

STRATEGY OF POST- CRISIS ECONOMIC DEVELOPMENT: A COMPARATIVE STUDY BETWEEN MEDINA CITY STATE 622-623 AND TURKEY 2008-2009

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Abstrak

Krisis Eropa muncul pada 2008 dan semakin memburuk pada 2009. Pemicu terjadinya krisis Eropa adalah karena Yunani gagal bayar hutang. Pemerintah Yunani yang sudah terlalu banyak berhutang akhirnya menyeret negara-negara di Uni Eropa ke dalam krisis yang mengerikan tersebut. Turki sebagai salah satu negara mitra dagang terbesar Eropa juga terseret ke dalam krisis Eropa. Dampak tersebut mempengaruhi pertumbuhan ekonomi Turki yang sebelumnya menunjukkan pertumbuhan yang positif. Penanggulangan krisis yang dilakukan Turki memiliki kesamaan dengan cara Rasulullah dalam membangun perekonomian Madinah ketika masa awal hijrah kaum muslimin pada tahun 622-623. Penulis mencoba menkomparasikan strategi Turki dan Rasulullah dalam menanggulangi dampak krisis dan membangun perekonomian negara sehingga berhasil bersaing di pasar global. Tujuan dari penelitian ini untuk memberikan gambaran pengetahuan bagaimana Turki menanggulangi dampak krisis ekonomi Eropa dan menjadi salah satu negara dengan pertumbuhan ekonomi yang baik di masa depan yang dikomparasikan dengan strategi Rasulullah dalam membangun perekonomian Madinah. Penelitian ini menggunakan metode analisis komparatif dalam usaha membandingkan strategi Turki dalam menanggulangi krisis dan strategi Rasulullah dalam membangun perekonomian Madinah. Sedangkan metode pengumpulan data yang digunakan adalah dengan cara penelitian kepustakaan (*library research*). Hasil penelitian berdasarkan penelitian kepustakaan membuktikan bahwa strategi yang dilakukan Turki dalam menanggulangi dampak krisis ekonomi Eropa memiliki kesamaan dengan strategi Rasulullah SAW dalam membangun perekonomian Madinah. Dengan memanfaatkan sumber daya alam, membangun pasar baru dan melakukan kontrak politik dengan negara-negara tetangga dan berperan penting dalam politik regional, Turki berhasil menanggulangi dampak krisis Eropa dan strategi ini menjadi solusi yang mampu membawa Turki ke ambang kesuksesan dalam membangun perekonomian negara.

Kata Kunci: Krisis Eropa; Ekonomi Turki; Strategi Rasulullah SAW; Studi Komparatif

Abstract

The European crisis emerged in 2008 and got worse in 2009. Triggers the onset of European crisis is because Greece has defaulted on debt. The Government of Greece that is already too much owed finally dragged the countries in the European Union into a terrible crisis. Turkey, as one of the country's largest trading partner Europe also dragged into crisis in Europe. That impact affected the economic growth of Turkey which previously showed positive growth. The resolving crisis

done Turkey have in common with the way the Prophet in the developing economy of Medina when the early Muslims doing Hijra from Makkah to Medina in the year 622-623. The author tried to compare the strategies of Prophet and Turkey in tackling the impact of the crisis and build the economy of the country so as to successfully compete in the global market. The purpose of this research is to provide an overview of knowledge how Turkey to cope with the impact of the European economic crisis and became one of the countries with good economic growth in the future compared with the strategies of Prophet in building the economy of Medina. This research using the method of comparative analysis in comparing Turkey's strategy in tackling the crisis and strategies of Prophet in the developing economy of Medina. While the data collection method used is by way of a research library (library research). Library Research is looking for a wide range of information, news analysis, concepts of experts thought the result embodied in books, journals, articles, internet, print-related themes. Research results based on research libraries prove that the strategy that carried Turkey to cope with the impact of the economic crisis in Europe have in common with the strategies of Prophet Muhammad in building the economy of Medina. By utilizing natural resources, building new markets and do political contracts with neighboring countries and played an important role in regional politics and make useful of the strategic location of the country, Turkey managed to cope with the impact of the European crisis and this strategy into solutions that are able to bring Turkey to the brink of success in building the economy of the country.

Key Words: *European Crisis, Turkey's Economy, Strategy of Rasulullah, Comparative Study*

INTRODUCTION

The European crisis emerged in 2008 and worsened in 2009. Turkey has a special relations with European Union in economic sector. Turkey is the rawest materials supplier to several countries in the EU such as Germany, the United Kingdom etc. The condition afflicting Europe has triggered a global crisis and it will negatively impact to the Turkey's economy. In the beginning is because Greece is one of the States in Europe that have piled up debt and unable to pay off their debts. It turns out that the effect of the inability of Greece has an impact on the State of the other European Member States and the economic decline, the eventual crisis afflicting Europe also other parts of the world. Turkey is a partner country of the EU in the field of export and import. In the field of exports, Turkey exporting agricultural products, primary textiles, and most are raw materials of industrial products.

One of the causes of the crisis is instability on domestic and international revenue. The growth rate of GDP dropped to 0.7% in 2008, when the effects of the crisis started to be felt, and Turkey's economy further declined at a rate of 14.3% in the first quarter of 2009. In 2009, Turkey's exports decreased by 13.2% and unemployment which is one of the main structural problems in this economy, reduced to 14.3%.¹ The decline was caused by reduced demand from Europe. The impact of the financial crisis in Europe against Turkey was of magnitude through trade especially in Turkey's exports directly or indirectly, because of Turkey's main export markets is mostly to the European Union. With the decline in demand from Europe then the Government must looking for new markets to divert exports its products so that the crisis can be solved in significant.

Because the level of magnitude of Turkey's export towards the EU, export performance resulted in Turkey depends on the conditions of the European countries requests. Decline and the weakness of the economy to members of the EU have an impact to export Turkey and manufacturing as depreciation. Turkey's trade relations with European Union decreased in line with the crisis, the current account improved macroeconomic data, deteriorating, Turkey has been affected by the bad from this crisis with negative growth rates, rising unemployment, and poverty.²

As one of the countries affected by the crisis in Europe, then the Government of Turkey needs a strategy in tackling the crisis. With the decline in demand from the European Union, then it will affect the economy of Europe with Turkey as the main export destination country by Turkey. These negative impacts will attack Turkey with a large number of unemployed as well as reduced employment and poverty is becoming a serious problem along with the onset of the crisis.

The economic crisis faced by Turkey have in common with the history of economic development of the Prophet while leading Medina. This history explains the strategies of Prophet in tackling the crisis faced by the Muslims when the Prophet and the companions do Hijrah to Medina where the economy still controlled by Jews who monopolize their market. This circumstance makes the economy of Medina needs improvement and economic development in line with building an effective Government for the passage of the new Government which wheel set all regulation of the life of society. Lifting of the Muhammad as the Messenger is a new era for

¹ Rem Yendi, "The Turkish Economy and The Global Crisis". International Business, Research, Teaching and Practice. 2012. p. 54

² Bertelsmann, Stiftung, 2010, Turkey Country Report: Managing the Crisis. Hal.16 www.bertelsmann-transformation-index.de/crisis diakses tgl. 28 Agustus 2017

the history of mankind. When the Prophet in Makkah were assigned to strengthen the Foundation of religion, namely the Islamic Aqidah, the Messenger just preaching and as leaders of religion. The State of Medina were chaotic when first the Messenger and his companions migrated from Makkah. Medina has yet to have a leader who is sovereign and the economy still weak and Medina leaning on agriculture.³

This article will focus on the strategy of the Government of Turkey in tackling the impact of the global crisis that hit Europe in 2008-2009 and to compare with the strategies of Rasullah in the developing economy of Medina. Cooperation done Turkey with countries advanced in economics is very influential in improving economic growth in Turkey, starting from the cooperation with Iran in the import of natural gas to the defense cooperation with Russia in the fight against Syuriah. These strategies have in common with the strategies of Prophet in the developing economy of Medina by leveraging the strategic role of the State and a key role in regional politics.

FRAMEWORK ANALYSIS

As for the framework analysis that the author use in this research is the application of Strategy of Prophet Muhammad in building the economy of Medina. Strategies of Prophet in the developing economy of Medina is the strategy that carried out the post-Hijra of Prophet from Makkah to Madinah. This strategy States that utilize some of the dominant sectors of the Messenger which belonged to Medina.

The dominant sectors in the form of:⁴

1. The utilization of natural resources by expanding the land productive.
2. build new markets as role models the market of Islamic Shari'ah.
3. Do political contracts with Arab tribes around Medina.

³ Karim, Adiwarmarman Azwar. (2006). Sejarah Pemikiran Ekonomi Islam. Edisi Ketiga. Jakarta: Rajawali Press. p. 195

⁴ Abd al-Mun'im (1981), *Mujtama' al-Madinah: al-Ijtima' al-Hadari*, Beirut: Dar al-Nahdah al-'Arabiyyah, h. 329

Strategies of Prophet has in common with the strategies undertaken in tackling economic crisis in Turkey 2008-2009. The utilization of natural resources by expanding the productive land is a strategy first implemented by the Prophet in the developing economy of Medina. The utilization of natural resources owned by Medina based on partnership with the House of emigrants and Ansar in managing resources are inadequate. In addition, the Messenger is also building a new market as role models the market the Islamic jurisprudence. This market is finally breaking down the capitalist market system justifies Jewish usury in the economy. The last strategy is to conduct a political contract against the Arab tribes around Medina. This strategy is the way of the Prophet in Medina with geographical harness plays an important role in regional economic cooperation to achieve to be able to do the export and import of goods to the income shortfall to Medina.

This strategy has in common with the strategy that applied to Turkey in tackling the impact of the economic crisis 2008-2009. In some of Turkey's strategy is to increase the proportion of industrial production factors and search for new markets instead of the traditional market in this case is Europe. with the decline in demand from Europe, Turkey seek new markets to increase exports as the action in reducing the impact of the global crisis.

RESEARCH METHODS

The method Comparative analysis will be used in an attempt to compare Turkey's strategy in tackling the crisis and strategies of Prophet in the developing economy of Medina. This comparison is intended to search and finding common ground between the two strategies. This method, which is in use to find similarities and differences about a thing that exists in a work about the procedures, ideas, criticisms of people, groups, against an idea or a work procedure. While the data collection method used is by way of a library research. Library Research is that is looking for a wide range of information, news analysis, concepts of experts thought the result embodied in books, journals, articles, the internet, print-related themes. Therefore, methods analysis of the data to be writers use is contextual and categorical methods.

RESEARCH RESULTS

Turkey's success such as Prophet's success in the developing economy of Medina, that is, by making use of the strategic location of the country and was instrumental in the market area, in collaboration with several countries around the region in completing the needs of the State. At the time of the Prophet, the Medina was the area that connected between East and West that was central to the merging of the traders of the world to Transact commerce. While Turkey's territory is strategically located in the middle of three continents with easy to reach an agreement economic cooperation and there are no fundamental constraints in the supply of required goods. By leveraging strategic layout and production factors are adequate, easy for Turkey to reach an economic cooperation with Africa's mutually beneficial.

As for the similarities between Turkey's strategy and strategies of Prophet is as follows:

1. Both utilize natural resources and increase the factors of production in the country making a productive community in the state
2. Building new markets or seek new markets to improve the number of consumers so the production can increase domestic production factors
3. Doing political contracts with neighboring countries and played an important role in regional politics by making use of the strategic location of the country

EXPLANATION

This research tries to compare the economic development strategies of Madinah under the leadership of the Prophet with strategies for tackling the impact of the European economic crisis on the Turkey's economy. The correlation that Turkey is affected by the crisis in Europe that has to rebuild foreign markets by doing some of the strategies and policies that decide the fate of Turkey in the future. While the economic development strategies of Prophet was Medina in synergizing the strength of Muslims during the Apostleship of Muhammad in terms of Economics and politics who at that time controlled by the Jewish capitalists in Medina market. Here is the results are summed up as Turkey's success in tackling the impact of the economic crisis in Europe.

A. Analysis of the Turkey's Strategies and Policies in Reducing the Impact of European Crisis

In tackling the impact of the European crisis, the Government of Turkey took the few steps that are able to boost the economy of the country. as for the strategies and Policies that carried Turkey are as follows:

1. Increasing the proportion of Production Factors in Turkey

One of the internal strategies for the Turkey's Government is to increase production of Turkey's industry previously that has been slumped by the European crisis. The strategy in the form of increased productivity in some sectors such as industry, manufacturing industry, and agricultural industry.

Based on the statements of the Department of Development Strategy and policy in Turkey 2010-2014, that in increasing international competition in the export sector, Turkey must perform the transformation in manufacturing and agricultural experience so that the structure of the production of increased height and increase in the high technology sector is achieved. Such strategies include:⁵

1. Innovation and the ability of the company
2. Effective Cooperation between industry sectors
3. Renewal of technologies and sustainable production.

these three strategies are part of increasing productivity and domestic value added

1. An effective Contribution in the area of regional towards national productive activities
2. Diversify of the export market.

Both the last number are strategies to ensure sustainable production and a high growth rate.

⁵ Department Of Strategy And Policy Development Dg Regional Development And Structural Adjustment, 2015, Development Of Manufacturing Industry And Policy Context In Turkey, [Http://Www.Rsjp.Gov.Rs/Malodrv0/02_Industrial_Policy_In_Turkey_Nuri_Baris_Tartici.Pdf](http://www.rsjp.gov.rs/malodrv0/02_Industrial_Policy_In_Turkey_Nuri_Baris_Tartici.Pdf)

The main objective of this strategy is to achieve sustainable growth in the economy of Turkey. It should improve the competitiveness of the private sector. At the end, the obstacles to competitiveness should be eliminated in achieving the success of this strategy.

Meanwhile, according to the Ministry of Industry and trade of Turkey about Turkey's industrial strategy is "to become the production base in Eurasia with intermediaries and high-tech products", this is a long-term strategy for Turkey. As for the overall strategy of the industry post-crisis Turkey is as follows: "to increase the competitiveness and efficiency of the Turkey industry and accelerate the transformation of the structure of the industry that has a lot more shares in world exports, particularly of products high tech with high value-added produced, which qualified labor and at the same time be sensitive to the environment and society ".⁶

The existence of the strategy is to make the creation of policies to build cooperation and for tackling the crisis of Europe. The specified policies relating to vertical and horizontal fields are expected to be implemented simultaneously.

2. Export Destination Country as Diversification strategy of Turkey

In particular, the global financial crisis that hit the European Union has made compulsory for Turkey to diversify the market based on the market. The decline in the value of the foreign trade and the rising deficit account has made Turkey to diversify based on products that are needed.⁷

Africa is the aim to diversify the export market of Turkey. Before the onset of the European crisis, Africa was not a country which became Turkey's foreign policy agenda, and in 2008 was held the first high-level Conference Turkey-Africa cooperation in Istanbul with the participation of more than 50 representatives from the countries of Africa. Still in 2008, Turkey's Foreign Minister, Ali Babacan stated that Africa had special importance to Turkey in the context of Turkey's foreign policy. Thus, it was decided to open 15 new

⁶ Ministry of Industry and Trade, 2010, Turkish Industrial Strategy Document 2011-2014 (toward EU Membership), https://www.ab.gov.tr/files/haberler/2011/turkish_industrial_strategy.pdf, diakses 18 January 2018. Hal. 13

⁷ Affendy Arip M, Yee LS, ve Abdul Karim B (2010) Export Diversification and Economic Growth in Malaysia, *MPRA*. Unimas Reitaku University. Diakses 2 Agustus 2017, pp. 1-10.

embassies in Africa in the next few years. Since then, Turkey's foreign policy orientation to Africa has attracted public attention as well.⁸

Thus, to support Turkey's market diversification strategy, it goes by doing some of the following strategies:⁹

- Increase the number of commercial Counsellor at the Embassy in Africa
- Increase the number of bilateral trade agreements and investment
- Increase the number of destinations from THY in Africa
- Increase the number of scholarships granted to African students to study in Turkey
- Encourage businessmen of Turkey to invest in and enhance activities in Africa
- Humanitarian activities through International Co-operation Agency (TICA) Turkey.

Strategies are a powerful tool for Turkey to create awareness among the African countries to establish bilateral relations with Turkey while creating awareness among Turkey's companies to improve relations with African countries through high-level conferences held by Turkey.

3. Changed the Orientation of Turkey's Foreign Trade Policies

Turkey has a foreign policy principle of "Peace at home, peace in the world". This principle put forward peace in his country and in the world. Therefore, it is necessary that a variety of policies exist to achieve these goals. The policy of a nation is affected by a variety of factors, one of which is a factor in domestic politics. After party Adalet ve Kalkinme Partition (AKP) came to power as a political actor in Turkey carries significant influence towards the implementation of foreign policy of Turkey. In the period before the

⁸ Ozkan, Mehmet, 2010, Turkey's Rising Role In Afrika, https://www.researchgate.net/publication/220048169_Turkey's_Rising_Role_in_Africa, diakses 28 Agustus 2017. Hal.94

⁹ The key governmental agency carrying out humanitarian and development assistance, <http://www.tika.gov.tr>, diakses 28 Oktober 2017

AKP, Turkey's foreign policy are west-oriented. Turkey was more focus of the strained relations with Europe and the United States.¹⁰

Since the AKP gained control of the Government in 2002, the foreign political orientation of Turkey was not only referencing to the EU and U.S. foreign policy of Turkey multidimensional. These changes are caused by changes in Turkey's foreign policy doctrine. Turkey's foreign policy doctrine during the AKP is known by the term Strategic Depth. Strategic Depth is a utilization factor conveniently located that naturally strengthens the defense capability of the country on the other side a challenge for a country that directly threatened by neighboring countries.¹¹ The doctrine is derived from the thought of Ahmet Dovutoglu; the former advisor for President 2003-2009 that emphasis on study of historical greatness back to Turkey (Usmany Dynasty) and the uniqueness of the geographic position of Turkey located in cross-region of Afro-Eurasia.¹²

In an International Conference at the University of Oxford, Dovutoglu explained that the doctrine of Strategic depth based on the four main contents. The fourth such content were:¹³

1. creating security in the region,
2. proactively being involved in various political dialogue,
3. Being regional economic interdependence, and
4. Promoting peace as well as the harmonization of multicultural and multisectarian

In carrying out the fourth, there were five principles in implementing it:¹⁴

¹⁰ Walliyudin. 2014. "Kerjasama Turki dengan Iran Pada Masa Pemerintahan *Adalet ve Kalkinme Partisi* (AKP). Skripsi Program Sarjana Fakultas Ilmu Sosial dan Ilmu Politik (FISIP), Universitas Islam Negeri Syarif Hidayatullah (UIN) Jakarta. p. 51-52

¹¹ *Strategic Depth Concept*, <https://nation.com.pk/16-Oct-2015/the-strategic-depth-concept> diakses 8 February 2018

¹² Kramer, 2010. "AKP's "New" Foreign Policy Between Vision and Pragmatism." German Intitute for International and Security affairs: Working Paper, FG 2, 2010/01, June 2010, SWP (Stiftung Wissenschaft und politik) Berlin. Hal.3-5

¹³ SEESOX (South East European Studies at Oxford). 2010. "Turkey's Foreign Policy in a Changing World: Old alignments and new neighbourhoods." Internasional Conference, Oxford, 30 April-02 Mei 2010. Diakses 30 April 2017

¹⁴ Dovutoglu, Ahmet. 2008. "Turkey's Foreign Policy Vision: an Assessment of 2007." Insight Turkey 10 (1): 77-80. Diakses 30 Oktober 2017

1. Providing the balance between security and democracy in the country.
2. A Zero Problem policy toward Turkey's neighbors
3. Developing relations with the neighboring regions and beyond
4. Adherence of multi-dimension foreign policy
5. Rhythmic diplomacy.

In the field of foreign trade of Turkey, Turkey's main market is the European Union. Before the onset of the European crisis, trade policy of Turkey still largely directed to Europe. Turkey's main exports are directed to the EU were 44.5% of the total overall exports of Turkey.¹⁵ It showed that almost half of the export market fell on Turkey to the European Union. The European crisis directly impacted very significantly to the economy of Turkey in the field of trade. It was evident during the crisis demand from European countries eased.

B. Strategies and Policies of The Prophet Muhammad In Building the Economy of Medina

1. Strategies of Prophet Muhammad

The economic state of Medina in the early days of Hijrah was very concern, under the leadership of Muhammad Medina managed to become a prosperous country and a transit trade route between the South and North of the Arabian Peninsula. It was inseparable from the strategies of Prophet met the needs of the Community goods suppliers Medina by doing a political contract with the Arab tribes around Madinah in their *Aqedah* though conflicting but could provide a positive impact to the economic life of the Muslims at that time.

As for the strategies applied by Muhammad in building the economy of Medina were as follows:¹⁶

1. Expanding the land productive for the utilization of natural resources.
2. building new markets as role models the market of Islamic Sharia.
3. Doing political contract with the Arab tribes around Medina.

¹⁵ Organization For Economic Cooperation and Development: Economic complexity of Turkey. [Http://atlas.media.mit.edu/en/profile/country/tur/](http://atlas.media.mit.edu/en/profile/country/tur/) diakses tgl 20 April 2017

¹⁶ Abd al-Mun'im (1981), *Mujtama' al-Madinah: al-Ijtima' al-Hadari*, Beirut: Dar al-Nahdah al-'Arabiyyah, h. 329.

These strategies had successfully brought the Muslims of Medina to the verge of success in the economy in the region of the Arabian Peninsula and could even beat the market the Jews who had previously become the largest trading center.

Natural resources utilization strategy though less adequately was managed with a good management by the Prophet Muhammad with synergy the capability of human resources, i.e. the Muhajirun trading expert and Anshar who was an expert in farming. Unwittingly, the Messenger made a productive community of Medina society by having its own market and implementing a healthy rivalry with Jews without having to close their markets. And in the end, the Jewish economy that was hundreds of years old, roll mats and broke even they became poor and finally close their markets.¹⁷

At the time of the Prophet, selling activity was focused on the market that was given the name of "*Suqul Ansar*" or Anshar's market. It was found by Abdurrahman bin ' Auf, a wealthy person who was filthy rich, under the direction of the Messenger. One hundred percent of this market was managed by Muslims themselves even the distance was not far from the Jewish market. All Muslims were called to do the buying and selling in this market. The Prophet implemented the business pattern with a healthy competition without the use of the authority the power to shut down the market. The goal was for the community to give judgment against both those markets.¹⁸

The Arab nation was famous for a nation that was fond of doing business. It because they did not have adequate resources to meet the needs of the living. Filmed Arab lands was a barren area of nan barren. They could not manage agriculture except in a small part of its fertile soils. Although surrounded by desert, its territory was halfway around the world that bring together the world's first line between the far East and the West. Thus, the Prophet Muhammad did a political contract with Region-Arab tribes around the Medina to meet the needs of the community of Medina by doing the trade.¹⁹ In addition, the Quraish was described by Allah in Surah al-Quraishi as people who love to trade to meet their needs. Allah says:

¹⁷ *Ibid*

¹⁸ Dr. Euis Amalia, *Sejarah Pemikiran Ekonomi Islam*, (Depok: Gramata Publishing, 2010), h.79

¹⁹ *Op cit*, Abd al-Mun'im, p. 330

لِإِيلَافِ قُرَيْشٍ، أَكْفِهِمْ رِحْلَةَ الشِّتَاءِ وَالصَّيْفِ

"because of the habits of the people of Quraysh, (i.e.) the habit of doing a trade trip in winter and summer." QS. Surah Quraisy: 1-2)

According to Philip k. Hitti in his History of the Arabs even mentioned the Arabs as a nation was the first to conduct international relations, and did the Prophet Muhammad who was a descendant of Quraish and had conducted the first ever since the age of nine. Blood merchants certainly flew inside the Messenger and became commonplace for him to trade with the Arab tribes around madinah to meet community needs. This strategy was the one who ultimately makes the Medina country that progress in the field of trade and not a few Arab tribes were interested in investing in the market.²⁰

With the strategies applied, Medina became rich production with wheat crops, vegetables, fruit and barley also. In addition, the city was also the largest exporter of the fruit of the date Palm or tamar especially towards the dry season.²¹ In this income only, Medina could play an important role in the economy in the surrounding region. In addition, Medina also imported some staples such as wheat flour, beef fat, honey and some other types of food are imported from Neighbouring countries such as Jordan, Palestine and surrounding countries.²²

The main principle in applying strategies that was at-ta'awun. This principle was the principle of mutual help to help fellow Muslims in order to achieve the efficient use of social meaning how the economy can be managed together so well that prosperity and welfare could be achieved in the sense that indeed.

وَتَعَاوَنُوا عَلَى الْبِرِّ وَالتَّقْوَىٰ، وَلَا تَعَاوَنُوا عَلَى الْإِثْمِ وَالْعُدْوَانِ، وَاتَّقُوا اللَّهَ، إِنَّ اللَّهَ شَدِيدُ الْعِقَابِ

²⁰ Al husaini M. Daud, 2011, Sejarah Sosial Arab-Islam Pada Abad VIII dan IX M (Studi tentang pranata social Era Abbasiyah), dalam: <https://media.neliti.com/media/publications/56776-ID-sejarah-sosial-arab-islam-pada-abad-viii.pdf>, h.342

²¹ Mansur, Peradaban Islam dalam Lintasan Sejarah (Yogyakarta: Global Pustaka Utama, 2004), h. 37.

²² Op cit, Al Husaini M. Daud

"And help each other in (working on) virtue and piety, and do not help each other in sin and transgression. And piety summons you to God, verily, God is very serious punishment." [al-Ma'idah/5 : 2]

The strategy had been created by the policies of a country i.e. the Charter of Medina. Based on the strategy on points, one and two authors took the conclusion that points were creating the life State. It was known that the Charter of Medina was a treaty between the Muslims and Jews and the other set of obligations and rights of the Muslims well Muhajirin or Ansar.

2. The Policies of the Prophet in Managing the Economy of Medina

Before discussing the problem of the economic policy of the time of the Messenger of Allah, it needs to know about principle economic policy in Islam. This principle is the Almighty God as the Supreme ruler and owner of the whole universe, man is merely the Caliph, should not hoard wealth, and eliminating the elements of usury, and assigning legacy systems as redistribution of wealth that can reduce a variety of individual conflicts.²³ In addition, the Prophet also established the foundations of the life of the community:²⁴

1. Built the mosque as Islamic Centre
2. Established Ukhuwah Islamiyya among the Muhajirun and Ansar
3. Established peace in the country
4. Pulled out the rights and obligations of citizens
5. made the Constitution state
6. Drew up the country's defense system
7. Put the financial fundamentals of the country

From the principle of economic and social life basics, resulting the policies in the economy of Medina, included:

1. Fiscal Policy and

²³ Op cit, Dr. Euis Amalia, h.77

²⁴ Ikhwani A. Basri, Menguak Pemikiran Ekonomi Ulama Klasik, (Jakarta:Aqwam,2007), h.46

2. Monetary Policy

Fiscal policy was the policy that governs the flow of funds that existed in the Government, in order to execute the function that carried out by development programs. Both of which were abstract like a moral or physical development such as economy.²⁵ While monetary policy was the Act of the sovereign to influence the amount of money in circulation that would affect the economic activities of the community.

a. Fiscal policy

Fiscal policy begets Bitul Mal. Bitul mal was a special institution dealing with treasure received by State and allocated for Muslims who were entitled to receive it, because Islamic Treasury was the most important economic policy at that time. The first establishment of the Baitul Mal as an institution was after the fall of the word of Almighty God, that at Badr after the war and the time of the companions at loggerheads about the treasure spoils.²⁶

It was narrated from Sa'eed Ibnu Zubayr who said: ' I've asked Ibn Abbas regarding Surat al-Anfal, then he answers: ' sura al-Anfal descended on Badr. ' He was the first property Badar retrieved the Muslims after he retrieved from the expedition (Saraya) Abdullah bin Jahsyi. At that moment, God explains the law about the Division and make it as a right of all the Muslims. In addition, God also gives authority to the messenger of Allah to share it by considering the benefit of Muslims, so that he could be the right Islamic Treasury. The treasure of the spending done by the Caliph in accordance with his opinion in order to realize the benefit of them (Muslims).²⁷

b. Monetary Policy

Monetary policy was closely related to money. Before knowing the period of monetary policy, the Prophet Muhammad, first we have to know what money was in effect at the time of the Prophet.

²⁵ *Ibid*

²⁶ Abdul Qadir Zallum, *al-amwal fii daulah khilafah*, (darul ulum:1982)

²⁷ *Ibid*

The Prophet set (with taqdir, usage), dirham and dinar and declared it as currency. The Messenger also set the scales of currency dinar and dirham as had been held on the Quraish.

From Thawus from Ibn Umar, the Prophet said: the scales are the scales of inhabitants of Makkah, and measure and then measure the inhabitants of Medina. Al-Baladzuriy narrated from Abdullah ibn Tha'labah bin Sha'ir:

Hirakliy dinar and dirham Persian commonly used by the people of Makkah in the time of Ignorance. But they don't use it in selling, except making it (the scales) silver bullion. They already knew the scales mitsqal. His scales are 22 qirath less (a dirham) D'andrea. And the scales of 10 dirham equals 7 mitsqal. One rithl equals 12 uqiyah, and every one uqiyah the same as 40 dirhams. And the Prophet let it. than did Abu Bakr, Umar, Uthman and Ali.

Thus, the Muslims had used the form, prints, and drawings Hirakliy dinar and dirham kiswa in the time of Prophet Muhammad, the Caliph Abubakar and the beginning of the era of Caliph Umar. In the 20th year of Hijri in the 8th year of the reign of Caliph Umar, he scored a new dirham Sasanid based. Forms and scales remain referred to (dirham) kiswa, pictures and writings patterned Bahlawiyah (Pahlevi). It is just that he added to his writing with *بِسْمِ اللَّهِ* and with God's name (for example, *بِسْمِ اللَّهِ* -kufi Arabic letters use (with the name of Allah is my God). Then the Muslims continued to use money that refers to the dinar (Forms) of the Byzantine and Sasanid dirham, there was only an additional word of Islam with the use of the Arabic alphabet. This state of Affairs continued until the time of the Caliph Abd al-Malik ibn Marwan. In the year of 75 or 76 H Caliph Abdul Malik ibn Marwan scored a dirham characteristic of Islam, containing the texts of Islam by using khath-kufi, while the shape of the Sasanid was abandoned. In 77 H, it was printed dinar which was the characteristic of Islam and engraved inside the Islamic texts with Arabic khath-kufi, while Byzantine shaped dinar was being abandoned. After the Caliph Abdul Malik ibn Marwan scored the dinar and dirham as the characteristic of Islam, Muslims had currencies that were characteristic of Islam, and put off other currencies.²⁸

²⁸ Abdul Qadir Zallum, *al-amwal fii daulah khilafah*, (darul ulum:1982)

From the explanation above about the money then it can be drawn the conclusion that the currency that was valid at the time of the Prophet was the dinar and dirham. It had many advantages compared to paper currency in circulation now. Its value relatively stable that was one of the advantages of this currency. If the query increases money, money will be imported. If the demand for money has decreased, then the commodity to be imported. However, at that time there was a surplus of money in circulation in people relative to inflation that was not occur, because the money was converted into jewelry.

CONCLUSION

The 2008 European crisis was a serious problem concerning the large-scale economy and practical monetary policy that directly impacted to the economic activities such as import-export. The European crisis began slumped since 2008 and continued until 2012. It began with the crisis of Greece attractive members of the EU to the brink of an economic slump that cannot be avoided any longer. Turkey that relied on exports for the national income was also inseparable from the influence of the European crisis in the field of trade. Turkey-EU direct trade had made Turkey turn into crisis because it has no other significant markets such as the EU. The crisis made the European zone economy weakened and leads to a decrease in demand for associate countries that are actively exporting their products as it does happen with Turkey.

The impact of the crisis in Europe to Turkey which exported decline in dependence with Europe directly was forcing Turkey to get new measures to tackle the crisis. The strategy was improving industrial production factors and strategy of diversifying export destination country into a strategy that relied on Turkey in the reduction of the impact of the European crisis in 2008-2009. The Government of Turkey through the Department of Development Strategy and policy designed a strategic plan 2010-2014 as an effort in reducing the impact of the crisis in the field of trade. In the strategic plan for the Government of Turkey stressed that Turkey needed to improve in order to achieve industrial production factor productivity and domestic value added. In addition, through the Ministry of Industry and trade in the Turkey-Africa SUMMIT held in Istanbul stressed that Turkey must develop broader export markets.

The strategy of Turkey had in common with the strategy that carried by the Prophet. As for the Correlation was seen of how Turkey wanted to make its population as a productive society that can compete in the global market. As for the form of the similarity of this strategy was:

1. Both utilize natural resources and increase the factors of production in the country making a productive community in the state
2. Building new markets or seek new markets to improve the number of consumers so the production can increase domestic production factors
3. Doing political contracts with neighboring countries and played an important role in regional politics by making use of the strategic location of the country

What had the Prophet shown that Islamic economic actually had provided solutions to problems of economic issues especially the financial crisis. The success of the Prophet showed that the Prophet Muhammad was an economist that was capable of tackling the problem of the economic crisis even in places that lack of resources though. Strategies of Prophet was that almost resembles the strategy of Turkey to become a respected country in the world of Commerce and politics as well as Medina during the reign of the Prophet who was respected by other countries of the economic and political sectors.

Unwittingly, Turkey's success in tackling the impact of the economic crisis turned out to have in common with strategies of Prophet Muhammad, strategies that was used by Turkey in managing that brought Turkey to a significant economic development characterized by good growth in 2010 from the industrial sector and exports of Turkey. Cooperation with neighboring countries entwined with harmonious and reach agreements that were mutually beneficial to each other.

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