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# Religiocultural Identity and Socioeconomic Development in the Muslim World

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Despite regional, ethnic, and historical peculiarities, the contemporary Muslim world—approximately one billion people inhabiting roughly fifty Muslim-majority independent nation-states and living as minorities in many others—is marked by two common characteristics: the growing assertiveness of Islam and its culture in most of its followers' activities and aspirations and the relatively underdeveloped socioeconomic condition of most Muslim countries.

Although not statistically quantifiable, rising religiosity within the Muslim world is a universally recognized phenomenon. This assertion can be supported by the following evidence: a) The literary output of scholars and journalists during the last two decades on “Islamic fundamentalism,” “militant Islam,” “radical Islam,” “resurgent Islam” and so on, despite the implied distortions, simplifications, and prejudices in content, is a nominal index of this universal recognition; b) the number of international conferences held almost routinely in both the Muslim and non-Muslim worlds to study issues relating to Islam and its adherents, as well as the mushrooming number of organizations and institutions that have adopted the banner of Islam and Muslims since the dawn of the 1970s, indicate a growing Islamic assertiveness; and c) the Muslim penchant for building new and ostentatious mosques during the last two decades, the ever-increasing

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personal commitment to regularize daily prayers and other obligatory religious practices, and the broadening of *da'wah* work to include social and educational activities. If the contemporary Muslim world is said to be passing through a period of "creative tension," it is the quest for a religious-cultural identity that is the main contributor.

While the desire for this identity is on the ascent, the socioeconomic conditions of the vast majority of Muslims remain pathetically underdeveloped. Statistical data relating to per capita income, literacy rates, and health and nutrition levels confirm the third world status of all Muslim countries and the socioeconomic deprivation of most of their citizens. Even the accumulation of petrodollars during the last twenty years in the sparsely populated Arab countries and the outflow of some benefits to several other Muslim nations have not changed the overall picture significantly.

Hassan's overview of 34 Muslim countries, based on the *World Bank Development Report* of 1990, shows that in 1988, 65.7 percent of all Muslims (approximately 590 million) lived in low-income countries with an annual per capita income of US\$545 or less.<sup>2</sup> Another 32.3 percent (approximately 290 million) resided in middle-income economies with a per capita income of between US\$546 and US\$5,999. Only the remaining 2 percent (approximately 18 million) were living in high-income economies with over US\$6,000 per capita income. *The Human Development Report* of 1994, published by the United Nations Development Program (UNDP), which includes 46 Muslim nations in its survey of 173 countries, classified 19 of them (approximately 709 million people) as low-income economies with a GNP per capita of US\$650 or less. Another 20 (approximately 328 million) are middle-income economies with a GDP per capita of between US\$651 and US\$6,000. The remaining 7 countries (Bahrain, Brunei Darussalam, Kuwait, Oman, Saudi Arabia, and the United Arab Emirates [UAE]), all oil-exporting rentier economies with a combined population of approximately 22 million, are in the high-income category. It should be noted that six of the new Central Asian republics (Azerbaijan, Kazakhstan, Kyrgystan, Tajikistan, Turkmenistan, and Uzbekistan) are categorized as middle-income countries. Their populations (approximately 60 million) enjoyed a better living standard under a planned economy.

In another interesting and comparative per capita income analysis, Thurow shows that, in 1870, not one Muslim country was to be found on the list of the twenty richest nations, while in 1988 only the UAE and Kuwait, due solely to their rentier income, had managed to join that prestigious league. When the purchasing power of each country's GNP was converted from domestic into international terms, however, only the UAE remained.<sup>3</sup> Finally, in the estimate of a leading historian, the chances of a Muslim country rising to economic dominance in the twenty-first century is rather bleak.<sup>4</sup>

The stratification of countries according to their per capita GNP is now considered a discredited measure that distorts reality. Based on its sustainable development paradigm, the UNDP recently adopted a different

and composite measure to assess the status of human life and then to classify countries into high-, medium-, and low-development categories. Although this exercise has some serious limitations and biases, as pointed out by Muzaffar,<sup>5</sup> it is a much-improved one when compared to the conventional GNP measure. The Human Development Index (HDI) takes into consideration not only the per capita GNP but also such factors as life expectancy at birth; percentage of population with access to health services, safe water, and sanitation; daily calorie supply; and adult literacy rate. Based on the resulting data, the HDI report states that of the 46 Muslim countries studied, 19 were in the low-development category, 25 (including the new Central Asian republics) were in the medium-development category, and just 2 tiny states, Brunei and Kuwait, with a combined population of under 2 million, were in the high-development category. Even within the 19 low-development countries, 15 fell into the least-developed subcategory. None of these 46 countries, with the exception of Albania (the poorest country in Europe), is considered industrialized. We will comment more on certain aspects of this development later.

For now, it is sufficient to note the following dichotomy: There is an upsurge of religious consciousness and an increasing desire to bring Islam back to the center of Muslim thought and action while, at the same time, most Muslims live in abject poverty and squalor. As Tibi writes, the revitalization and repoliticization of Islam is "an expression of the identity crisis and material misery of the Islamic people."<sup>6</sup> This raises a specific issue: Is there an inherent conflict between religiosity and material development, or is the recent resurgence of Islam the solution to many of the Muslim world's current socioeconomic ills? If the answer to the first part is affirmative, can there be a strategy for reconciliation? This issue dominates the current Muslim intellectual debate, which we will now enter from the side of political economy.

The Muslim loss of hegemonic political power, economic vitality, and sociocultural primacy dates back to the decline and disappearance of the 'Abbāsid Caliphate (750-1258) or the period of "High Islam."<sup>7</sup> More recently, the accelerated collapse of the Muslim world can be traced to the following developments: the rise of Europe via the Crusades, the Renaissance, the Reformation and the Counter-Reformation, the era of political and economic colonialism, the industrial revolution, World War I and World War II, and the rise of American supremacy. As these events occurred in the West and contributed to the birth of the European (or "modern") era of history, the Muslim world, which was a superpower in medieval times, began to view Europe's rise and modernism with a natural hostility. One adherent of this view is Huntington, who expects the coming years to witness a clash of civilizations.<sup>8</sup> From the Muslim viewpoint, however, what happened between the medieval and the modern eras was nothing but a battle between Islamic and European civilization—one in which the former was totally and decisively overpowered by the latter.

The Muslim world's traditional response to its vanished hegemony and the rise of the West has been to seek refuge in religion. In this sense, although Islam served as a fortress against foreign onslaught, the nature of this defence and the mode of foreign attack never remained the same. From revivalism to reformism and then to radicalism,<sup>9</sup> the Muslim world has changed its tactics in order to meet outside challenges. Similarly, western encroachment into the Islamic world has changed from territorial conquest to economic enslavement and cultural colonization. A proper understanding of the dynamics of this changing pattern of confrontation allows one to discern the causes of the present Muslim predicament and may also throw some light on the possibility of reconciliation.

According to Asad, "it lies in human nature that nations and civilizations which are politically and economically more virile exert a strong fascination on the weaker or less active communities, and influence them in the intellectual and social spheres without being influenced themselves."<sup>10</sup> Thus in the Middle Ages, when the Islamic caliphate was militarily powerful, economically affluent, and culturally vibrant, its influence on a divided, militarily weak, and economically underdeveloped Europe was overwhelming. With the dawn of the modern era and the rise of Europe, the direction of influence was halted and reversed. However, while the Islamic influence on Europe was mostly intellectual and cultural, that of Europe on the Muslim world has been more comprehensive, penetrating, and even destructive.

The responses of Muslim revivalists, reformists, and radicals to the western impact were formulated at different times, under different political and economic circumstances, and with different objectives. Islamic revivalism, of which Wahnābism was the most successful and puritanical, was the product of the eighteenth and nineteenth centuries. Located in peripheral areas beyond the reach of the central authorities and basing its support on economically and socially disgruntled sections of the community, it articulated its political outlook in the form of an internal Islamic dialogue.<sup>11</sup> They wished to return to the primeval Islam of the Prophet's city-state of Madinah by discarding all later accretions of Qur'anic exegesis and unorthodox rituals and practices. As their tactic was one of withdrawal and isolation in the name of purification, they made no attempt to understand the inner dynamics of European superiority and the nature of its expansion. Their belief was that the Muslim world's decline was a consequence of its deviation from the pristine path of primeval Islam, and that the solution was to return to the original Islam. As the orientalist Hartmann observed, Wahnābism was "nothing more than a natural reaction to the adaptation of Islam to complex cultural circumstances."<sup>12</sup> Despite the official patronage of the Saudi rulers, however, this movement did not spread beyond the territorial confines of the Saudi kingdom—but its core message of returning to original Islam did.

Such reformists as Jamāl al Dīn al Afghānī, Muḥammad 'Abduh, and Sir Sayyid Ahmad Khan condemned this isolationist strategy and called

for an adaptationist approach. This movement, which became very popular in the second half of the nineteenth and the first half of the twentieth centuries, focused on the underdeveloped military, political, and technological conditions of the Muslim world. The reformists sought to adapt Islam to the modern age by enriching it with the findings of Europe's rational sciences. They also wanted to return to the Qur'an, but with a major difference: for the purpose of using *ijtihad* (intellectual effort) to derive modern meanings from the Qur'an. For them, Islam was "an anti-colonial ideology calling for political action against Europe."<sup>13</sup> Their preparedness to accommodate Europe and its civilization went only as far as these could strengthen Islam in its political struggle against Europe.<sup>14</sup> Along with the revivalists, they believed that if Muslims were to follow Islam in its "true" spirit, their underdevelopment would soon be a thing of the past. Despite their good intentions, the reformist movement remained largely an urban phenomenon and confined mainly to the extremely small Muslim educated class.

Radical Islam, as a macropolitical phenomenon, represents a revolt against the reality of Muslim nation-states and their ambivalent attitude towards nationalism. The concepts of "nation-state" and "nationalism" are both alien to Islam, although modern Muslim countries are recognized as sovereign nation-states by international bodies and their advocacy of nationalism, despite its religious identity, has acquired international legitimacy. As Vatikiotis argues:

Several of . . . [these states] are successors to more traditional relations of dominance, but surrounded or propped up by a scaffolding of European-style institutions and claiming legitimacy on the basis of imported ideologies.<sup>15</sup>

From behind their European scaffolding, modern Muslim countries have tried (unsuccessfully) to rehabilitate traditional Islamic society. Radical Islam declares openly the futility of this exercise and demonstrates its opposition to nation-states and nationalism by calling for a borderless Muslim nation. In the socioeconomic sphere, its adherents condemn the development models and strategies followed by current Muslim governments on the grounds that they are anti-Islamic and that their failure perpetuates the socioeconomic distress of the majority of Muslims.

In short, the ultimate goal of the radicals is the Islamization of politics, economics, and culture. It is said that radical Islam neither revives nor reforms, but "creates a new world and invents its own dystopia."<sup>16</sup> It is antiwestern in outlook and holistic in nature. Its constituency covers rural migrants to the cities, students, the unemployed, and even the lower strata of artisans, shopkeepers, bureaucrats, and members of the police and armed forces. According to Ahmad, such a reversion to traditional Muslim values and a rejection of modernism marks this group as belonging to Islamic postmodernism.<sup>17</sup>

These responses have ignored the main thrust of the new challenge and have devised their strategies of withdrawal, adaptation, and rejection simply after observing the West's external manifestations. In the Muslim world, as one scholar has commented, the

West was never considered as a new paradigm providing a break with the past, possessing its own laws and its own logic of domination, but rather as a conspiracy of occult forces using their material power to take possession of us, shake us to our very foundations, debauch our morals, corrupt our virtues and reduce us by degrees to a state of political and cultural slavery.<sup>18</sup>

The West's current scientific, cultural, industrial, military, economic, and political superiority and dominance is the end-product of a unique process, that cannot be transplanted or grafted onto another civilization without displacing or marginalizing its inhabitants' traditional values. In the absence of the Renaissance, the liberation of the states from the clutches of the Papacy, and the spirit of individualism, rationalism, and secularism, the rise of Europe and the West would not have taken place. These were the crucial elements that produced, interdependently, that powerful and unique generator of growth that pulled Europe once and for all from its medieval slumber. The current status quo of the West is therefore the happy outcome of the interplay of complementary ideas and institutions.

Can the Muslim world hope to achieve the same results without producing and promoting those complementarities? Such a dilemma explains why revivalist Wahhabism (despite Saudi political patronage) and why the intellectual strength and urban support of such reformists as al Afghānī and 'Abduh met with only marginal success. As for the radicals, they reject the European foundation in toto but aspire to build the European superstructure on a different base. They face a number of stumbling blocks, of which a few should be mentioned.

The Islamic paradigm of the premodern era, and the one which the radicals seek to erect, is based on the concept of a universal Muslim world. It was on this basis that the Iranian revolutionaries declared that their revolution was an exportable product. But the European legacy of nation-states and the ideology of nationalism, however inappropriate in the Muslim context, have already created a Muslim identity crisis.<sup>19</sup> Islam, as a unifying force, has failed to counter nationalistic tendencies and aspirations. The Gulf War and the Bosnian problem are two of the latest illustrations of this ironic phenomenon. Even an international Muslim organization like the Organization of the Islamic Conference (OIC) has failed, in several instances, to act positively on the basis of a universal Muslim world due to its conflict of interest with the national sovereignty of member countries.<sup>20</sup> Perhaps the West has damaged irreparably one of the most unique institutions of Islam—the universal Muslim world (*ummah*). Can this institution ever be resurrected?

The second obstacle emanates from the West's revolutionary achievements in the fields of information and communication technology. Modern satellite televisions, VCRs, computers, electronic telecommunication systems, facsimile machines, and a whole array of such devices are the modern carriers of messages and information. The international media of today, in its verbal, printed, and pictorial forms, manipulate the minds of all men and women in almost every part of the world. The tragic impotence of the Muslim world in the face of this cultural onslaught is described quite lucidly by Ahmad:

Because of the power and aggressiveness of the Western media and its anti-Islamic posture, Muslims appear to have lost the capacity to represent themselves, even to express what they see and know as the reality of their lives. Indeed, Muslim reality, for the world, has become the images on television, the countless hostile words in the papers, the cruel humor in the universal jokes. Muslims in the media have no voice, no platform, so they cannot object or explain. Muslim expressions of cultural identity are dismissed as fanaticism, Muslim demands for legitimate rights seen as fundamentalism. In this media game Muslims—weak and impotent it appears—cannot win.<sup>21</sup>

Can the radicals who reject the West win this battle for minds without mastering the relevant information technology and controlling the media?

The reformists of the nineteenth and twentieth centuries stressed the need for western scientific education in the Muslim world. This prompted modernist governments to establish colleges and universities in their own countries with the avowed purpose of promoting secular education and to send those young people with the necessary intellectual potential to the United States or Europe for higher education. This trend created a new class of educated people who increasingly identified themselves with the West and its values and who, as a result, developed a distaste for their own culture and traditions—typical products of Macaulay's educational philosophy.<sup>22</sup> Contemporary Muslim radicals oppose such a western-biased education. This does not obscure the fact, however, that the "problem" has been transformed into a "crisis." Under the reformists, it was the colleges and universities and those who returned from abroad after their studies who spread the western bias. Now the media is doing it on a mass scale. How can one preserve an Islamic identity against this background of information invasion and mind manipulation?

Finally, economic aspirations (at least those of urbanized Muslims) and the economic models being adopted by Muslim governments have become linked so inextricably with western industrialized nations that, unless the radicals are prepared to delink completely, their objective of achieving an Islamized economic base will remain utopian. One can understand clearly the frustrations of those Muslim activists who cannot



see much economic amelioration for their people from western liberal economic models and the currently defunct socialist models of the East. After nearly half a century of experimentation, most Muslims, as demonstrated by the international documents cited earlier, live at or below subsistence level. Can the Muslim world, now divided politically into nation-states but living in a global village, afford to practice in isolation an Islamic model that, after nearly thirty years of intellectual effort, still has not been identified clearly? Even if one assumes, with some optimism, that such a model will be produced in the near future, it has to be asked whether that model will eradicate, by some magical power, the poverty and squalor now prevalent among Muslims. All evidence suggests that unless some concrete and concerted action is taken now, the law of cumulative causation will cause the situation to worsen and make the task of economic development even more difficult.

The current socioeconomic degradation, the widening gap between haves and have-nots, and the unequal exchange that is causing this gap and degradation are not unique to the Muslim world, but are the characteristics that distinguish the developed world from the underdeveloped. Thus the Muslim world, as Hassan urges, should join with other developing countries in order to dismantle existing global economic inequalities.<sup>23</sup> Even then, the quest for an Islamic identity amid the desire for socioeconomic upliftment separates and complicates the Muslim struggle from the rest.

Although there is a popular Muslim consensus that the existing international structural asymmetry is unjust and should be eliminated through an Islamic order, there remains a considerable amount of confusion and disagreement about that order's nature and feasibility. One element common to all three activist groups is their simple assumption of an even more simplistic equation between Islam and material welfare: return Islam to the center stage of societal life and material problems will disappear. This conviction, based on a preindustrial past in primeval Islam, generates spontaneous acclamation and mass support when pronounced from public platforms—but it has also caused domestic and international power politics to assume a religious character. Rulers and their opponents hide behind Islam and devise holier-than-thou approaches in order to retain or capture political power. "More often than not," as Esposito notes, "rulers and governments have used Islam, as they have used other ideologies, to solidify power rather than to promote political participation."<sup>24</sup>

This applies to rulers and governments *and* to the opposition as well as to the promotion of political participation *and* to the improvement of socioeconomic welfare. In the eyes of each group the other is deviationist, but in the eyes of the world they demonstrate that there is not a monolithic Islamic solution to material problems. "Theoretical or ideological statements are often not accompanied by specific models for change,"<sup>25</sup> notes Esposito:

Islamic movements tend to be more specific about what they are against than what they are for. While all may speak of an Islamic

order or state, of implementation of the Shari'ah, of a society grounded more firmly on Islamic values, the details are often vague.<sup>26</sup>

In the meantime, the non-Muslim world is marching rapidly and has already achieved a stranglehold on the world economy and its resources. The Muslim world, once again, lags behind. What should be done? Before answering this question, it is necessary to have a clear perception of the nature of the change taking place now and its impact on the future. We will analyze these in the context of the Muslim countries only.

The most important change is in Muslim demography. Except for Indonesia and Turkey, where the Islamic bias is the least in government policies and plans, the population growth rate is 2 percent or higher. Thus the number of Muslims, most of whom are expected to live in urban areas, will double before the end of the second decade of the next century. More significantly, between 55 and 69 percent of them will be of working age (15 to 64 years old).<sup>27</sup> Finding food, clothing, shelter, and productive employment for them will be a daunting task in those Muslim countries whose political peace and social harmony is already being destabilized by these problems. According to the *1994 Human Development Report*, the daily caloric intake in seventeen of the low-developed Muslim countries (approximately 450 million people) is already below the required minimum. A great majority of people in such large Muslim nations as Indonesia, Pakistan, and Bangladesh do not have access to clean water.

Another aspect is this population's low literacy level. Of the seven largest Muslim countries (Indonesia, Pakistan, Bangladesh, Nigeria, Iran, Turkey, and Egypt), only Indonesia and Turkey have achieved a male literacy rate over 80 percent, whereas not even half of the male populations of Bangladesh and Pakistan are literate. As regards female literacy, Turkey and Indonesia have achieved 70 percent and 68 percent, respectively, while the rest of the Muslim world has not even reached 50 percent. Taking the Muslim world as a whole, the vast majority of females and a substantial number of males are illiterate by international standards.

With this demographic background, let us look at the changes taking place in the global economic structure. This will throw some light on the direction that the Muslims need to take if they are to prevent, at the least, any deterioration in the status quo.

In the 1970s and 1980s the Muslim world, especially its Arab quarter, gained international fame because of its oil reserves, which were a crucial resource for the industrialized world's survival. The financial wealth that flowed into these countries no doubt fueled their infrastructural development and enabled other Muslim nations to benefit through employment opportunities in rapidly expanded labor markets and new sources of foreign aid. However, such growth and benefits are unlikely to continue in the future partly because of an excess supply of petroleum products in the market and partly because of more efficient user consumption patterns. With

the oil boom in the 1970s and 1980s, it was thought that the Arab countries finally had the opportunity to lead the developing nations in general, and the Muslim nations in particular, in their march toward redressing the economic imbalances of the existing world order. Unfortunately, that expectation ended in disappointment two decades later. As one writer puts it:

Nothing perhaps illustrates better the weakness of the Third World than the haste with which its richest members invested in the West, thus propping up the very system which had exploited them so long. After a brief display of power OPEC countries behaved like junior partners in the western dominated economic system rather than as the spearhead of the Third World as a whole; and hopes it had raised were soon dissipated.<sup>28</sup>

Apart from oil reserves, Muslim nations have no strategic resources in significant amounts. About 33 percent of tin, 7 percent of bauxite, 6 percent of nickel, 3 percent of lead, 2 percent each of copper and zinc, and about 1 percent of iron ore are all that the Muslim world possesses of global metal reserves.<sup>29</sup> Although Malaysia and Indonesia have a substantial amount of forest reserves, in comparison to the world their shares are minimal. Whatever the amount of natural resources these Muslim nations may possess, their future value and usefulness depend on the state of technology. It is in this area that change, which is taking place outside the Muslim world, will play a decisive role in the future course of development.

Recent research in technological growth and economic development shows that manufacturing activities in the high-growth economies use fewer natural resources and more knowledge-based human resources. Both the green revolution in agriculture and the materials-science revolution in manufacturing have reduced the amount of natural resources used per unit of GNP. In turn, this reduction has engendered a sharp reduction in raw-material prices. "For all practical purposes," concludes Thurow,

natural resources have dropped out of the competitive equation. Having them is not the way to become rich. Not having them is not a barrier to becoming rich. Japan doesn't have them and is rich; Argentina has them and is not rich.<sup>30</sup>

If natural resources are no longer the source of wealth, what is? The answer is industrialization. Here again there is a difference. In the past, industrialization meant manufacturing new products using raw materials. This was why industries were located close to the sources of raw materials. But in the next century, comparative advantage is expected to shift from natural to human resources. To quote Thurow again:

Consider what are commonly believed to be the seven key industries of the next few decades: microelectronics, biotechnology, the

raw materials industries, civil aviation, telecommunications, robots plus machine tools, and computer plus software. All are brain-power industries. Each could be located anywhere on the face of the globe. Where they will be located depends upon who can organize the brainpower to capture them. In the century ahead comparative advantage will be man-made.<sup>31</sup>

Such newly developing countries (NDCs) as South Korea, Taiwan, Hong Kong, and Singapore have no significant natural resources: their main resource has been human power.

Before proceeding further on the nature of and the need for human resource development in Muslim countries, a digression on the relationship between industrialization and Islamization will help us understand the state of crisis in the Muslim world. Industrialization, modernization, and westernization are interrelated or overlapping socioeconomic phenomena. They are not, however, perfect substitutes. It cannot be denied that the present scientific-technological age represents the high point of the process of industrialization that began in the eighteenth and nineteenth centuries. Industrialization itself represented the culmination of a unique historical experience that began in fifteenth-century Europe. With the dissolution of Europe's medieval feudal order and papal supremacy, an era of political and economic democratization and intellectual freedom was ushered in and produced a civilization based on secularism and scientific inquiry. The industrial revolution in the West represents its final product.

Islam, not so much as propounded by the Qur'an and the Sunnah but as elaborated and made inflexible by medieval jurists, is at loggerheads with modern complex societies. In the simple societies of the past in which there was a happy congruence of the sacred and the secular, the culture of Islam found symmetry and produced an astonishingly successful civilization. But as societies grew more complex, that congruence became hard to maintain and the functionalization of the social structure appeared inevitable. The West separated the temporal from the spiritual, marginalized the latter, and created a nonobstructive political and intellectual background that produced industrial civilization. The Muslim world, largely for political reasons, remained absolutely committed to its traditional worldview. This is why even today the word "secularism" has become a heretical piece of vocabulary for Muslim dogmatists.<sup>32</sup> The political structure of the caliphate lost its initial participatory principle over the course of time and became rigidly patrimonial. The prevailing intellectual freedom of "High Islam" was also curtailed with the rise of clerical orthodoxy in the thirteenth century. Thus the political and intellectual backgrounds that made industrialization feasible in the West were absent in the medieval Muslim world.

During the colonial interregnum, when secularist tendencies were encouraged through western education, colonial political and economic interests thwarted both democratization and industrialization. In addition, Islamic orthodoxy was left to survive as a disgruntled force located far from

the metropolitan center of decision making. After independence, when a repoliticized Islam began to turn increasingly hostile toward secularism and secularized modernization, ruling elites were (and remain) unprepared to abandon secularism and embrace orthodox Islam, which would mean sharing political power with the religious opposition, and unable to undercut the opposition's power base by industrializing the economy and improving the people's material welfare. The political and economic interests of the ruling hegemonic powers and the dependency structure of the peripheral states have further strengthened this dilemma. As a result, there is neither Islami- zation nor industrialization in the Muslim world. The history of the Muslim world is a history of stunted development on all fronts.

With the world becoming increasingly borderless and future industries becoming more and more brain-powered, capital is set to move to regions where that power is supplied adequately and priced cheaply. In a fascinating analysis of future global demand for human resources, Reich has identified three types of services that will require three levels of education and training.<sup>33</sup> The first is routine production services or traditional blue-collar jobs and routine supervisory jobs performed by low- and middle-level managers. Conventional factory workers, foremen, chiefs of clerical staffs, and section heads also fall under this category. Even in information-based industries, the ream of data processors who operate computer terminals belong to this group, for their work, in terms of its repetitive and monotonous nature, is essentially the same as that performed by workers in manufacturing industries: they work in a team under close supervision; must be able to read, write, and perform simple computations; and are paid according to hours worked or services performed.

People in the second category, that of in-person services, also perform simple and repetitive tasks and are paid in the same terms as the first group. The educational requirement for this category is only slightly higher than that for the first—perhaps a diploma, certificate, or some vocational training would be considered adequate. The main difference between the two categories lies in the source of demand. The demand for routine production services has a substantial foreign source because of output exportability, whereas the demand for the second has to be home-based due to product inexportability. Retail service workers, waiters and waitresses, hotel workers, cashiers, secretaries, hairdressers, and hospital attendants are some of the jobs that fall into the second category.

The third category, that of symbolic-analytic services, is the top money spinner. The demand for this category is worldwide, and its products enter the world market not as standardized goods but as manipulated symbols involving data, words, and oral and visual representations. Included here are management consultants, financial advisers, armaments consultants, architectural consultants, development specialists, strategic planners, and system analysts, as well as advertising executives, marketing experts, art directors, cinematographers, film editors, production designers, publishers, writers, journalists, musicians, television and film producers, and univer-

sity academics. In terms of educational qualifications, these jobs may require a university degree with relevant specialization, but their earning potential depends more on quality, originality, and cleverness of service performed than on mere academic credentials.

Of the three job categories, routine production services promise the least income and accordingly require the least educational and training qualifications. On the other hand, symbolic-analytic services demand the highest level of skills and training and naturally have the highest income-earning potential. In between the two falls in-person services.

Considering the nature of future technological change, the global mobility of capital, and the borderless demand for human resources, industrialization is not a remote possibility for any country that can provide the most skilled human resources at the cheapest price. The most abundant resource possessed by the Muslim world at the moment is its population, which, as pointed out earlier, will double within the next twenty-five years. But what about its quality?

A considerable amount of research and writing has gone into analyzing the Muslim world's decline since the twelfth or thirteenth centuries. It is, as expected, a never-ending debate. From the point of view of this paper, however, the most crucial factor leading to the Muslim world's underdevelopment during the second half of the twentieth century is the gross neglect of available human resources by those in power. The high rate of illiteracy among Muslim adults, particularly women, is only one example. Low public investment in health, housing, and food supplies are some others.

Since the end of the colonial era, increasing populations in the developing world have been viewed more as a burden on consumption than as a source of capital for production. The West and some of its development experts are responsible for this misconception. Arnold notes that

in the 1960s both President Johnson of the United States and President de Gaulle of France presided over congratulatory ceremonies in their own countries to mark the arrival of the 200 millionth and 50 millionth American and French babies respectively. In the North, size of population is a matter of pride; in the South, it is to be deplored.<sup>34</sup>

As Schultz points out, government expenditures in education and health were treated as welfare expenditures, and thus as a drain on savings, even in the literature on economic development.<sup>35</sup> At the present time, one prescription insisted upon by the International Monetary Fund (IMF) and the World Bank in their structural adjustment programs is that developing countries lower public expenditures on welfare measures. But in actual fact, such expenditures represent investments in human resource development. Several independent researchers have proved that the rate of return on investment in education is much greater than that of other investments.<sup>36</sup> It is time for western developmentalists to change their perceptions regarding

population increases and its welfare aspects. While population increases remain a concern for development, it must be emphasized that the population explosion in the developing countries is the consequence of neglecting its quality. Schultz is very convincing when he argues that

over time the increase in the demand for quality in children and on the part of adult in enhancing their own quality, reduce the demand for quantity; that is, quality and quantity are substitutes . . . The movement towards quality contributes to the solution of the population problem.<sup>37</sup>

Muslim countries have succumbed to western distortions. The focus of many population conferences has been the population's quantity—not the quality. Even the most recent international conference, held in Cairo during 1995, invested most of its time and energy on quantity. The time has come to have a fresh look at the problem. To reduce the quantity on the one hand and to forge ahead in industrialization and economic growth on the other, countries have to make massive investments in improving the quality of their human resources. Providing such basic necessities as food, clothing, shelter, and those associated with health facilities and opportunities for education must receive greater attention by government officials when deciding upon budgetary allocations. In the top fifteen industrialized countries listed in the *Human Development Report* of 1994, the combined share of total educational and health expenditures in GAP in 1991 ranged from 11.8 percent (Japan) to 20.3 percent (the United States). In comparison, only five Muslim countries (Tunisia, Jordan, Algeria, Libya, and Saudi Arabia) fell within that range, with Libya reaching the highest (13.2 percent). On the other hand, the amount of money spent on military personnel and equipment in certain Muslim countries is shocking, to say the least. The chart on the following page makes this very clear.

Country	Military expenditure as % of combined educational + health expenditures 1988/90	Armed forces forces as % of teachers 1987	Armed forces per physician In 1982
Iraq	511	625	105
Somalia	500	591	103
Oman	268	169	18
Pakistan	239	150	10
Syria	204	302	47
Saudi Arabia	177	51	4
UAE	174	269	23
Indonesia	143	15	13
Jordan	128	211	26
Afghanistan	-	277	20
Mauritania	-	300	75

Source: *Human Development Report*, 1992.

Among the top seven arms importers in 1992, four were Muslim: Saudi Arabia, Afghanistan, Turkey, and Iraq.

It is the main contention of this paper that massive investments in human resource development and pragmatic policies to promote industrialization are the two avenues open to Muslim countries if they are to pull themselves out of their current socioeconomic underdevelopment. But industrialization, with its modern paraphernalia of technology, finance, and human skills, will certainly erode some of the society's traditional values. Tibi is more emphatic on this point:

It should be self-evident today, however, that overcoming underdevelopment is only possible through industrialization, which brings about secularization as a by-product, as is documented by the examples of societies already industrialized. Muslim scholars refuse to recognize that a backward looking contemplation of Islam alone, that is, the revitalization of the sacred, important from the social psychological point of view (in resolving identity problems) but that is no alternative to an urgently required strategy for overcoming underdevelopment.<sup>38</sup>

Secularization and industrialization are analogous to the link between pollution and economic development. Economic development without some form of pollution is impossible, and zero pollution without development is undesirable. Hence there must be some equilibrium between the two. Moreover, there needs to be a reconciliation between the quest for religiocultural identity and the demand for socioeconomic development. This reconciliation must be achieved through educational reforms with the assistance of the Muslim media. Islamic reformists of the late nineteenth and twentieth centuries sought to achieve this reconciliation but, for various reasons, their efforts met with only partial success. The need is greater now, and the effort has to be collective and coordinated. The OIC's heads of states once declared:

We . . . pledge ourselves to coordinate our efforts in the field of education and culture, so that we may draw on our religious and traditional sources in order to unite the Ummah, consolidate its culture and strengthen its solidarity, cleanse our societies of the manifestations of moral laxity and deviation by inculcating moral virtues, protecting our youth from ignorance and from exploitation of material needs of some Muslims to alienate them from their religion.<sup>39</sup>

It was with this idea that the OIC established several supporting organs, among which the Islamic Educational, Scientific, and Cultural Organization (ISESCO), the International Islamic News Agency (IINA) and the Islamic States Broadcasting Organization (ISBO) are noteworthy.



ISESCO's plan was to develop an educational curriculum for its member states based on its idea of cultural identity. Having read through its documents, however, Al-Ahsan concludes that

it has (not) succeeded in developing such a plan as yet. ISESCO's problems reflect the identity crisis of modern Muslims; they are aware of the need for European technology but are so far unable to integrate European technology into their traditional world-view.<sup>40</sup>

Yet the effort has to continue, for there is no other way. Neither the appeal by Tibi for "a desacralization of Islamic culture"<sup>41</sup> nor Ahmad's restricted view of Islamic identity as a "general awareness of being Muslim whether in politics, clothes or customs, not necessarily in terms of religious orthodoxy,"<sup>42</sup> may satisfy the Islamic activists in the present circumstances.

At the moment, the educational curricula used in Muslim countries have come under serious criticism both from the ulema and the secular educationists. To the conservative ulema, the content of the education found in the colleges and universities is devoid of religious and moral values and is entirely this-worldly, while for the latter group it has not gone far enough to equip Muslim students with the skills and knowledge demanded by a modern scientific-technological civilization. The age-old divide between religious and secular education has not been bridged in any systematic manner, and the attempts made so far in this direction can only be described as uncoordinated and sporadic.

This search for reconciliation between religiocultural identity and socioeconomic development through educational reform and public media may take a long time to materialize. In the meantime, there are millions of Muslims whose mental and physical potential is being wasted because of economic deprivation and social inequity. Thus the immediate task of the Muslim world and its governments is to redirect investment to those areas that can improve the region's present and future human capital. It is the quality of human resources that will decide the future winners in the socioeconomic race, and it is this same quality that will maintain the necessary balance between the sacred and the mundane.

The task of improving the Muslim world's human capital should not be left entirely to the tender mercies of the private sector. With the collapse of the Soviet Union and its communist philosophy, it has become fashionable to consider the market-oriented economic philosophy of capitalism as the panacea for all material evils. This is obviously a simplistic overgeneralization and one outcome of a concerted propaganda campaign by the United States and Europe. The developing countries are not yet ready to surrender all or most of their welfare activities to the whims and fancies of capitalism's invisible hand. The governments of the developing countries must intervene actively in their societies' economic development

by providing the necessary infrastructure for the growth of a viable private sector and by investing heavily in improving their human resources, which will later enable the vast majority of people to participate in the actual working of the market economy. The Muslim countries of today are badly in need of this strategy.

## Endnotes

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6. Bassam Tibi, *Islam and the Cultural Accommodation of Social Change* (Boulder, CO: Westview Press, 1991), 51.
7. Ibid.
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11. Choueiri, *Islamic Fundamentalism*, 20-21.
12. Tibi, *Islam*, p. 21.
13. Ibid.
14. Ibid.
15. P. J. Vatikiotis, *Islam and the State* (London and New York: Routledge, 1991), 38.
16. Choueiri, *Islamic Fundamentalism*, 10.
17. Akbar S. Ahmad, *Postmodernism and Islam* (London and New York: Routledge, 1992), 32.
18. Daryush Shayegan, *Cultural Schizophrenia* (London: Saqi Books, 1992), 4.
19. Al-Ahsan, *Ummah or Nation*; Vatikiotis, *Islam and the State*.
20. Al-Ahsan, *Ummah or Nation*, 107-22.
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22. Lord Macaulay's report on education in India stated that education in India should produce "a class of persons, Indian in blood and colour, but English in taste, in morals and in intellect." See Ahmad, *Postmodernism*.
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26. Ibid.
27. *Human Development Report*, 1992.
28. Guy Arnold, *The End of the Third World* (New York: St. Martin's Press, 1993), 20-21.
29. The World Resources Institute, *World Resources 1992-93* (Oxford, UK: Oxford University Press, 1992), Table 21.6.
30. Thurow, *Head to Head*, 41-42.
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32. For a more detailed analysis of this problem, see Bassam Tibi, *The Crisis of Modern Islam* (Salt Lake City: University of Utah Press, 1988) and Vatikiotis, *Islam and the State*.

33. Robert R. Reich, *The Work of Nations* (New York: Alfred A. Knopf, 1991).

34. Arnold, *End of the Third World*, 61.

35. Theodore W. Schultz, *Economics of Being Poor* (Blackwell, 1993), 22.

36. Any recent textbook on economic development will contain detailed analyses of health education. See, for example, Malcolm Gillis et al., *Economics of Development*, 2d ed. (New York and London: W. W. Norton and Co., 1987), 206-52; Keith Griffin and John Knight, "Human Development: The Case of Renewed Emphasis," in Keith Griffin and John Knight (eds.), *Human Development Strategies for the 1990s* (New York: Mac-millan in association with the United Nations, 1990).

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40. *Ibid.*, 125.

41. Tibi, *Islam and Cultural Accommodation*, 195.

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