh*, which mandates compensation equivalent to the contribution made, and is confirmed by Kahf (2003) as one of Ibn Khaldun's most original contributions to Islamic economic theory.

The second principle is social solidarity. '*Asabiyyah*' forms the foundation of collective production ethics. Textual analysis reveals that Ibn Khaldun consistently asserted that efficient and sustainable production can only be realized through cooperation based on strong '*asabiyyah*', social cohesion, and solidarity. Without '*asabiyyah*', work specialization cannot function optimally, and the entire production ecosystem will disintegrate. These findings highlight a collective and relational dimension of production ethics, absent in conventional production theory but critical for a sharia-compliant MSME ecosystem requiring cooperation and trust among actors.

The third principle is justice and the prohibition of injustice, central to production ethics. Codification of the Muqaddimah shows that Ibn Khaldun repeatedly emphasized that injustice (*zulm*) in the production process (including exploitation, deprivation of rights, price manipulation, and hoarding) is destructive to both production and civilization, ultimately triggering structural economic decline (Ghoni & Haerisma, 2025). Ibn Khaldun argues that tyrannical producers demotivate workers, making economic decline inevitable.

The fourth principle is specialized efficiency grounded in justice and mutual respect. Work specialization, a key mechanism for productivity improvement identified by Ibn Khaldun, must rely on equitable sharing of outcomes and mutual respect. Exploitative specialization directly violates this principle. '*Asabiyyah*' and justice are thus the ethical core of Ibn Khaldun's production theory, whose erosion leads to systemic disintegration.

The fifth principle is sustainable production as a civilizational responsibility. Ibn Khaldun argues that civilizations are subject to destructive cycles accelerated by over-indulgence, unredistributed wealth, and resource exploitation, ultimately leading to social decline. This aligns with the Islamic jurisprudence concepts of benefit and prohibition of waste. This principle represents one of Ibn Khaldun's most original contributions to Islamic production ethics, addressing sustainability challenges relevant to contemporary halal production ecosystems.

### **The Relationship between Production Ethics and Islamic Market Supply Mechanisms**

The third finding, through comparative analysis and contextual interpretation, reveals a structural link between Ibn Khaldun's ethics of production and Islamic market supply mechanisms. Systematic examination of Chapters IV and V of the Muqaddimah indicates that Ibn Khaldun views the market not as a neutral, impersonal price mechanism, as in neoclassical economics, but as a social institution whose sustainability depends on the ethical integrity of all actors.

The first proposition states that ethical market offerings require absolute honesty in product quality and quantity. Manipulation and fraudulent practices constitute injustice,

undermining market trust and the '*asabiyyah*' that supports the trading ecosystem (Haerisma, 2018).

The second proposition asserts that market stability depends on fair pricing. Prices distorted by manipulation, hoarding (*ihdikār*), or exploitation harm collective welfare and may trigger production decline. This aligns with the concept of *al-si'r al-'adl* (just price) in classical *muamalah fiqh* (Kahf, 2003).

The third proposition identifies solidarity as a prerequisite for sustainable market offerings. Supply-side ecosystems are fragile and shock-prone without faith-based trust and cooperation (Kahf, 2003). Together, these propositions form a normative framework for Islamic market supply grounded in Ibn Khaldun's production ethics.

### **Distinctive Epistemological Contributions of Ibn Khaldun's Thought**

The fourth finding highlights the uniqueness of Ibn Khaldun's ethical production in Islamic economic thought. Compared with neoclassical production theory, three fundamental distinctions emerge:

1. Neoclassical theory views production as a technical function optimizing inputs for maximum output; Ibn Khaldun sees production as a civilizational function integrated with moral and spiritual values.
2. Neoclassical theory assumes rational, self-interested individuals; Ibn Khaldun emphasizes social beings accountable to the community and God.
3. Neoclassical theory measures success via profit and technical efficiency (capital-labor ratio); Ibn Khaldun evaluates contributions to '*umran*' and collective welfare (Mirakhor & Askari, 2017).

Comparative analysis positions Ibn Khaldun uniquely among classical Muslim economists. Unlike al-Ghazali, who emphasizes *fiqh* and Sufism, or Ibn Taymiyyah, who focuses on public policy, Ibn Khaldun builds his ethics empirically and analytically through socio-historical observation, making it operationally relevant for contemporary microeconomic analysis.

His interdisciplinary approach (combining sociology, economics, history, and Islamic ethics) offers a coherent framework for analyzing ethical issues in Islamic MSME production, focusing on social dynamics, trust capital, and the civilizational cycle, crucial for sustainable halal MSME ecosystems.

### **Discussion**

#### **Implications of the Umran Concept for the Reorientation of Production Ethics of Indonesian Sharia MSMEs**

First findings on the philosophical foundations of the theocentric-social Ibn Khaldun's production ethics open up significant discussion about the epistemological crisis that has hampered the internalization of Islamic values in the production practices of Indonesian sharia MSMEs. If less than 10% of Indonesian MSMEs have halal certification and production orientation is still dominated by short-term profit motives, this finding provides a deeper conceptual explanation beyond mere administrative issues. The root of the problem lies in the absence of a philosophical foundation that positions production as a civilizational responsibility, as conceptualized by Ibn Khaldun through the concept of *Umran*.

This discussion is further strengthened when confronted with the arguments of Hasan (2020) who identified the phenomenon of form over substance in contemporary Islamic economics, where Islamic economic institutions and actors tend to fulfill formal Islamic requirements without truly internalizing the substance of Islamic values in their production and supply decisions. The concept of *Umran* in Ibn Khaldun's production ethics offers a conceptual solution to this phenomenon by building awareness that ethical production is not merely a legal obligation to be fulfilled formally, but rather an authentic expression of a Muslim's identity as a caliph responsible for the prosperity of civilization.

When the concept of *Umran* is contextualized within the reality of Indonesian Islamic MSMEs, it offers a fundamental reorientation of vision—from merely pursuing halal certification targets as regulatory compliance toward genuine internalization of Islamic ethical production

values as the foundation of long-term business identity and strategy, contributing to the realization of a national halal ecosystem as mandated by MEKSI 2019–2024. These findings thus not only strengthen Ruslan (2025) argument on the need for an epistemological reconstruction of Islamic economics but also go further by specifically identifying the concept of *Umran* as the most operationally relevant alternative epistemology for the context of Indonesian sharia MSMEs.

### **The Relevance of Ibn Khaldun's Five Principles of Production Ethics for the Offering of Sharia MSMEs**

At the empirical level, the reality of Indonesian Islamic MSMEs makes it difficult to apply the principle of respect for human labor found in Ibn Khaldun's thought. Bank Indonesia (2021) data highlighted that low-wage practices and exploitative labor relations are still widespread in several MSME segments, including those formally claiming their business as sharia-based. This scenario directly opposes Ibn Khaldun's production-driven ethics and underscores its contemporary relevance. The operationalization of Ibn Khaldun's labor value theory in MSME employment policies provides a framework for addressing these gaps. For instance, Bank Indonesia (2021) reported that approximately 67% of surveyed Islamic MSMEs still paid wages below the regional minimum wage (UMR), while a 2022 BPJPH audit found that 34% of sampled halal-certified MSMEs still engaged in inconsistent quality control practices, contrary to halal certification requirements.

The principle of solidarity companions, representing collective production ethics in Ibn Khaldun's thought, is contextually relevant to the challenges of fragmenting the Indonesian sharia MSME ecosystem. In the halal supply chain, weak partnership networks, low trust among business actors, and limited collaboration constitute key structural barriers to expanding national halal MSME competitiveness (Ardiantono et al., 2024; Mulyana et al., 2024). Here, Ibn Khaldun's companions principle provides a philosophical basis for the formulation of an ideal model cluster of sharia-compliant MSMEs, halal cooperatives, and supply chain-based ecosystems, with trust as the central focus for strengthening Indonesia's halal MSMEs.

The principle of not committing injustice, foundational in Ibn Khaldun's production ethics, aligns with findings by Putera (2024), who observed ongoing practices of product quality manipulation, false measurement declarations, and hoarding among Indonesian Muslim MSMEs. Ibn Khaldun's framework shows that such practices constitute not only ethical violations but also structural threats to the sustainability of the sharia MSME ecosystem, eroding market trust and undermining the pillars of Islamic economic development that underpin the halal trade ecosystem (Maspul & Akrem, 2026; Zin et al., 2024).

The principle of ethical specialization-based efficiency offers a highly relevant paradigm for Islamic MSMEs trapped in conventional efficiency logic. While conventional approaches may reduce production costs through labor exploitation and neglect of halal standards, Ibn Khaldun's ethical efficiency paradigm asserts that true efficiency is achieved only through specialization grounded in justice and mutual respect, an argument empirically confirmed by Siregar (2025), who found that MSMEs consistently applying Islamic ethical production principles demonstrated more sustainable long-term business performance.

The principles of sustainable production and civilizational responsibility generate strategic discussion when contextualized within Indonesia's national halal ecosystem development agenda. Indonesia's goal of becoming a global halal production hub will not be realized if sharia-compliant MSMEs remain oriented toward short-term profit and exploitation. A fundamental paradigm shift toward production-based orientation is needed, with *Umran* emphasizing ecosystem sustainability, social responsibility, and contributions to civilizational prosperity as success measures equivalent to financial profit indicators.

### **The Relevance of Ibn Khaldun's Market Offering Proposition to the Challenges of Digital Sharia MSMEs**

The three market offering propositions identified in Ibn Khaldun's thought are highly relevant to the challenges of digitizing Indonesia's rapidly growing sharia MSME market. The first proposition, concerning honesty in product quality and quantity, is especially critical given

rampant counterfeiting of halal products, information manipulation on e-commerce platforms, and lack of transparency in product composition, as key obstacles to strengthening the national halal ecosystem. Within Ibn Khaldun's analytical framework, these issues are not merely regulatory violations addressable through administrative oversight alone but are symptoms of disintegration of *'asabiyyah*, which, if unchecked, systematically erodes consumer trust.

The second proposition, regarding price fairness as a prerequisite for stable market supply, gains relevance when confronted with halal commodity price volatility and widespread hoarding in various segments of the Indonesian MSME market. The third proposition, concerning supply sustainability's dependence on *'asabiyyah* in the production chain, implies that the most effective policy intervention is not merely financial incentives but strengthening social capital and trust among actors in the halal supply chain, forming the foundation for sustainable market offerings.

### Contribution of Ibn Khaldun's Interdisciplinary Framework to the Development of Islamic Microeconomic Theory

The fourth finding regarding Ibn Khaldun's distinctive epistemological contribution generates the most strategic discussion from the perspective of developing Islamic economics, as it positions Ibn Khaldun's thought not merely as a normative alternative to conventional theory, but as an epistemological framework that is analytically more comprehensive and relevant for understanding the complexities of ethical issues in contemporary Islamic MSME production. The fundamental epistemological differences identified between Ibn Khaldun's approach and neoclassical theory have very concrete implications for the curriculum reform agenda of Islamic economics education in Indonesia, where the dominance of conventional paradigms in microeconomics teaching materials has been shown to contribute to the problematic dualism identified.

In this context, the comparative findings of this study argue that the integration of Ibn Khaldun's ethical production thinking into the Islamic economics education curriculum in universities and Islamic boarding schools is not merely a historical enrichment, but a strategic epistemological intervention to shape a generation of Islamic MSMEs with a coherent value foundation between their Islamic identity and their business decisions (Mirakhor & Askari, 2017). Ibn Khaldun's unique position compared to al-Ghazali and Ibn Taymiyyah identified in the fourth finding also generates important discussions about the comparative advantages of Ibn Khaldun's sociological-historical-empirical approach in the context of contemporary microeconomic analysis where his interdisciplinary framework allows researchers and policymakers to analyze the ethical issues of Islamic MSME production not only from the dimensions of *fiqh* and public policy, but also from the dimensions of social dynamics, trust capital, and the cycle of civilization.

**Table 1.** Ibn Khaldun's Operational Framework of Islamic Production Ethics for Indonesian Sharia-Compliant MSMEs

Dimension	Core Element	Ethical Meaning	Application for Indonesian Sharia-Compliant MSMEs
Foundational Vision: <i>'Umran</i> (Civilizational Flourishing)	All production serves civilizational prosperity.	Production is not merely economic activity but moral and social contribution to prosperity of society.	MSMEs should position as a civilizational contribution, not merely as a profit-maximization activity.
Principle 1: Labor Value Ethics	Product derives from human labor.	Human work must be respected, protected, and compensated fairly.	MSMEs should apply fair wages ( <i>ajr al-mitsl</i> ), avoid labor exploitation, and recognize workers as ethical production partners.
Principle 2: <i>'Asabiyyah</i> (Social)	Collective production requires trust	Sustainable depends on mutual trust,	MSMEs should build halal cluster networks, cooperative and supply chains, and faith-based

Solidarity)	based cooperation.	cooperation economic actors.	among trust capital among producers, suppliers, and consumers.
Principle 3: Justice and Anti-Zulm	Injustice destroys productive motivation and market trust.	Exploitation, manipulation, fraud, hoarding, and pricing weaken the foundation of production.	MSMEs should ensure honest measurement, fair pricing, ethical transparent product information, and avoidance of <i>ih tikar</i> or hoarding.
Principle 4: Ethical Specialization-Based Efficiency	Specialization must be based on mutual respect equitable outcome-sharing.	Efficiency is based when it improves mutual productivity and exploiting labor, suppliers, or consumers.	MSMEs should develop skills-based halal supply chains, fair division of tasks, and equitable profit-sharing mechanisms.
Principle 5: Civilizational Sustainability	Over-indulgence and resource exploitation accelerate civilizational decline.	Production must protect long-term welfare, prevent waste, and preserve social and ecological balance.	MSMEs should implement <i>maslahah</i> -oriented production, halal supply chain sustainability, responsible resource use, and avoidance of <i>israf</i> or waste.
Market Implications	Honesty, just pricing, solidarity-based supply chains.	just Ethical production produces trustworthy and sustainable offerings.	MSMEs should ensure honesty in product quality and quantity, apply just pricing ( <i>al-si'r al-'adl</i> ), and strengthen <i>'asabiyyah</i> -based supply chain solidarity.

**Source:** Authors' reconstruction from Ibn Khaldun's production ethics framework and its contextualization for Indonesian sharia-compliant MSMEs.

### Synthesis of an Islamic Production Ethics Framework Based on Ibn Khaldun for Indonesian Sharia MSMEs

Based on the overall findings and discussion above, this study has successfully reconstructed a comprehensive and operational framework for Islamic production ethics based on the thoughts of Ibn Khaldun. This framework is centered on the concept of *Umran* as a vision of civilization that orients all production decisions, supported by five ethical principles of production that mutually reinforce the value of work: *'asabiyyah*, justice, ethical efficiency, and sustainability of civilization. These principles structurally determine the quality of market offerings through three analytical propositions: honesty, price fairness, and supply chain solidarity. The framework is systemic and integrative, whereby weakening one element inevitably undermines the entire ethical production system and threatens the sustainability of the Sharia MSME ecosystem.

Theoretically, this research contributes to the development of Islamic microeconomic theory through three distinctive channels. First, it offers an epistemological reconstruction of Islamic production theory that transcends the normative-legalistic approach that has dominated the literature. Second, it introduces the concept of *Umran* as a more comprehensive measurement framework for production success than merely financial profit indicators. Third, this study advocates for an interdisciplinary approach to Islamic microeconomic studies that synthesizes Islamic jurisprudence (*fiqh muamalah*), economic sociology, and the philosophy of Islamic civilization to produce richer and more relevant analyses (Mirakhor & Askari, 2017).

In practice, Ibn Khaldun's reconstructed ethical production framework has distinct yet complementary implications for three key stakeholders. For sharia-compliant MSMEs, it provides a comprehensive guide to ethical production and a structured approach to internalizing Islamic values: employing *Umran* as a business vision, applying the principle of *'asabiyyah* in building a partnership ecosystem, and implementing fairness and honesty in every market offering decision.

For regulators and the government, this framework highlights the need for halal MSME development policies that focus not only on technical certification aspects but also on strengthening social capital, promoting literacy in Islamic production ethics, and building an ecosystem of trust as prerequisites for the sustainability of the national halal ecosystem. For academics and researchers, it opens a rich interdisciplinary research agenda on the relationships among Islamic production ethics, social capital, and the sustainability of the Sharia MSME ecosystem—areas that remain underexplored in the existing literature.

While Ibn Khaldun's ethical framework proves relevant and comprehensive, this study also acknowledges its limitations. Differences between the socio-economic context of the 14th century and the contemporary Indonesian MSME landscape imply that some of Ibn Khaldun's concepts require careful contextual adaptation, particularly *'asabiyyah*, which in Ibn Khaldun's context refers to tribal solidarity but must be reinterpreted within a plural and heterogeneous modern business ecosystem. Moreover, Ibn Khaldun's framework does not explicitly address challenges posed by market digitalization and e-commerce; thus, applying his principles in the digital context demands further conceptual elaboration, representing an important research agenda. These limitations also present opportunities for further research, including empirical studies on the implementation of Ibn Khaldun's production ethics framework in Indonesia's digital Sharia MSME ecosystem, as well as the development of an operational and measurable *Umran* model as an alternative to more conventional performance indicators for Islamic MSMEs.

### CONCLUSION

This study reconstructed a five-principle Islamic production ethics framework based on Ibn Khaldun's thought, centered on *'umran* as a civilizational vision and operationalized through: (1) appreciation of labor value (*ajr al-mitsl*); (2) *'asabiyyah*-based social solidarity; (3) justice and prohibition of *zulm*; (4) specialization-based ethical efficiency; and (5) civilizational sustainability. These principles structurally determine the quality of Islamic market supply through honesty in product offerings, just pricing (*al-si'r al-'adl*), and supply chain solidarity.

The integration of *'umran* and *'asabiyyah* into Indonesian Sharia MSME orientation offers a conceptual resolution to the dualism between Islamic identity and conventional profit-driven business logic. Theoretically, this study contributes three innovations to Islamic microeconomic theory: an epistemological reconstruction beyond normative-legalistic approaches; the introduction of *'umran* as a comprehensive production success metric; and the advocacy of an interdisciplinary methodology synthesizing *fiqh muamalah*, economic sociology, and Islamic civilization philosophy.

Practically, the framework provides actionable guidance for MSMEs (halal-ethical production checklist), regulators (trust-capital-centered BPJPH policy), and academics (interdisciplinary research agenda on Islamic production ethics). Concrete recommendations include developing operational *'umran* indicators for MSME performance evaluation and empirically testing the framework in Indonesia's digital Sharia MSME sector.

This study acknowledges two key limitations: (1) the 14th-century socio-economic context of Ibn Khaldun's Muqaddimah requires careful contextual adaptation, particularly the concept of *'asabiyyah*, which must be redefined beyond tribal solidarity to encompass plural modern business ecosystems; and (2) Ibn Khaldun does not explicitly address digital market challenges, necessitating further conceptual elaboration.

Future research should empirically test the framework in Indonesia's digital halal MSME ecosystem, develop measurable *'umran* performance indicators as alternatives to conventional financial metrics, and extend the comparative analysis to contemporary Islamic microeconomic contexts across ASEAN.

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#### AUTHOR CONTRIBUTION STATEMENT

This research is the result of a collaborative effort by five authors, conducted independently and comprehensively. The authors are fully responsible for all stages of the research, including conceptualization and formulation of the research idea, determination of the objectives and scope of the study, development of the theoretical and conceptual framework, systematic literature search and selection, and implementation of textual-historical analysis of the primary texts. Muqaddimah and supporting literature, interpretation and reconstruction of Ibn Khaldun's ethical production thinking, contextualization of findings in the reality of Indonesian Islamic MSMEs, writing and editing the manuscript as a whole, as well as academic accountability for all arguments, interpretations, and conclusions presented in this study.

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