

The Principles of Good Corporate Governance (GCG) in the Study of Ibn Taimiyah's Philosophy

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Abstract: The purpose of this study is to analyze the philosophical principles of Good Corporate Governance (GCG) during the time of Ibn Taymiyyah. The existence of Ibn Taymiyyah's interest in restoring the teachings of the Salaf in the 13th century makes it an interesting thing to discuss. This also does not miss looking at the GCG side during the time of Ibn Taymiyyah whether it has been applied in the procurement of buying and selling affairs in the book *Majmu al-Fatawa*. In addition, it also examines the philosophical side of the figure of Ibn Taymiyyah who became a role model at the peak of science. This study focuses on a literature review study using primary data from the reference book *Majmu al-Fatwa* with secondary data using journals related to the study of religious philosophy on Ibn Taymiyyah's policies related to GCG. Previous research in the study of Ibn Taymiyyah is mostly related to religion or education, therefore this study wants to look at the economic side in terms of GCG which has not been studied before. The results of the research conclude that the concept of GCG in Ibn Taimiyah's study of *syirkah* has similarities to *syirkah*, be it partnership (*muzara'ah*), *musaqah*, and *mudharabah*. GCG was present and even applied in the 7th H century or the 13th century when Islam was at the highest peak of knowledge.

Keywords: Ibn Taimiyah, GCG, Corporate, Philosophy.

Introduction

Ibn Taymiyyah was a key figure in the development of Islamic scholarship during the golden age of Islamic scholarship. During his time, corporate procedures were outlined in his book, *Majmu al-Fatawa*, which outlined the concept of buying and selling. Ibn Taymiyyah's social reality necessitated a system that returned to the teachings of the Salaf (pious predecessors) from the time of the Prophet Muhammad to the Tabi and Tabi'in (followers) (Srifariyati, 2024). During his scientific heyday, Ibn Taymiyyah contributed significantly to the sustainability of community activities, including corporate sustainability. Corporate activities during Ibn Taymiyyah's time tended to focus on agricultural products or trade, which were popular at the time. This is evident in one of his works, *Majmu Al-Fatawa*, which describes cases that occurred during Ibn Taymiyyah's time, including corporate issues that were included in the chapter on buying and selling, namely about *syirkah* (Taymiyyah & Hadlari, 2026). The principle of *syirkah* is also frequently applied in companies today, where transactions in sharia-compliant companies utilize *mudharabah* (Taimiyah & Hadlari, 2026). However, in practice, companies sometimes encounter cases of this nature, as discussed in *Majmu Al-Fatawa*. This can be a supporting factor for companies engaging in *syirkah*.

Meanwhile, today's companies have standard criteria for quality companies, namely the principles of Good Corporate Governance (GCG), which assess the quality of a company and are a key element in conducting business. GCG is useful in maximizing added value for shareholders and maintaining business continuity (Illabillah et al., 2022). GCG essentially has five inherent and implemented principles: transparency, accountability, responsibility, independence, and fairness (Darmiati, 2025).

This research has not been widely discussed because the concept of GCG did not yet exist in Ibn Taymiyyah's time and was only discussed in the contemporary era. One of the most extensive discussions on GCG is Umer Chapra. However, this presents a challenge. Ibn Taymiyyah actually discussed economics and companies, but so far only focused on educational issues (Rismawati S et al., 2025) or law (Amir et al., 2024).

Ibn Taymiyyah's interest in restoring the teachings of the Salaf in the 13th century makes it an interesting topic to discuss. This also includes examining the GCG (Corporate Governance) of Ibn Taymiyyah's time, whether it was already applied in the procurement of sales transactions as described in the *Majmu al-Fatawa* book. Furthermore, it also examines the philosophical perspective of Ibn Taymiyyah, who became a role model during the peak of his knowledge.

Method

The method in this study uses a qualitative method that examines the principles of GCG from a sharia perspective seen from the perspective of the case of Ibn Taymiyyah. Using a literature review study that focuses on the *syirkah* system that uses primary data in the form of the book *Majmu al-Fatawa* and supported by secondary

data from journals that support the study of GCG and Syirkah in Ibn Taymiyyah's view. This study focuses on the study of Ibn Taymiyyah's philosophy and the theory issued in the study of the book *Majmu Al-Fatawa*. In addition, developing the study towards GCG in the understanding of Ibn Taymiyyah as included in *Majmu Al-Fatawa*.

The philosophical approach used in this study is a religious ethical approach that explains a figure by aligning the principles of GCG with the principles of syirkah as understood by Ibn Taimiyah. This approach provides explanations from the perspective of interpretation, induction and deduction, internal coherence, holistic, historical continuity, idealization, comparison, heuristics, and personal reflection (Takbir, 2015). The focus of the research is deeper into interpretation and historical continuity, examining the principles of GCG in cases of syirkah during Ibn Taimiyah's time.

Results and Discussion

1. Ibn Taimiyah's Thoughts

Ibn Taimiyah is one of the figures in the development of Islamic science who has extensive knowledge, wise and intelligent views (Srifariyati, 2024). Ibn Taimiyah lived during a time of political and social upheaval that occurred in Harran, which was his birthplace. The area was one that was affected and targeted by the Tartar troops, and made it necessary for Ibn Taimiyah's family to flee to Damascus. Since then, Ibn Taimiyah and his family learned a lot about the life of their community and developed science and academics. (Setiyowati, 2019). Ibn Taimiyah's full name is Taqiuddin Abu al Abbas Ibn Abdul Halim bin Abdul As-Salam bin Muhammad bin Abdullah bin Abi Qasim bin Muhammad bin Al-Khadr bin Ali bin Abdullah bin Taimiyah Al-Harrani Ad-Dimashqi. Born on Monday, 10 Rabiul awwal H, coinciding with January 22, 1263 AD. In the area around the Dajalah (Tigris) and Euphrates rivers. Ibn Taimiyah's family had a Hanbali school of thought. Ibn Taimiyah's grandfather was one of the figures in the Hanbali school of thought during his time (590-652 H), namely Abu Al-Barkat Majd Ad-din Ibn Taimiyah Al-Hanbali and his father was a Damascus scholar, namely Syihab ad-Din 'Abd al-Halim ibn Abd as-Salam (672-682 H).

Ibn Taymiyyah's knowledge, one of which is from Shams ad-Din 'Abd Rahman Ibn Muhammad Ibn Ahmad Al-Maqdisi (597-682 H) a jurist and the first supreme judge of the Hanbali school of thought, Muhammad Ibn Abd Al-Qawi Ibn Badran al-Maqdisi al-Mardawi (603-699 H) a jurist, hadith scholar and nahwu, a virtuous female hadith scholar named Zaynab bint Makky al-Harrani (594-688 H). Sheikh Shams ad-Din al-Isfahani ash-Syafi'i (674-749 H) an expert in *usul al-fiqh*. 'Abd ar-Rahim ibn Muhammad al-Baghdadi (610-685 H) a jurist and hadith scholar Ahmad bin Abd Da'im bin Ni'mah bin Ahmad bin Muhammad bin Ibrahim bin Ahmad bin Abi Bakr al Maqdisi (Ibn Taymiyyah learned hadith from him), Al-Munaja' bin Usman bin al-Tanukhi (an author of *Syarah Mughni* and *Ikhtishar al-Mahsul*), Abd ar-Rahman bin Muhammad bin Ahmad bin Qudamah al-Maqdisi or famously known as Ibn Qudamah (Srifariyati, 2024). When Ibn Taymiyyah was 17 years old, Ibn Taymiyyah was given the trust to issue fatwas by his teacher, namely Shamsuddin Al-Makdisi. At that time, Ibn Taymiyyah was one of those whose knowledge was valued by the government by being offered a position in the court office (Suzana, 2023).

Ibn Taymiyyah's philosophical studies have significantly influenced modern decisions. The concepts of trust, justice, and prioritizing peace are among Ibn Taymiyyah's philosophical characteristics (Ridho et al., 2023). In his studies, Ibn Taymiyyah needs to be considered in contemporary life due to two fundamental factors:

1. Ibn Taymiyyah's writings are writings that aim to improve the intellectual understanding system at that time and develop knowledge derived from the Koran and Hadith.
2. Ibn Taimiyah evoked memories of the last centuries of Islam in the 4th century AH. This century was the peak of development in all aspects such as *fiqh*, *kalam*, Sufism, politics, where uncontrolled deviations began to occur (Srifariyati, 2024).

Furthermore, in Islamic economics, Ibn Taymiyyah focuses on justice, which is achieved if all existing contracts are in accordance with the agreements of all parties involved (Setiyowati, 2019). In his discussions, Ibn Taymiyyah also studied the financial realm, resulting in two books: *Al-Hisbah di al Islam* (The Institution of Hisbah in Islam) and *Al-Siyasah al-Syariyyah fi Islah Al-Ra'wa al Raiyah* (Public and Private Law in Islam), which discuss markets, government mediation, and public financing. Another book discusses revenue and public financing. Other works written by Ibn Taymiyyah include:

1. *Buku al-Radd 'ala al-Mantiqiyyin* (answer to the mantiq experts)
2. *Manhaj al-Sunnah al-Nabawiyyah* (method of the Prophet's Sunnah)
3. *Majmu' al-Fatawa* (fatwa collection)
4. *Bayan Muwafaqat Sahih al-Ma'qul Sarih al-Manqul* (description of the compatibility of correct thinking and clear naqli arguments)
5. *Al-Radd 'ala Hululiyah wa al-Ittihad* (the answer to the understanding of *hulul* and *ittihad*)
6. *Muqaddimah fi Usul al-Tafsir* (introduction to the basics of interpretation)
7. *Al-Radd 'ala Falsafah ibn Rushd* (answer to Ibn Rushd's philosophy)

8. Al-Iklil fi al-Mushabahah wa al-Ta'wil (a discussion on mutasyabih and ta'wil verses)
9. Al-jawab al-Sahih li Man Baddala Iman al-Masih (the correct answer to those who replaced faith in al-Masih)
10. Al-Radd 'ala al-Nusairiah (answer to the Nusairiah ideology)
11. Risalat al-Qubrusiyyah (treatise on Qubrusiyyah ideology)
12. Ithbat al-Ma'ad (determining goals)
13. Thubut al-Nubuwwat (prophetic existence)
14. Ikhlas al-Ra'i wa Ra'iyat (sincerity of the leader and those led)
15. Al-Siyasah al-Shar'iyyah fi Islah al-Ra'i wa al-Ra'iyah (politics based on sharia for the improvement of shepherds and shepherds) (Srifariyati, 2024).

After his death, he also produced students who later became great scholars and role models for Muslims, such as al-Dhahabi (1274-1348), Ibn al-Qayyim al-Jauziyyah (1292-1350), Ibn Kathir (1301-1372), Muhammad ibn Abd-al-Wahhab (1703-1792). Majid Fakhry mentions two great thinkers in the Islamic world who were greatly influenced by Ibn Taymiyyah, namely Ibn al-Qayyim al-Jauziyyah and Muhammad ibn Abd al-Wahhab.

Ibn Taymiyyah also issued economic theories, among others:

1. Market mechanisms.

Theory Ibn Taymiyyah agreed that public authorities have no role in controlling costs during market operations. He also identified several factors that influence changes in market demand, including diverse and volatile human needs, product costs that fluctuate based on consumer demand, and production costs influenced by product size, the demand for goods, and other factors.

2. Price mechanism.

In the pricing mechanism, Ibn Taymiyyah explained the concepts of price fairness, price regulation, and property rights. Ibn Taymiyyah's concept of price fairness is seen from costs. Fluctuating costs create fair value. This fair value has two parts according to him: *Iwadh al-Mitsl* and *Tsaman al-Mitsl*. *Iwadh al-Mitsl* is an equivalent substitute, the selling price is determined by the circulating market price and is comparable to local customs. Meanwhile, *Tsaman al-Mitsl* bases the selling price on the cost price with a competitive price. Meanwhile, regarding price regulation, it refers to the hadith of the Prophet who rejects market price regulation, arguing that price increases are caused by the function of the market system around that time. While if the price increase becomes unreasonable, there needs to be a share of the price by the government. Then, in the theory of property rights, Ibn Taymiyyah argues that in the use of property there are three types of ownership: individual ownership, social ownership, and state ownership.

3. Economic policy

Meanwhile, the economic policy theory proposed by Ibn Taymiyyah is in the area of poverty alleviation, price regulation, monetary policy and economic planning (Abu Bakar, 2022).

The *Majmu al-Fatawa* is one of Ibn Taymiyyah's works that encompasses a broad range of topics. Its scope includes understanding of *aqidah* (belief), *monotheism* (*tawhid*), *fiqh* (jurisprudence), *ushul* (theology), *hadith* (interpretation), *astronomy*, *logic* (*mantiq*), and *debate*, as well as various aspects of knowledge, including buying and selling and partnerships (Taymiyyah et al., 2004).

2. Good Corporate Governance (GCG) according to the views of Majmu Al-Fatawa Ibn Taymiyyah

GCG encompasses transparency, accountability, responsibility, independence, and fairness, which are standards applicable in modern corporate governance. The implementation of GCG is crucial in ensuring that fund management is efficient, effective, and free from misappropriation (Hukunala, 2025). GCG arose from the tensions in the American economy that threatened shareholders in fulfilling their interests due to the reconstruction to seize control of other companies through various means, which led to protests from the community or public. The public assumed that management ignored shareholder interests in the process of managing the company (Marsella et al., 2013).

Indonesia itself introduced the concept of GCG in 1997, a period of prolonged crisis due to poor corporate governance and the disregard of corporate regulations in practice (collusion, corruption, and nepotism). This was followed by the establishment of an audit committee and the signing of a *Letter of Intent*, which supported the establishment of a GCG system. Subsequently, a special institution, the National Committee for Corporate Governance Policy (KNKCG), was established to regulate the preparation and recommendations of national GCG policies (Marsella et al., 2013).

Theories that build Good Corporate Governance include Agency Theory, Stewardship Theory, Stakeholder Theory, Resource Dependence Theory, *Transaction* Cost Theory, Institutional Theory, Social Contract Theory, Legitimacy Theory, Political Theory, and Ethics Theory. The GCG principle is an ethic that has 17 main points in company management that apply to several places within the company, namely leadership, ethics and *corporate citizenship*; strategy, performance and reporting; governance structure and delegation; functional areas of governance; and institutional investor responsibilities (Abidin & Prabantarikso, 2021).

GCG, in accordance with Islamic law, has its own values. This transparency has the same meaning as the principle of honesty (Sidiq), which is the opposite of gharar, which is prohibited in Islam. The concept of accountability in GCG is similar to the principle of mas'uliyah in Islam. Mas'uliyah in Islam is when an individual is responsible to Allah for all their behavior. Meanwhile, responsibility in Islam is the concept of amanah. According to Islam, independence requires objective decision-making, which is closely related to the concept of Adl (Taimiyah & Hadlari, 2026).

Furthermore, responsibility is embedded in the concept of trust. This trust encompasses corporate decision-making in avoiding harm (mafsadat) and considering the benefits (maslahah) for the community. The value of independence in GCG requires that decisions be made objectively and not be tied to one interest or another. Independence provides security for the company in implementing sound policies. The principle of fairness in decision-making, distribution of decision results, treatment of employees, and concern for the community. Furthermore, another opinion argues that GCG principles represent the principles of Justice, Trustworthiness, Fathanah, Tabligh, and Siddiq. These attitudes represent the Prophet's attitude when conducting business activities in ancient times, which was passed down to his followers (Solikin et al., 2022).

In Ibn Taymiyyah's view, in the Majmu al-Fatawa book, these principles are explained, although not literally. In Majmu Al Fatawa, there are points contained in GCG. The principles of GCG, namely transparency, accountability, responsibility, independence and fairness reflect the Islamic side in its transactions. Broadly speaking, the understanding of GCG is represented, the principle of transparency has been applied to the prohibition of gharar in musaqah syirkah, this applies to employee wages in the muzara'ah contract, where if there are workers who work using a rental system but the wages are not clearly determined or are determined through the harvest, then what is being done is forbidden. This is based on the opinion of Abu Hanifah which is supported by Imam Malik and Syafi'i with permissibility when there is absolute musaqah without the occurrence of wages that adjust to the results of the garden that has no clarity of the harvest. Furthermore, this prohibition arises due to the uncertainty of the results obtained, which determines wages from the results or profits (Ibn Taimiyah & Hadlari, 2026). This is similar to the fingerprint or transparency system that prohibits gharar (Darmiati, 2025). Furthermore, in conducting a partnership, there are clear boundaries: the only permitted partnerships are inan and abdan partnerships. This applies when injustice occurs between the partners (Taimiyah & Hadlari, 2026).

This is in accordance with the nature of trust because injustice will not apply when people are in a trustful association. In syirkah muzara'ah (partnership), no one party uses the other party's assets if the results are not obtained, so the benefits of the capital owner are not lost and do not take advantage of the other party because there is no benefit obtained. Then in carrying out syirkah, if the syirkah contract still exists, it is obligatory to protect the assets because it is a trust for the manager. Furthermore, the prohibition of betrayal of others does not occur because it is bound by the contract but this is based on Islamic law (Taimiyah & Hadlari, 2026). Clarity in the boundaries or the existence of responsibilities between each partner makes the syirkah in accordance with masuliyah (Darmiati, 2025), in addition to the existence of the principle of justice where in this syirkah when failure occurs both bear the loss and no one is harmed when a loss occurs, so that no one is wronged in the mudharabah syirkah transaction (Taimiyah & Hadlari, 2026).

The fairness that applies in Ibn Taimiyah's fatwa occurs when the implementation of profits in mudharabah where profits are distributed over assets whose benefits are combined together, as well as losses that need to be divided among each capital so that the risk is borne together, both the owner and manager accept the risk of business failure. This is almost the same as the principle of fairness of GCG. Then fairness itself is also present in the management of joint assets, no management is permitted without the permission of the partners in the association. If this occurs, it is considered a robbery of the other partners. This was emphasized by Umar who took back the profits and assets given by Abu Musa al-Asy'ari to his two sons, and the assets were given to Umar. Then, Umar guided all profits because he saw it as a robbery because the assets were jointly owned (Taimiyah & Hadlari, 2026).

Conclusion

The conclusion of this discussion is that the concept of GCG in Ibn Taymiyyah's study of syirkah bears similarities to syirkah, whether partnership (muzara'ah), musaqah, mudharabah. GCG was present and even applied in the 7th century AH or the 13th century when Islam was at the highest peak of knowledge. The Islamic side of GCG is already present in the Islamic foundation of syirkah. This not only replaces Islam in the Western sense that makes the company's core, but makes the meaning of Islam, Islamic values inherent in every corporate behavior from the administrative side and the company's behavior.

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