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Political and Social Changes in the Muslim World with Special Reference to Development, Knowledge and Freedom deficits

Written by: Professor Riaz Hassan

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Political and Social Changes in the Muslim World with Special Reference to Development, Knowledge and Freedom deficits

Riaz Hassan*

A persistent theme in the Qur'an commands Muslims 'to establish a political order on earth for the sake of creating an egalitarian and just moral-social order'. According to Fazlur Rahman this is one of key intellectual messages of the Qur'an. Ernest Gellner in his seminal book *Muslim Society* boldly asserts that by various obvious criteria-universalism, scripuralism, spiritual egalitarianism, the extension of full participation in the sacred community, not to one, or some, but to all, and the rational systemization of social life-Islam is, of the three great Western monotheisms, the one closest to modernity. The modern Muslim world is a pale shadow of Gellner and Rahman's characterization of Muslim society. Islam's spiritual and moral egalitarianism has not bolstered some of the key benefits of modernity namely economic prosperity, democratic freedoms and advancement of knowledge in the Muslim world. An astute observer would have little difficulty in assembling volumes of data to demonstrate the acute development, freedom and knowledge deficits in the Muslim world. This has given rise to a contentious debate about the causes of these deficits. In this paper I will attempt to examine these deficits in some detail and discuss explanatory frameworks which may account for them.

Introduction:

According to the eminent Pakistani Islamic scholar Fazlur Rahman a persistent theme in The Qur'an commands Muslims 'to establish a political order on earth for the sake of creating an egalitarian and just moral-social order' (Rahman 1989, p.62). He goes on to assert that this is one of key intellectual messages of the Qur'an. Ernest Gellner in his seminal book *Muslim Society* boldly asserts that: "By various obvious criteria-universalism, scripuralism, spiritual egalitarianism, the extension of full participation in the sacred community, not to one, or some, but to all, and the rational systemization of social life-Islam is, of the three great Western monotheisms, the one closest to modernity" (Gellner 1983 p 7). He goes on say that had the Arabs won at Poitiers and gone on to conquer and Islamise Europe, we should all be admiring Ibn Weber's *The Kharejite Ethic and the Spirit of Capitalism* which would conclusively demonstrate how the modern rational spirit and its expression in business and bureaucracy could only have arisen in consequence to neo-Kharejite puritanism in northern Europe and not if Europe had stayed Christian "given the inveterate proclivity of that faith to a baroque, manipulative, patron-ridden, quasi animistic and disorderly vision of the world" (Gellner 1983 p 7).

The modern Muslim world is a pale shadow of Gellner and Rahman's characterization of Muslim society. Islam's spiritual and moral egalitarianism has not bolstered some of the key benefits of modernity namely economic prosperity, democratic freedoms and advancement of knowledge in the Muslim world. An astute observer would have little difficulty in assembling volumes of data to demonstrate the acute development, freedom and knowledge deficits in the Muslim world. This has given rise to a contentious debate about the causes of these deficits. The culprits identified by social scientists include Islamic theology and culture (Huntington 1996, Lewis 2002. Lakoff 2004), oil (Ross 2001), Arab-specific culture/ institutions (Sharabi 1988, Noland 2008), Palestinian-Israel conflict (El Badawi and Makdisi

2007, Diamond 2010), 'dessert terrain and institutions' (Haber and Manaldo 2010), weak civil society (Pamuk 2004, Kuran 2011) and the subservient status of women (Fish 2002). In this paper I will attempt to examine these deficits in some detail and discuss explanatory frameworks which may account for them.

Development Deficit

In 2010 there were over 1.6 billion Muslims constituting around 20 per cent of the world population. Over one billion of them live in 48 Muslim majority countries. Asia is home to 66 per cent of world's Muslims of which almost half (536 millions) live in South Asia. Economically Muslim countries are very diverse. There are a few rich countries but on the whole most Muslims live in poor and lower end of middle income economies. Table I gives the distribution of Muslims in different types of economies.

Table: Distribution of Countries and Population by Income Level of Economy in the World and Muslim World* 2008

Type of Economy GNI per capita	World population		Muslim economy groups as % of total Muslim population		Muslim economy groups as % of different world economy groups	Muslim economy group population in relation to total world population
	Number (m)	%	Number(m)	%	%	%
Low income per capita Less than $US 975	976 43 countries	15	352 18 countries	25	36	5
Middle income per capita $US 976-11905	4652 101 countries	69	993 23 countries	72	21	15
High income per capita Greater than $US 11905	1069 66 countries	16	35.8 7 countries	3	3	0.5
	6697 210 countries	100	1381 48 countries	100		20.5

*Excludes Iraq and Somalia
Source: The World Bank Development Indicators (WDI): http://databank.worldbank.org/ddp/home.do

Muslims countries tend to be poorer than non Muslim countries. Their economic backwardness is best illustrated by the fact that Muslims constitute 19 per cent of the world population but earn only 6 per cent to its income. What accounts for this development deficit? According to Adam Smith economic growth is "the natural course of things" because of people acting in their own best interest and the pressure of competition from the "invisible hand". From this behavioural perspective economists see development as a long-run sequence of decisions by economic agents, acting in their self-interest, that culminate in rising investment and higher labour productivity (Timmer and McClelland 2004). An important question that arises is whether there are Islamic theological injunctions that act as behavioural impediments to these elements. In other words: Is Islam inimical to economic growth? In general this is not borne out by empirical studies. According to one of the most detailed empirically analyses of this question, "Islam does not appear to be a drag on growth or an

anchor on development as alleged. If anything, the opposite appears to be true" (Noland 2003).

In regards to economic backwardness the evidence shows that before the balance of power had shifted after the European expansion in the 17th century the Middle East was economically just as dynamic as Europe. Muslim merchants were just as successful in carrying their commerce and faith to far corners of the world as their European counterparts if not more. According to economic historian Angus Maddison in the year 1000 AD the Middle East's share of the world's gross domestic product was larger than Europe's -10 percent compared with 9 percent. By 1700 the Middle East's share had fallen to just 2 percent and Europe's had risen to 22 percent. The standard explanations for this decline among the Western scholars are that Islam is hostile to commerce and the Islamic ban on usury but these bans are routinely circumvented. Islamic scripture is more pro-business than Christian texts and as for usury the Torah and Bible do the same. The Prophet Muhammad and his first wife Khadija were both successful merchants. Many Muslims blame their economic backwardness to Western imperialism. But then why did a once mighty civilization declined and succumb to the West?

A recent book by American economist Timur Kuran, *The Long Divergence: How Islamic law Held Back the Middle East* (2011) offers an answer to the puzzle that, If Islam is not the cause then what may account for the development deficit in the Muslim world? He marshals impressive empirical and historical evidence to show that what slowed the economic development in the Middle East was not colonialism or geography or incompatibility between Islam and capitalism but laws covering business partnerships and inheritance practices.

These institutions had benefited the Middle Eastern economy in the early centuries of Islam but starting around the tenth century they began to act as a drag on economic development by slowing or blocking the emergence of central features of modern economic life - private capital accumulation, corporations, large-scale production and impersonal exchange. Islamic partnership, the main organizational vehicle for businesses of the Muslim merchant classes, could be ended by one party at will and even successful ventures were terminated on the death of a partner. As a result most businesses remained small and short-lived. Most durable and successful business partnerships in the Muslim world were operated by local non-Muslims. Inheritance customs hindered business consolidation because when a Muslim merchant died his estate was split among surviving family members which prevented capital accumulation and stymied long-lasting capital intensive companies. The resulting organizational stagnation then prevented the Muslim mercantile community from remaining competitive with its Western counterparts (Kuran 2011).

Kuran also shows how the *waqf system* impeded application of capital to productive and innovative developments. The wealthy used *waqf system* to circumvent Islamic inheritance law which stipulates that two thirds of the estate must be divided among relatives that prevented concentration and accumulation of wealth. *Waqf* was a type of trust established by the wealthy turning private property and wealth into an endowment to support any social service permissible under Islamic law. The individual and his family became the proprietor manager and derived monetary benefits from the *waqf*. In return for this material security the *waqf* supplied social services for the public thereby unburdening the state from supplying them. The *waqf* partly overcame the problems of fragmentation of wealth but it was not a corporation which could change its founding purpose. It had no legal status as an

organization and its functions were fixed for perpetuity. The end result was that *waqf system* locked resources into uses that became obsolete over time and *waqfs* could not merge to pool resources for productive investments (Kuran 2011, 2003). In short the *waqf system* was inimical not only to capital accumulation but also to its productive use.

Freedom Deficit

According to a Freedom House study there is an "expanding gap in the levels of freedom and democracy between Islamic countries and the rest of the world". A non-Islamic country was more than three times likely to be democratic than a Muslim country (http://freedomhouse.org/article/new-details-islamic-worlds-democarcy-deficit accessed 9 June 2004). Of the world's 192 countries, 121 are electoral democracies. But only 11 of the 47 Muslim majority countries or 23 percent have democratically elected governments. In comparison among 145 non-Muslim countries 110 or 75 per cent were elected democracies. In other words a non-Muslim state was three times more likely to be democratic.

Democracy deficit was especially pronounced in the Arab world where none of the countries were democratic. The study found that a large proportion of Muslims lived in electoral democracies which included Turkey, Pakistan, India, Bangladesh and Indonesia. The study also found a positive relationship between economic development and democracy. Another empirical study of democracy (political liberalism) and poverty found that: "the greater the percentage of Muslims in the population, the lower is the political rights in the country" (Pryor 2007). Does this mean that Islam and Islamic culture are inimical to political freedom and democracy?

The Harvard university economist Eric Chaney has examined this question in a historically and empirically grounded study. Chaney's study debunks the theories that root cause of democratic deficit is Islam /Arab cultural patterns, oil, Arab-Israeli conflict or desert ecology. Chaney shows the democratic deficit, as reflected in the prevalence of autocracies in the Muslim-Arab world, is real. But it is a product of the long-run influence of control structures developed in the centuries following the Arab conquests. In the ninth century rulers across this region began to use slave armies as opposed to the native population to staff their armies. These slave armies allowed rulers to achieve independence from local military and civilian groups and helped remove constraints on the sovereign in pre-modern Islamic societies. In this autocratic environment, religious leaders emerged as the only check on the power of the rulers. This historical institutional configuration which divided the power between the sovereign backed by his slave army and religious elites was not conducive to producing democratic institutions. Instead religious and military elites worked together to develop and perpetuate what Chaney calls "classical" institutional equilibrium - which is often referred to as Islamic law- designed to promote and protect their interests.

Ostensibly religious leaders devised 'equilibrium institutions' to protect the interests of the general public but in effect this institutional configuration cast an autocratic shadow across centuries. Rulers came to rely on slave armies, freeing themselves from dependence on civil institutions. Religious leaders cooperated with the army to design a system that proved hostile to alternative centres of power. This concentration of power and weak civil societies are the enduring legacy of this historical institutional framework in regions conquered by Arab armies and which remained under Islamic rule from 1100 AD onwards.

However regions incorporated into the Islamic world after they were conquered by non-Arab Muslim armies such as India and the Balkans and where Islam spread by conversion (e.g.

Indonesia, Malaysia, and Sub-Saharan Africa) did not adopt this classical framework. Their institutions continued to be shaped by local elites which preserved their political and cultural continuity. Consequently democratic deficit has remained an enduring legacy in the Arab world and in lands conquered by the Arab armies and remained under Islamic rule from 1100 AD onwards. But the Islamic countries incorporated into the Islamic world by non-Arab Muslim armies or by conversions the democratic developments have followed a more progressive trajectory (Chaney 2011).

Knowledge Deficit

In the 2013 *Times Higher Education* world rankings of Universities not a single university from 47 Muslim majority countries with a population of over one billion or 17 per cent of world's population found a place in the top 200 universities in the world. This has been a recurrent pattern over many years and signifies a serious academic and intellectual crisis. By comparison the United States with less than 5 % of the world population had 75 universities in the top 200. According to the late Pakistani physicists and Nobel Laureate Abdus Salam 'of all civilizations on this planet, science is weakest in the land of Islam' (cited in Hoodbhoy 1992).

Several factors can account for this crisis, the most important being the meagre resources allocated by Muslim countries to research and development. The science budgets of the Organization of Muslim Countries (OIC) are near the bottom of the world league. According to a recent estimate based on the UNESCO and the World Bank data from OIC countries between 1996 and 2003 the average annual R&D spending was .34 % of GDP, much lower than the global average over the same period of 2.36 %. Many OIC countries, particularly the richest, spend more on armaments than on science or health. Six of the world's top ten military spenders as a share of public spending are OIC countries: Kuwait, Jordan, Saudi Arabia, Yemen, Syria and Oman spent over 7 % of their GDP on arms. While the science spending is among the lowest, spending on education is more variable. Malaysia, Saudi Arabia, Yemen, Morocco, Tunisia and Iran were among the top 25 spenders on education in 2002 (Butler 2006).

According to the World Bank's 'education index' of the poorest performers in 2002, 15 are OIC countries including several African countries, Bangladesh and Pakistan. The low investment in science and technology is also reflected in poor scientific outputs including low levels of scientific articles and number of researchers. In 2003, the world average for production of research papers per million of population was 137. The OIC average was only 13. Not a single OIC country reached the world average. Moreover, with the exception of Turkey and Iran, the numbers of papers produced by 24 OIC countries for which the data are available have either remained flat or declined. Turkey's publication rate has grown from around 500 in 1988 to 6000 in 2003. In the case of Iran from a low base of less 100 papers per year ten years ago number has increased to nearly 2000 (Butler 2006).

Part of the obvious explanation for these conditions is related to inadequate public investment in education and R&D. But an important cause of their present predicament can also be attributed to prevailing cultural and political practices. Countries like Korea, Singapore, Taiwan, China and India have taken notable strides in the fields of science and technology and are now among the major emerging economies. Institutions of higher learning thrive in societies with a robust civil society based on institutional and ideological pluralism strong enough to counterbalance and resist the power of the central institutions of the state over

power and truth. This is unfortunately lacking in Muslim societies. Most of them have weak and underdeveloped civil society.

In many Muslim societies there is another and growing obstacle. They are coming under increasing pressure from religious fundamentalist movements to impose epistemologies compatible with their versions of Islamic doctrines that are generally hostile to critical rational thought. The tension between fundamentalist and moderate / progressive strands of Islam invariable spills over into the political arena. We are witnessing this phenomenon unfolding in a number of Muslim countries including Pakistan, Afghanistan, Egypt, Iraq, Syria and Nigeria. But in many countries where this challenge is being mounted there are few mechanisms for open political expression, so the political challenge is posed as a religious challenge. And when secular governments try to supress radical religious challenges through violent means the non-state actors resort also to violent means including terrorism making the problem worse. These conditions then lead to political instability which becomes a major impediment to good governance vital for good economic performance.

These conditions are stifling the development of pluralistic and tolerant civic cultures conducive to the development and growth of vibrant universities. A robust civil society is a prerequisite for the development of countries based not on the tyranny of strongly held convictions and beliefs but on a social order based on doubt and compromise. Science and technology prosper only under conditions that privilege the rule of reason and nature.

In the knowledge economy of the third industrial revolution, the creation of wealth will rely primarily on "brain industries". Members of the Organization of Islamic Countries produce hardly any patents and are among the lowest exporters of high-tech exports as a percentage of total exports. These scientific, technological and intellectual conditions are going to have far-reaching socioeconomic repercussions. The intellectual stagnation of Muslim countries threatens to imprison a significant proportion of humanity in permanent servitude. The magnitude of this problem is going to increase in the next fifty years. According to recent estimates of religious demography of the world, Islam will be largest religion in the world with close to three billion followers. It would have 1.2 billion more adherents and one out of every three people in the world will be a Muslim. There is thus a great urgency to create and nurture conditions promoting academic excellence and to develop strategies to arrest the decline of higher learning. Only this will ensure an honourable survival of future generations of Muslims. This is probably the greatest challenge facing the governments of Muslim countries today.

Concluding Remarks

What are the implications of this for the Muslim world? Is history the destiny? There are some optimistic developments which suggest that it may be possible for the Muslim world to escape from its autocratic past marred by development, knowledge and freedom deficits. Many Muslim countries have undergone structural changes such as increasing levels of education, urbanization and industrialization over the past 60 years which have made them more receptive and conducive to democratic change more than any time in the past. The widespread uprisings of the Arab Spring which have swept the Arab world since 2011 are unprecedented in the region’s history. This does not preclude the emergence of political equilibrium in Muslim countries like Egypt, Iraq and Yemen, similar to the historical equilibrium.

The structural changes in the Islamic world have heightened tension between the two main traditions of Islam namely popular/sufi and scripturalistic traditions. Historically the popular tradition has been the dominant tradition permeating the social cultural life of Muslim masses. But increasing urbanisation and literacy has galvanised appeal of the scripturalistic tradition especially in urban areas. This tension is manifesting in Islamization movements which at their core represent an existential struggle between the two traditions of Islam for political and spiritual domination.

Muslim societies are struggling to develop a 'compact' between the two traditions to coexist in mutual harmony. Only Indonesian Islam appears to have succeeded in evolving such a 'compact' between the two traditions represented by Nahdlatul Ulama (popular/sufi) and Muhammadiyah (scripturalistic) which has contributed to Indonesia's political stability and spurred its economic development. Other Muslim countries may have to develop their own appropriate versions of such 'compacts'. These 'compacts' can only be sustained in pluralistic cultures which nurture and value religious and ethnic diversity. Unfortunately many Muslim countries including Pakistan, Afghanistan, Iraq, Saudi Arabia, Egypt and Syria are struggling to evolve such cultures and in the interim experiencing political and social instability that is accentuating their economic and political woes.

There is another aspect related to the nexus between religion and identity in the Muslim world. Almost all Muslim countries are religiously and ethnically diverse but they publicly and legally privilege only the Muslim identity that is grounded in the observance of hegemonic religious traditions and do not provide adequate opportunities for the expression and growth of Muslim identity/identities grounded in minority sects. For example in Pakistan only particularly Sunni religious identities are officially privileged and members of Ahmadi sect are discriminated, persecuted and denied public recognition as Muslim. The same applies in Saudi Arabia which privileges Wahabism and Iran where the Shiaism is privileged. Empirical evidence also suggests that for a significant proportion of Muslims ethnicity and heritage play a defining role in their being Muslim. By heritage I mean family, national and ethnic and family affiliations. For example Kazak Muslims identity is primarily derived from their ethnicity As a consequence Muslim countries are contributing to institutionalization of hypocrisy through a whole range of laws and oppressive norms and practices. Such practices are not conducive to the emergence of vibrant open and fair civil societies (Hassan, Corkindale and Sutherland, 2008).

There is one clear sign that Muslim countries will follow different trajectories. Countries like Turkey, Albania, Bangladesh, Malaysia and Indonesia are more likely to defy history than the Arab countries but poverty and weak civil institutions will remain obstacles to democratic change. In economics the process of economic growth is conceptualised around three variables: trade and specialization, investment and technology, and increasing returns to research and development or knowledge creation. These variables are interconnected but each has been found to have a significant effect on the rate of economic growth. Islamic beliefs and values may not be inimical to economic growth but the prevalence of poverty in the Muslim world accentuates the scale of freedom and knowledge deficits which in turn have deleterious impact on economic development. The road to overcome these deficits in the Muslim World ultimately lies in the establishment of politically accountable governments capable of delivering effective and efficient public services including universal quality education, the rule of law and in the development of pluralistic civic cultures which nurture and value good governance.

***Professor Riaz Hassan** is Director of the International Centre for Muslim and non-Muslim Understanding, University of South Australia and Visiting Research Professor Institute of South Asian Studies, National University of Singapore. This paper is based on the material published in my books*: Inside Muslim Minds* (Melbourne University Press 2008) and *Islam and Society: Sociological Explorations* (Melbourne University Press 2013)

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