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Islam and the Institutions of a Free Society: Many Problems, Little Hope

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Abstract:

The rule of law, constitutional democracy, and market economy are taken as the core institutions of free societies. After arguing that shared values heavily influence institutions, it is asked whether Islamic values are conducive to those institutions. The values are ascertained via the economic ethics of Islam as lived today and the attitudes of some Muslim populations via the analysis of a recent opinion poll. Neither the values nor the attitudes of Muslim societies seem particularly supportive of the institutions of a free society.

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Key words: Islam, Values, Culture, New Institutional Economics, Rule of Law, Constitutional Democracy, Market Economy.

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1 Introduction

It has often been claimed that Islam threatens the values and institutions of free societies. The brutal destruction of the World Trade Center and part of the Pentagon – two foremost symbols of the West – on September 11, 2001 seemed to prove right Huntington (1997), who had predicted a “clash of civilizations”: terrorists who claim to act in the name of Allah fight a war against the West. Islamist extremists who disdain the freedoms of the West have been successful in constraining civil rights in many countries, including the U.S. A May 2003 opinion poll carried out by the Pew Research Center for the People and the Press (2003) seems to be further evidence in favor of Huntington. Asked whether they have “a lot” or “some” confidence in the ability of a number of leaders to do the right thing regarding world affairs, 71% of Muslims asked in the area under the control of the Palestinian Authority declared their confidence in bin Laden. Indonesians ranked bin Laden third (58%), and ranked Arafat (68%) and Abdallah (the Jordanian king; 66%) first and second. Bin Laden also got very high confidence ratings in Jordan (55%), Morocco (49%), and Pakistan (45%).

Whether Islamic values are compatible with the institutions of free societies is, first and foremost, relevant for the future of Muslim countries. Yet, it is also of immense practical relevance for the West: there is substantial migration from Muslim countries to the West. How should the West deal with it? How can it be liberal in its immigration policies but protective of its values at the same time? Then, there is the issue of the accession of Turkey to the European Union. Is the EU united by a common core of values that would make inclusion of Turkey impossible? Recently, the U.S. and the U.K. have attempted to establish democracy in Iraq subsequent to military intervention. Given that the values of Islam are incompatible with democracy, are their efforts likely to fail?

We are not able thoroughly to deal with all of these questions here. We will concentrate on the question of whether the institutions of a free society are compatible with the values of Islam. The rest of the paper is organized as follows: In Section 2, the relationship between values and institutions is taken up. We attempt to identify the institutions that are at the base of a free society, and we attempt to identify those values that might have been conducive to the emergence of those institutions. In Section 3, Muslim values, specifically “economic ethics”, are probed for their compatibility with the institutions identified in Section 2. Section 4 uses another indicator, namely opinion polls that contain questions that reveal prevalent Muslim values. Section 5 is concerned with the prospects of successfully establishing democracy in Muslim countries like Afghanistan and Iraq.

2 The Values and Institutions of a Free Society

First of all, it is necessary to define what we mean by values, as well as what we mean by institutions. Values are “conceptions of the desirable, influencing selective behavior” (*International Encyclopedia of the Social Sciences*, entry “values”). A cluster of values is a value-system. Shared values imply shared conceptions of the desirable. In order to share conceptions of the desirable, i.e., of what “ought” to be, the group that is sharing those conceptions must also have achieved some shared perception of “is”.²

Institutions are here defined as commonly known rules that are used to structure recurring interactions and that are coupled with a sanctioning mechanism whose use will be threatened in case of non-compliance. It is possible to distinguish between various kinds of institutions

² This might not seem straightforward but since values influence a person’s selective behavior, it follows that in a certain situation a person that has internalized some value will consider only so many different possible ways to act and will exclude other possible ways from the outset. If a second person who shares the same value acts in one of the ways excluded by the first person, then he must have perceived a different situation. We will therefore assume that shared values imply not only shared normative conceptions but also shared cognitive perceptions.

depending on the relevant sanctioning mechanisms: some rules are enforced by representatives of the state; these are called “external institutions” here. Other rules are enforced by mechanisms that work without resort to the state, such as reputation; these are called “internal institutions” here.³

The main premise in this section is that the values shared by most members of a society will be reflected in its institutions. The institutions will then in turn determine society’s prospects for economic growth as well as its political expression.⁴ The hypothesis that “institutions matter” has received widespread attention over the last number of years. Empirical studies show that there is no clear-cut correlation between democracy and growth (Przeworski and Limongi 1993) but that basic civil and economic rights are indeed conducive to economic growth (see Berggren 2003 and Roll/Talbot 2001 for recent overviews). If our hypothesis is correct, it is necessary to identify the values and norms shared by most members of a society in order to understand its economic performance, which will be mediated by the prevalent internal and external institutions of a society.

Why should the values held by the members of a society have a decisive influence on its internal institutions? Because values contain information on what is right and what is wrong in a given society. If someone does not act in accordance with these values, she might be punished. But being punished by other members of society (not by the state) after having broken some rule is evidence for the existence of internal institutions. The connection between values and internal institutions is thus straightforward.

³ For a more precise taxonomy of institutions, see Voigt and Kiwit 1998.

⁴ This does not exclude the possibility that institutions can have an influence on the values and norms held by the members of a society. It is here conjectured, however, that whereas formal institutions can be changed overnight (e.g., by colonizers), values and norms are much more “sticky” and thus subject only to slow change. Moreover, values and internal institutions are not the only determinant of external institutions and external institutions are, in turn, not the only determinants for economic development.

Let us now turn to the next question then: Why should the values held by the members of a society determine its external institutions? The finding that any legislator is factually restricted by the values of its respective people was most poignantly described by David Hume (1777/1985: 32): “It is therefore, on opinion only that government is founded; and this maxim extends to the most despotic and most military governments, as well as to the most free and most popular”. If any legislator – democratic or otherwise - deviates too much from the value-system of the governed society, opposition will organize which increases the odds of a violent overthrow of the legislator. To ensure that violations of (newly enacted) legislation will be prosecuted, government has to assure itself of the loyalty of the police and the military. If newly enacted legislation is incompatible with the shared value-system, violations will increase, which will make their prosecution more costly or even impossible, and police forces, thus overwhelmed, may lose their desire to pursue those who perpetrate such acts.⁵

Now what about the connection between internal and external institutions? It has been argued (e.g., Voigt and Kiwit 1998) that many internal institutions are very stable and not subject to deliberate change. Since incompatibilities between internal and external institutions greatly increase the cost of governing, the formal institutions that can be set and modified by political will should not be completely at odds with the prevalent informal institutions.⁶ This last

⁵ Hayek (1960: 181) makes a similar argument maintaining that “a group of men can form a society capable of making laws because they already share common beliefs which make discussion and persuasion possible and to which the articulated rules must conform in order to be accepted as legitimate.” In order to agree on some set of formal institutions, the people who are to be governed by them need to share some values and beliefs.

⁶ Tyler (1990 and Tyler/Huo 2002) has repeatedly argued that two cases through which law can become especially effective should be distinguished: (1) If it is in alignment with pre-existing morality – this is the case we have just described as the congruence between internal and external institutions; (2) If some citizens regard lawmakers as moral authorities, or citizens believe that law as such deserves respect. Here, the relationship between internal and external institutions would be

argument deals more with the “ought” than with the “is”. Yet it also shows that incompatibilities between shared values and formal institutions make governing very costly, and at the margin prohibitively so.

We now turn to the core institutions at the base of free societies, namely (i) the rule of law, (ii) constitutional democracy, and (iii) a market economy.⁷ But these institutions can be successfully implemented only if the underlying values of the societies in question are by and large compatible with them. Whether this is the case for Muslim societies is the topic of Sections 3 and 4. Before, we need to describe the central characteristics of the core institutions of free societies.

The Rule of Law

The most important trait of the rule of law is that the law is to be applied equally to all persons (*isonomia*), government leaders included. It is therefore also called government under the law. No power used by government is arbitrary, all power is limited. Drawing on Immanuel Kant (1797/1995), laws should fulfill the criterion of universalizability, which has been interpreted to mean that the law should be *general*, i.e., applicable to an unforeseeable number of persons and circumstances, *abstract*, i.e., not prescribing a certain behavior but simply proscribing a finite number of actions, *certain*, (anyone interested in discovering whether a certain behavior will be legal can do so with a fairly high chance of being correct

turned on its head: citizens modify at least part of their moral convictions because the law is changed or because the lawmakers are seen as representing some higher form of moral authority. The empirical relevance of this second case seems doubtful. Were it to exist on a broad scale, it would constitute incentives for lawmakers to misuse the trust that many citizens have toward them. Democracy does seem sustainable, however, if a major part of the citizenry believes that the law deserves respect *and that laws in general are passed using procedures deemed to be fair or just.*

⁷ Literally speaking, all of these three concepts are made up of dozens of institutions as just defined. For short we will, however, simply call the entire concepts “institutions”.

and can furthermore expect that today's rules will also be tomorrow's rules), and *justifiable* in rational discourse between any persons.

A number of institutional provisions typically support the rule of law. Among the most important ones are the separation of powers, the prohibition of retroactive legislation, the prohibition of expropriation without just compensation, *habeas corpus*, and other procedural devices such as protection of confidence, the principle of the least disruptive intervention, the principle of proportionality, and the like.⁸

By necessity, the rule of law implies a market economy (i.e. secure private property rights and the freedom of contract), since decisions by the government about who is to produce what in what quantities, etc. cannot be subsumed under general rules but imply the arbitrary discrimination between persons (Hayek 1960: 227). Individual liberty is exempt from arbitrary interference by government – or other powerful groups – only if it is secured by an effectively enforced rule of law. Logically, a rule-of-law constitution does not imply that the political system will be democratic. That is why we deal separately with constitutional democracy.

Constitutional Democracy

Closely related to the rule of law is the concept of constitutionalism, which was developed primarily by settlers in the British colonies of North America. It links the rule of law with the notion of a written constitution in which the basic procedures that government is to use are laid down. Constitutionalism is thus a normative concept not to be confused with the *de facto*

⁸ Empirically, a “perfect” or “complete” rule of law has probably never been realized. The rule of law should be understood as an ideal in the sense of Max Weber (1922/1947). That is, it should be understood as an ideal type that abstracts from many characteristics found in reality. In order to make realized types (i.e., those found in reality) comparable, ideal types provide criteria for comparison.

constitution used by any society, which has achieved a minimum amount of order to produce and finance public goods.

A constitution can be defined as the rules based on which a society makes its decisions concerning the provision and financing of public goods. Democracies are called constitutional if the domains to which majoritarian procedures may be applied are limited. A democratic constitution contains specific procedures concerning the choice (and the substitution) of those who are to make decisions concerning the provision of public goods and who have the power to tax even those who are not in favor of a specific bundle of public goods to be provided.

Market Economy

Market economies are based on a specific concept concerning the role of the individual: The individual is the only “unit” that can think and act responsibly and that is capable of pursuing goals responsibly. This position is often subsumed under the heading of ‘methodological individualism’. Market economies are further based on the presumption of (individual) freedom in the sense of “a condition ... in which all are allowed to use their knowledge for their purposes, restrained only by rules of just conduct of universal application ...” (Hayek 1973: 55). These concepts form the basis for guaranteeing private autonomy, which translates in the economic sphere into the freedom to contract. The freedom to contract only makes sense if private property is secure and widely respected. The freedom to contract can furthermore only enhance overall welfare if contracts voluntarily entered into are subsequently adhered to. We have thus arrived at Hume’s three fundamental laws of culture: “the stability of possession, of its transference by consent, and the performance of promises” (1740/1978: 526). Functionally, the provisions hitherto mentioned could be said to solve the problem of who has the *competence* to decide the use of factors and goods in a market economy.

The *coordination* of individual plans that will most likely not be compatible with each other *ex ante*, is brought about by competition and the price system. If the questions concerning competence are answered in the way just outlined, competition cannot be used as an instrument to achieve specific goals defined by a central authority, but must be modeled as an open process whose specific results are systematically unpredictable. This trait is best captured by the title of Hayek's (1978) paper, "Competition as a discovery procedure". This understanding of competition also points to the fact that competition helps market actors to discover new knowledge, e.g. in the form of technical progress. If innovations are successful, they will most likely draw some demand away from competing suppliers, which may lead to a certain devaluation of their property rights. The existence – and acceptance – of such pecuniary externalities is a necessary condition for sustained economic growth.

But the functions of competition do not stop here. If a similar product is offered by more than one supplier or if there is even the possibility of new entrants into the market, the probability of substitution gives buyers more power over suppliers. The permanent threat of suppliers to be negatively sanctioned by the other market-side, including the threat of being forced out of the market entirely, produces positive incentives for suppliers. When property rights enable entrepreneurs to appropriate the profits from their economic activities, entrepreneurs have every reason to behave innovatively.

3 Islam and the Values and Institutions of a Free Society

3.1 The Core Institutions in the Islamic World

This section is concerned with the question of whether Islamic values are compatible with the institutions of a free society. Since our argument is that values determine the nature of the institutions of a society which in turn determine economic outcomes, we begin by having a

very quick look at economic outcomes, working our way back to have a look at the state of our three core institutions as they are currently realized in the Islamic world. Only if their realization there is significantly different from the realization in other parts of the world and these differences can be explained with the prevalence of Islamic values does it make sense to ask the more fundamental question, namely in what ways Islamic values are responsible for this result.

The United Nations Development Program published the “Arab Human Development Report 2002”. It covers 22 Muslim countries in the Middle East and North Africa, the core of the Arab world.⁹ Its authors observe (ibid.: 85) that the “sensitivity to oil markets, the low efficiency of physical capital, and poor labor productivity resulted in fluctuating performance and, during the 1980s, a period of quasi-stagnation.” The combined GDP of all these Arab countries amounted to \$531.2 billion in 1999, which is less than that of Spain (\$595.5 billion).

We now shortly describe the state of our three core institutions in the Islamic world. In order to do so, we have to delineate the Islamic world first. All countries in which adherents to Islam form a relative majority in comparison to followers of other religions are coded as Islamic, which gives us 47 Muslim countries with a population in excess of 1.1 billion. To proxy for the rule of law, we draw on the respective variable in Gwartney et al. (2002) which is coded from 0 to 10 with higher scores indicating better degrees. The variable asks (1) whether or not legal institutions are supportive of the principles of the rule of law and (2) whether or not access to a nondiscriminatory judiciary is safeguarded. The mean value for the

⁹ Originally, Arabs were people coming from the Arab peninsula. Today, the term is used for those speaking the Arab language. In line with this delineation, the report includes neither Turkey nor Iran. Other Muslim countries not covered by the report include former Soviet republics as well as the Asian Muslim countries (Afghanistan, Pakistan, Brunei, Malaysia, Indonesia). These are, however, included in our own calculations below.

Islamic countries is 4.88, the mean value for the entire sample (i.e. including the Islamic countries) is 5.79.

Constitutional democracy has often been proxied for the by “political rights” and the “civil rights” variable provided by Freedom House (2001). According to it, political rights are primarily concerned with the right of all adults to vote and to compete for public office whereas civil liberties are concerned with the right to free expression, to organize or demonstrate. Countries are coded as realizing those rights from one (best score) to seven (worst). The mean for the Muslim world for political rights is 5.24, that for civil rights 4.79. Again, the mean values for the entire sample are significantly better than for the Muslim world (3.28 and 3.49 respectively).¹⁰

Lastly, the degree of a market economy is measured by relying on the composite index of Gwartney et al. (2002), again coded from 0 (worst) to 10 (best) which covers 21 criteria in areas like freedom to trade internationally, regulation of credit, labor and business or access to sound money. The mean of the Islamic world (5.70) is, again, worse than the mean for the entire sample (6.32). This exercise could be extended to more specific issues such as press freedom or corruption but the results are always similar, which is why we refrain from reporting them here. That Muslim countries score on average worse than the world as a whole is not really surprising. What is more, it does not prove that Islam is a cause for these differences. This is why we now turn to the question whether these outcomes are driven by the presence of Islam as an independent variable.

Barro (1999) has analyzed the determinants of democracy using the Freedom House measures just presented. It turns out that higher income makes democracy more likely, just as more

¹⁰ Readers who are skeptical of numbers might prefer the evaluation by Brown (2003: 41): “The Arab world has grown rich in constitutions but poorer in constitutionalism over the past century.”

years of primary schooling, a low gap between male and female primary schooling and the absence of being an important oil exporter. The last two variables are of particular relevance in our context: It could be argued that it is not Islamic values that induce the low democracy scores, but the vast oil reserves of the Arabic countries or the substantial gap between male and female primary schooling. Yet even if these variables are controlled for, the Islam variable is still highly significant as a variable deterring a country from becoming democratic. Ross (2001) presents very similar results, controlling for even more other variables. We can thus be fairly certain that the presence of Islam has a significantly negative impact on the level of democracy to be found in a country. How about the effect of Islam on the rule of law and market economies? Unfortunately, studies comparable to the two just cited are not available but as the correlation between democracy on the one hand and the rule of law and constitutional democracy on the other are very high, it appears safe to expect similar results.

Many Islam experts have claimed that Islamic values are not the root cause of the unsatisfactory political and economic performance of these countries. Some have claimed that the economic ethics of the *Qur'an* are compatible with a social market economy (Ghaussy 1986; Nienhaus 2003). Lewis (2002) has observed that government elites in the Muslim world have emerged in spite of Islam and not as part of it, and Rodinson (1971) has even claimed that colonization was responsible for the lack of capitalism in the Muslim world.¹¹ Contrary to those evaluations, it will be argued here that there are compelling reasons to assume that Islamic values are a central cause for explaining the poor performance of Muslim countries. In this section, we set out to analyze the “economic ethics” of Islam and its effects on the three

¹¹ Since not all Muslim countries were colonies, those that were not should be better off, according to this line of argument. But this is not the case. Inversely, not all countries who used to be colonies are as bad off as former colonies in the Arab world. This suggests that Islam and its behavioral consequences might be a relevant determinant. Barro (1999) checked whether having been a colony changed the likelihood of being democratic today. None of the used dummies turned out to be significant.

central institutions identified above. Max Weber (1920/1988: 238) delineates “economic ethics” as “not the ethical theory of theological compendia ... but the practical impulses for action that are based on the psychological and pragmatic connections of the religion.” We use Weber’s delineation here.

3.2 The Rule of Law and Islamic Values

As pointed out above, one key trait of the rule of law is that all persons are treated equally (*isonomia*). If the values promoted by a religion say otherwise, the concept of the rule of law might become or remain alien to those holding the relevant values. Since Islam’s inception, three social inequalities have been not only sanctioned but “sanctified by holy writ” (Lewis 2002: 83). These are the relationships between master and slave, between man and woman, and between believer and unbeliever (*dhimmi*; on its history, Berkey 2003, esp. chapter 10). It is not difficult to find these sanctified inequalities in the institutions of many Muslim states to this very day. Although slavery was officially abolished in 1962 in Yemen and Saudi Arabia, there are some places in the Arab world where slavery has been restored.¹² The differential treatment of men and women is not constrained to internal institutions but still sanctioned by many states: many of women’s legal entitlements, often including voting rights, are different from men’s. The third sanctified inequality plays a role too: the *Shari’ah*, or Muslim law, is not applicable to non-believers.¹³

¹² Estimates of the number of slaves held in North Africa range from 90,000 to 300, 000 (Villanueva 2001).

¹³ This distinction concerning individual inhabitants of a country also gives rise to a fundamental distinction between “good” and “bad” countries, namely between countries belonging to the Islamic world (*dar al-Islam*) and those not belonging (*dar al-harb*). In the view of Muslim fundamentalists, it is *dar al-harb* against which a jihad has to be fought until a single world, that of Islam, has emerged.

The rule of law, as well as constitutional democracy, means restricted government. Restrictions on government are achievable only if many members of society share individualistic notions, i.e., if they view the individual as autonomous in setting her own goals and not merely as instrumental for the attainment of collective goals. If such individualistic notions are not shared, however, there is no longer an imperative to endow the individual with negative rights vis-à-vis the state, which makes such endowment less likely. There is evidence that individualism does not play a prominent role in the Muslim world.

If key parts or a majority of the population adhere to the view that the state has a purpose that goes beyond the provision of public goods for individual members of society, the establishment of a rule of law that binds the representatives of the states to the same rules that the other members of society are bound to most unlikely, because the representatives of the state are seen as engaged in pursuing “higher” ends. If large parts of the population think of the state as an organization that is responsible for promoting some truths, it is, at least *ex ante*, by no means certain that every individual should be treated equally. Islam pretends to be relevant in all walks of life, not just in the spiritual realm. Mohammed and his successors are considered to be both religious leaders and worldly rulers. Islam promotes theocracy. Some Muslim states are caesaro-papal, i.e., they do not distinguish practically between worldly and religious governments. The separation between church and state is characteristic in the West and has been identified as one of the reasons for its high development (e.g., Berman 1983). Lack of such a separation can, in turn, explain the bad scores observed for many Muslim states with regard to the rule of law. Some governments in the Muslim world are secular governments that try to contain the influence of Islamic fundamentalists as much as possible. Cases where they have failed to do so (e.g., Iran) have not, however, led to radical improvements in the governance scores of those countries.

A possible counter-argument against this line of reasoning might be that it is not Islam, but utility-maximizing autocrats, who prevent the emergence of the rule of law in most of the Muslim world and that Islam simply favors this stance. But this argument is convincing only if it can explain why interest groups in other parts of the world have been more successful in systematically constraining their governments. Why were the Muslims not the first to have a Magna Carta given their high level of development in the 12th and 13th century? The autocrats of the Muslim world are not the only group profiting from the current state of affairs, the *ulema* (the Muslim clerics) also do. Why have they been successful in suppressing all attempts at creating a modernized interpretation of *Qur'an*, i.e., instigating an Islamic Reformation? Why is it that the bourgeoisie has not become a sufficiently important force to stop clientelism and corruption?

A partial answer is that Islam has always also been a worldly movement and that rents often seemed more important than trying hard to live a good life. But still: substantial reform could make many people better off. Why don't we see more demands for such change? Voicing such demands would amount to the production of opposition. Its production is, however, costly and furthermore a public good. Therefore, it must be demonstrated that it can be rational to participate voluntarily in the provision of the public good "opposition". It can be argued that government will give in to opposition demands only if it is confronted with a credible threat from a sufficiently large number of citizens that could reduce its expected utility from governing. More precisely, it will give in only if the expected utility from giving in is higher than the expected utility from not giving in. It seems plausible to assume that it is easier for organized groups than for unorganized individuals to oppose government because organized groups have already been able to solve the problem of collective action (Olson 1965). An active civil society would thus be more likely to obtain and maintain a stable rule of law.

Prima facie, the economic ethics of Islam seems to favor civil associations. The UNDP Report (2002: 109) describes the ancient civil tradition of *waqf*. Since the end of the nineteenth century, it would have taken the form of cultural associations and charities whose main activities were education and the provision of health care. The report then goes on to describe bureaucratic impediments that prevented those charities from performing effectively. Lewis (2002: 111) is a bit more critical here: he talks of the *waqf* in the past tense and points out that many modernizing autocrats have been able to bring those charities under state control. Putnam (1993) demonstrated that the existence of different levels of civil society could help explain differences in the quality of local infrastructure goods among the various regions of Italy. He emphasizes the importance of voluntarily founded and horizontally structured associations. These two criteria lead him to exclude associations connected with the Catholic Church. La Porta *et al.* (1997) have taken up this distinction between horizontally and vertically structured civil associations and have asked whether Putnam's findings hold beyond Italy. They hold Islam to be a hierarchical religion (the Orthodox Church is also placed in this category) and offer evidence in support of the hypothesis.

A similar concern is echoed in Lewis' (2002: 112) idea that, in the Islamic context, it might be appropriate to measure the independence of civil society not in relation to the state but in relation to religion. "Secularised" civil society seems to be rather weak in Muslim countries. But what are the values preventing the formation of voluntary associations? Obviously, relevant parts of the population need to be convinced that it is not fate that is responsible for their lot, but – at least to a considerable degree – their individual actions. If fatalism cannot be overcome, the formation of civil associations will be pointless, and no relevant opposition can be expected. When autocrats seize power and rule arbitrarily rather than under general rules, their rule is likely to be interpreted as fate and the mounting of opposition as pointless. Muslims' fatalism has been stressed by many observers.

Kuran (1995) has introduced the notion of preference falsification, which might also have some explanatory power here. According to this notion, individuals have incentives not to declare publicly their true private preferences if such a declaration is connected with some sort of punishment. In the long run, in fact, individuals might even choose to modify their private preferences due to a desire to reduce their cognitive dissonances. In another publication, Kuran (1997) points out that, given sufficiently stable environmental conditions, people may even begin to perceive a complete absence of improvement potential. If this is the case, political demands for improvement can be expected to be minimal.

To sum up: A rule-of-law regime is unlikely if most members of a society do not think people should be dealt with equally. It will even be more unlikely if this view is supported by their religion, as seems to be the case with Islam. It is therefore not surprising that institutions making up the rule of law are rather underdeveloped in the Muslim world.

3.3 Constitutional Democracy and Islamic Values

In the previous subsection, we talked about values, which seem to prevent the establishment and implementation of a rule-of-law regime. There are, of course, broad overlaps to the issue discussed in this subsection, namely the values conducive to constitutional democracy. Since we are here only interested in constitutional, i.e., constrained, democracies, all the aspects pointed out in the previous section should be relevant here, too. Democracy itself is not, however, a necessary complement to, or outgrowth of, the rule of law. We will therefore try to focus on those values that seem to be requisites for sustainable democracy here.

Gellner (1994: 17) observes that long before the concept of separation of church and state was formulated and implemented in the West, Islam had made its own unique distinctions between these powers: Gellner writes that “legislation was distinct from the executive because it had been pre-empted by the deity, and religion itself was above all the Constitutional Law of

society.” However, Gellner (ibid.: 26) goes on to argue that Islam does not offer a blueprint for the *organization* of power. “This vacuum is filled without protest by clientelist politics.”

Democracy incorporates specific forms of appointment for members of the legislature and the executive. Legislators have *inter alia* the function to pass formal legislation that facilitates decentralized cooperation, which is believed to be welfare enhancing. Since interaction situations can change over time, e.g., due to technical progress, institutions to remain adequate, have to change over time, too. It is thus necessary to endow legislators with the competence to pass fresh legislation. Islam has had extraordinary difficulties, however, with this notion of legislation. To quote Lewis (2002: 101): “In the Muslim perception, there is no human legislative power, and there is only one law for the believers – the Holy Law of God...”

Suppose a society has given itself a constitution that mandates periodic elections of those persons who are to determine the exact composition of the public goods bundle to be provided. Under what conditions will such a constitution become effective? Let us say that the governing party has just lost the elections. Why should its members leave office and hand the government over to the winning party instead of simply holding onto it? Economically speaking, one would expect the losing party to leave office only if the expected utility of that action is higher than the expected utility of not leaving office. If the losing party expects that the representatives of the (now) winning party would never leave their offices after a (future) defeat, the representatives of the (now) losing party would not have a good reason to leave.¹⁴ Trust that the opposing party will play according to the rules in the future is therefore a

¹⁴ Inglehart (1997: 172) advances a similar argument: a government losing elections must moreover trust the former opposition not to imprison or execute members of the former government once the former opposition takes over office.

prerequisite for a functioning democracy.¹⁵ Expressed differently: if some of the crucial actors are bound to the functioning of democracy *per se* and attribute some utility to its preservation, even if it is not they themselves who hold office at that time, the likelihood that democracy will be sustainable is greater (on this, see Przeworski 1991).

The World Values Survey, which has been carried out in four waves in up to 70 countries since the early 1980s, includes some Muslim countries. It appears that the percentage of the Muslim population that believes that most people can be trusted is significantly lower than the percentage in other countries; Indonesia and Iran are two noteworthy outliers within the Muslim world:¹⁶

“Generally speaking, would you say that most people can be trusted or that you can’t be too careful in dealing with people?”¹⁷			
	Yes		Yes
Albania	24.4	Nigeria	25.6
Algeria	11.2	Pakistan	30.8
Azerbaijan	20.5	Turkey	16
Bangladesh	23.5	Uganda	7.8
Bosnia	15.8		
Indonesia	51.6	Denmark	66.5
Iran	65.3	Netherlands	60.1
Jordan	27.7	Norway	65.3
Morocco	22.8	Sweden	66.3

Source: World Values Survey data taken from fourth wave (1999-2001).

3.4 Market Economy and Islamic Values

One of the most important functions of legislation in market economies is to encourage positive-sum games (making them less expensive) and to discourage zero- or even negative-

¹⁵ An example of insufficient trust to uphold democracy is the Algerian elections of 1991: The (secular) government expected the Islamic Salvation Front to win and said that, once in power, the Front could not be trusted to give up their power again. The elections were therefore cancelled.

¹⁶ Of course, a difficult causality issue is involved here: Are trust levels constant and does this constrain the possibility of implementing a constitutional democracy? Or is it rather that functioning democracies lead to rising levels of trust?

¹⁷ The choice of the countries for which trust levels are reported is heavily constrained by the countries that were included in the survey.

sum games (making them more expensive). It has already been shown that lawmakers in Muslim countries have always been seriously constrained in that endeavor due to fundamental religious beliefs. Weber (1921/1980: 375) points out that the economic ethics of Islam is “purely feudal”. The most pious of first-generation Muslims were already the richest in terms of booty, i.e., as a result of a negative-sum game. He believes the role of the booty, as well as that of rent-seeking, in Islam to be in exact opposition to the Puritan evaluation of these two issues.¹⁸

An institutional prerequisite of a thriving market economy is the existence of respected *private property rights*. Islam constrains the degree to which private property rights can be introduced. Non-renewable resources like mineral resources or water are exempt from private ownership. This might help to explain the relatively high degree of government ownership in many Muslim states. It might also have made it easier for governments to run quite a few other firms as state-owned enterprises. Of course, state-ownership was perceived as progressive until recently in many parts of the world and Islamic values were not prerequisite to promote it. Yet, Islamic values can help the state to hold onto it, even after its inefficiency has been proven the world over.

Lewis (2002: 111) points out that Islamic Law does not recognize corporate legal persons. It is well known, however, that many transactions can be carried out more cost effectively

¹⁸ For a long time, Islam experts have either ignored Weber or argued that his critical evaluation of Islamic economic ethics was seriously flawed. The volume edited by Huff and Schluchter (1999) is the result of a conference in which both Islam and Weber experts participated and which has led to a renewed interest in Weber’s views.

With regard to Weber’s argument concerning Protestants and Catholics, Arruñada (2003) has recently shown that it can be reinterpreted as Catholics being favorable to personal exchange and Protestants being favorable to impersonal exchange. Either can be adequate, depending on the specific conditions of the environment (technologies, etc.). This argument might also be applicable to Islam and might be a way to explain why Arab countries were leaders in technology and innovation for some time but have been in decline for many centuries now.

within a hierarchical structure (i.e., a firm) rather than via the market. If formal law does not provide the possibility of establishing hierarchies, suboptimal firm size, and inefficient organizational structure may result.¹⁹

Yet another prerequisite for a well-functioning market economy is that individuals *accept* that some will make a fortune out of *seemingly unproductive activities* like trading or "unproductive" services, especially financial services. Traditionally, traders have enjoyed a high reputation in Muslim countries, which also included those serving the traders, money-changers e.g. Yet, the prohibition to take *riba* (interest) is probably the best-known single rule of Islamic economic ethics. The ways that are used to circumvent it have been the topic of many papers. However, circumvention increases transaction costs, i.e., leads to a decrease in the efficiency of the system.

One more prerequisite for dynamic market economies is that at least some individuals enjoy *innovative behavior*. Innovative behavior cannot only occur on the production side but also in being a 'consumption pioneer.' It is noteworthy that the number of innovations originating in Muslim countries has been low for hundreds of years. The Muslim term closest to the Christian concept of heresy is a term that also means innovation (namely *bid'a*). Lewis (2003, 227) cites a view attributed to the Prophet: "The worst things are those that are novelties. Every novelty is an innovation, every innovation is an error, and every error leads to Hellfire." These views are clearly not supportive of a dynamic market economy.

With regard to the values conducive to a market economy, Islamic values and historical experience lead us to be somewhat less pessimistic than with regard to the rule of law and constitutional

¹⁹ See also Greif (1994) who describes how the Maghribi traders slowly lost ground to their competitors from Genoa. The Maghribi traders were Jews who had adopted Muslim values and who weren't able to expand as fast as the Genoese because they relied only on family members whom they were certain they could trust, whereas the Genoese invented institutions that could function in place of personal ties.

democracy. Then again, a market economy will only flourish if the actors can trust in the adequacy and stability of the legal framework, in other words, if the rule of law is implemented in a reliable fashion, which is not the case in most Muslim countries.

3.5 Putting It All Together

There are significant overlaps between the preconditions for the rule of law, constitutional government, and a market economy. Trust, for example, not only enhances the likelihood of sustained democracy, it also decreases transaction costs and leads to a higher number of welfare-enhancing transactions. But these central institutions of free societies cannot be combined at will like the parts of a quilt. A functioning market economy presupposes the implementation of some general rules, i.e., some form of rule of law. That means that values conducive to a market economy but in conflict with the rule of law will most likely not be sufficient for maintaining a successful market economy for long.²⁰

Section 3 served to present an overview of the economic and political situation in the Muslim countries and asked whether the values promoted by Islam were by and large compatible with the core institutions of free societies, namely the rule of law, constitutional democracy, and a market economy. Drawing on economic ethics as delineated by Max Weber, we found that there are a number of severe impediments that make the establishment of these core institutions less likely in the Muslim world. It might (rightly) be argued that many of the values proclaimed in the Bible are not compatible with the core institutions and that they nevertheless developed in the West. This is why it is important to keep Weber's definition of economic ethics in mind, which focuses on impulses for action based on religion, but not on theological compendia. In the West, the values have undergone subtle, but important changes

²⁰ Kasper and Streit (1998) argue that the political and the economic order of contemporary China are incompatible.

for centuries. Compare the Reformation in the West with the prohibition of any re-interpretation because all law stems from *Qur'an* and the *hadith*, the traditions of Mohammed and his earlier followers. Whereas the Reformation led to far-reaching changes, a similar reformation in the Muslim world is still badly needed.

We now turn to an alternative way of ascertaining some of the values and attitudes that are shared by many citizens of the Muslim countries, namely opinion polls. It will be interesting to see whether these data point in the same direction.

4 Islamic Values as Reflected in Opinion Polls

In April and May 2003, Muslims in 14 states were surveyed about their opinions on government and social issues by the Pew Global Attitudes Project (2003).²¹ The short time passed since the end of the second war in Iraq might have had an impact on some of the responses, especially the evaluation of the West, and particularly the U.S. But opinions on fundamental issues of government should not have been influenced unduly. Opinion polls are, of course, not unproblematic as a source of information: many of the states in which the survey was conducted are authoritarian and some governments even prohibited specific questions to be asked. Kuran's (1995) notion of preference falsification might also play a role: If "truths" are only uttered privately, whereas statements perceived as "politically correct" are pronounced publicly, opinion polls may provide little information on the attitudes citizens really hold. Notice that this can even skew the results in favor of the attitudes compatible with free institutions if these are the publicly declared ones.

²¹ A similar survey had been conducted in 2002. Countries covered by at least one of those surveys and that have a substantial Muslim population are Turkey, Jordan, Lebanon, Palestinian Authority, Morocco, Egypt, Mali, Senegal, Ghana, Ivory Coast, Nigeria, Tanzania, Uganda, Uzbekistan, Kuwait, Pakistan, Bangladesh, and Indonesia. Unfortunately, none of these states is on the Arab peninsula.

Although there is strong support for Osama bin Laden in many of these countries, Western values appear to be quite prominent. The Project (ibid.: 6) reports that “people in Muslim countries place a high value on freedom of expression, freedom of the press, multi-party systems and equal treatment under the law.” These are important components of the rule of law as well as of constitutional democracy. We now turn to have a closer look at the results of this survey.

The Rule of Law

We have seen that the values of Islam appear to be in important respects incompatible with the rule of law and constitutional democracy. In order to find out whether these core institutions of a free society would have some backing among Muslim populations, it is necessary to ask Muslim people about the role that Islam currently plays in their respective countries and the role that they think Islam should play. Here are the results:

Role of Islam in Political Life			
	<i>Plays a Large Role</i>	<i>Should Play a Large Role</i>	Difference
Pakistan	56	86	+30
Uganda	38	66	+28
Jordan	50	73	+23
Bangladesh	56	74	+18
Ivory Coast	44	54	+10
Ghana	42	52	+10
Mali	61	70	+ 9
Nigeria	62	61	- 1
Indonesia	86	82	- 4
Turkey	46	41	- 5
Tanzania	28	17	-11
Uzbekistan	55	41	-14
Lebanon	71	49	-22
Senegal	65	42	-23

Source: Pew Research (2003: 34)

Apart from Tanzania (which we have not included in our own survey because indigenous beliefs are as strong as Islam on the mainland), the populations that seem most ready to attribute Islam a less important role in politics are those found in Turkey, Uzbekistan, Lebanon and Senegal. In most other countries, overwhelming majorities wish Islam to play a

major role in political life. The same question was asked as part of a study conducted by the Office of Research with the U.S. Department of State in 1999. It is noteworthy that the shares of those who believe that Islam should play a large role have substantially diminished since.²² If the argument in the previous section – namely that Islam and the rule of law are at least partially in conflict – is accepted, then these answers give little reason to be hopeful.

A closely related issue is that of the role that religious leaders should secure in politics. Up to 91% of the Muslims said that religious leaders should play a larger role in politics. The populations of Senegal, Tanzania, Uzbekistan, and Turkey were least convinced that this should be the case.

Religious Leaders Should Play a Larger Role in Politics		
	<i>Agree</i>	<i>Disagree</i>
Nigeria	91	8
Jordan	77	23
Bangladesh	76	14
Lebanon	72	23
Mali	64	33
Pakistan	63	17
Ghana	60	36
Ivory Coast	59	40
Indonesia	51	48
Uganda	49	41
Turkey	40	50
Uzbekistan	40	52
Tanzania	36	53
Senegal	36	64

Source: Pew Research (2003: 35)

It is quite revealing to compare the answers to the two questions, the first being more issue-oriented, whereas the second is more person-oriented. In Lebanon, for example, there was no majority in favor of a larger role of Islam, but 72% of the Muslims support a more active role of their religious leaders in politics. *Prima facie*, the answers to this question seem to point in the same direction as the answers to the previous question. Yet they can also be interpreted as

²² The decline was from 87 to 41% in Turkey, from 81 to 41% in Uzbekistan, from 84 to 61% in Nigeria, and from 93 to 82% in Indonesia. The only country in which the question was asked both in 1999 and 2002 and in which agreement rates have not declined is Pakistan.

a critique of the quality of the current politicians: the worse they appear to be, the more readily citizens may accept some other leader.

Yet another closely related question deals with the relationship between religion and government. It was argued in the previous section that Islam could be interpreted as a caesaro-papal religion and that this might be one of the causes of the relatively slow development of Muslim countries. It is fascinating that, although there are majorities in favor of a more active role of religious leaders in politics in many Muslim states, substantial parts of those populations also believe that religion is a personal matter and should be kept separate from the government. Among the Muslim countries, absolute majorities completely agreed with the statement “Religion is a matter of personal faith and should be kept separate from government policy” in Ivory Coast (84%), Turkey (73%), Mali (71%), Senegal (68%), Uganda (62%), Nigeria (61%), Lebanon (56%), and Uzbekistan (55%). Complete agreement with that statement could not secure majorities in Jordan (24%), Pakistan (33%), and Indonesia (42%). There are at least some populations that favor a separation of religious and political issues.

It has been pointed out that *isonomia* today includes the equality of men and women but that women still do not enjoy the same legal status as men in many Muslim countries. It is therefore interesting to compare this observation with the results of the opinion poll. It was asked whether “women should be able to work outside the home.” The percentages of the population that completely agreed to this are the following: Uzbekistan (70%), Ivory Coast (70%), Turkey (66%), Lebanon (66%), Senegal (64%), Mali (54%), Bangladesh (48%), Tanzania (47%), Uganda (36%), Nigeria (35%), Ghana (35%), Pakistan (33%), Indonesia (22%), and Jordan (14%). In more than half of the countries surveyed, there was thus no majority of the population that believed that women should be able to work outside the home.

All in all, the results of the survey complement the insight that the values based on Islam are not easily compatible with the rule of law.

Constitutional Democracy

When asked whether democracy could work well in their country, large absolute majorities believed that democracy could work well in most Muslim countries. The only exceptions were Indonesia and Turkey, in which only 41 and 50% of the population, respectively, believed that democracy could work well.

Elections are one crucial ingredient of constitutional democracy. Asked whether it was very important, somewhat important, not too important, or not important at all that honest elections are held regularly with a choice of at least two political parties, absolute majorities claimed that this was “very important” in all the Muslim states considered, except in Jordan (28%), Indonesia (40%), Uzbekistan (42%), and Pakistan (46%).

A precondition for honest elections is that people can discuss alternatives freely, say what they think, and freely criticize the government. Asked whether these freedoms were important to them or not, majorities in all countries said they were important. Nevertheless, margins differ, and the slightest margin in favor of free speech was encountered in Jordan (53:46).

Another precondition for honest elections is that the media can report the news without being censored by the government. Again, there were overwhelming majorities that claimed this to be important in many states, with the narrowest margin encountered in Jordan (63:36) again. Taken together, these opinions seem to indicate that there are majorities in almost all countries surveyed that favor some of the crucial prerequisites of a functioning democracy.

Market Economy

What are the prospects for the struggling market economies in Muslim countries? A straightforward way to find out is to put that question directly to Muslims. In one survey, Muslims were asked whether they agreed with the statement that “Most people are better off

in a free market society, even though some people are rich and some are poor.” In all Muslim countries except one (Jordan), those who completely or mostly agreed outnumbered those who mostly or completely disagreed. Here are the (positive) differences between those who agreed and those who disagreed: Ivory Coast 59, Mali 42, Nigeria 65, Senegal 16, Bangladesh 15, Indonesia 15, Egypt 32, Lebanon 61, Pakistan 28, Turkey 30, and Uzbekistan 25. In Jordan, 53% of the respondents disagreed, while 47% agreed. The positive difference in the U.S. was 51 and that of German respondents 40. Many people in the Muslim world thus seem to favor a market economy in very general terms, which is encouraging.²³

Market Economy

If the individual is perceived as being responsible mainly for making decisions and reaching goals, then the prospects for the establishment of a functioning market economy tend to be positive. If, on the contrary, human life is perceived as being determined mainly by destiny, it is unlikely that people will start to be economically active in order to improve their lot. Many Muslims agree with the statement “Success in life is pretty much determined by forces outside of our control.” In Turkey, 76% agree with this, while only 17% reject it (Agree-Disagree percentages for other Muslim countries are: Ivory Coast 52:48, Mali 71:24, Nigeria 64:32, Senegal 59:39, Bangladesh 60:9, Indonesia 52:46, Egypt 48:42, Jordan 61:39, Lebanon 54:42, Pakistan 59:16, and Uzbekistan 54:36). But before drawing conclusions about these figures, a look at some Western figures might be helpful: In Germany, 68% agreed with the statement. In the U.S., 32% agreed and 65 % disagreed.

Individual freedom and redistributive justice are conflicting values. In an ideal-type market system, there is no room for redistributive justice. If the (transitory) distribution brought

²³ Interestingly, support for free markets is lowest in the Central and East European transition countries: In Bulgaria, Poland and Russia, only a minority agreed with the statement.

about by the market is seen as “unfair” or “unjust” and is therefore held to require correction, a purpose is introduced that conflicts with the individual purposes of market actors. Therefore, there is a trade-off between freedom and redistribution, between freedom and equality. Answers to the question, “Is it more important that people are free or that the state guarantee no one is in need?” are surprising. The Bangladeshi were clearly in favor of the needy (63:32), followed by the Jordanians (63:35), the Indonesians (61:38), the Senegalese (59:41), and the Malis (57:42). In favor of freedom were the Pakistani (61:24), the Nigerians (61:36), the Turks (52:39), the Lebanese (52:47), and the respondents from Ivory Coast (51:49). Uzbekis were tied (49:49). What is striking are the answers given by Western Europeans: Italians, for example, favor the needy by a 47-point margin (71:24), while Americans favored freedom by a 24-point margin (58:34).

Another issue is the willingness of citizens to accept a substantial reallocation of resources if that enhances efficiency. One question in the survey seems to frame this problem quite well, asking whether a large, inefficient factory should be closed because such a closure is necessary for economic improvement or whether it should remain open because a closure would constitute excessive hardship for the people associated with its operation. In none of the Muslim states was there a (relative) majority in favor of closing the factory. Those with the closest difference between closing and not closing the factory were the respondents from Ivory Coast (10), Lebanon (11), Bangladesh (13), and Uzbekistan (15). Those with the largest majorities in favor of keeping the inefficient factory going were respondents from Turkey (48), Jordan (45), and Mali (39).²⁴

²⁴ Unfortunately, this question was asked neither in the U.S. nor in Western Europe. Some answers from Central and Eastern Europe are, *however*, available. The Czechs (63:33) and the Slovaks (50:48) opted in favor of closing the inefficient factory. By far the largest opposition against closing the factory were the Russians (64:27), who said that closing it constituted too much of a hardship.

Putting it All Together

In order to make the attitudes of the polled populations comparable, we have used the answers to 12 questions – four each to capture attitudes to the rule of law, constitutional democracy and market economy. For each question, we have taken the percentage of attitudes favorable to the respective core institution and subtracted the percentage of unfavorable answers from it. The difference is used to rank countries.²⁵ For the rule of law, for example, Senegal is first, which means that the attitudes of its population seem to be more favorable to the rule of law than elsewhere. The fourth column is simply the rank order that emerges if the rank orders are averaged. The variance among the three categories is confusing, yet there seem to be some trends: based on the attitudes of its population, Jordan clearly has the least chance to set up the institutions that are supposed to be a precondition for a free society, and Pakistan and Bangladesh also seem in deep trouble. It may be noteworthy that, as a region, Africa seems to have a better chance than Asian countries polled.

Rank Orders With Regard to Attitudes Concerning Various Values Supporting ...				
	1) Rule of Law	2) Constitutional Democracy	3) Market Economy	4) Average of 1-3
Ivory Coast	4	2	1	1
Senegal	1	3	7	2
Lebanon	5	6	2	3
Mali	6	1	9	4
Uzbekistan	2	8	6	4
Nigeria	8	5	4	6
Turkey	3	7	10	7
Indonesia	7	9	8	8
Bangladesh	9	5	11	9
Pakistan	10	10	5	9
Jordan	11	11	12	11
Egypt	-	-	3	-

Source: Own calculations, based on Pew Research (2003, various questions)

Voigt (1993/2002) is an attempt to ascertain the compatibility of values and attitudes in Central and Eastern Europe with the necessities of a market economy. A prediction of economic growth rates solely based on opinion polls very similar to the one cited here turned out to be amazingly accurate.

²⁵ The numerical results for all 12 questions can be found in the Appendix.

The results of these polls should certainly not be overemphasized. It is possible that people are asked to give their opinions about concepts that they have never experienced themselves and whose consequences they might thus not fully grasp. Moreover, attitudes expressed towards pollsters will not bring the respective institutions about. Yet, favorable attitudes towards them will make them more easily sustainable once these institutions are formally introduced. That the governments of the region are afraid of this is also documented by the fact that the poll could not be carried out at all or partially in a number of Muslim countries. But in particular with regard to the rule of law, which can be seen as a necessary precondition for both constitutional democracy and market economy, the attitudes revealed by polls corroborate the insights gained in section 3.

5 Conclusion

Most Muslim countries do not fare well with regard to a number of indicators that can serve as proxies for the three institutions at the core of free societies, the rule of law, constitutional democracy, and the market economy. We have seen that Islamic values are, by and large, not conducive to the establishment and maintenance of any of these institutions. However, some of the attitudes of Muslim populations are surprisingly in line with at least some of the central preconditions for these core institutions.

What does this mean for the prospects of establishing the three core institutions in Muslim societies? Given that our central hypothesis, according to which the values of a population need to be at least broadly in tune with external institutions is correct, the prospects of implementing them in the Muslim countries soon seem rather slim. Regarding attempts of “the West” to establish the core institutions in countries like Afghanistan or Iraq, an additional difficulty might play a role: here, it is not only the case that institutional change is sought “from above” but also from infidels who are greeted with suspicion. The sustainable

establishment of the three core institutions would have to be preceded by reforming Muslim values, i.e. the internal institutions of Muslim societies. This is likely to take decades – or even centuries. Additionally, it cannot be prescribed from above.

A hundred years ago, many Western states did not embrace what has been dealt with here as the core institutions of free societies. Many countries were not democratic and if they were, suffrage was highly restricted. A similar study, done a hundred years ago, might have argued that this was due to the values laid out in the Bible. Here, we have relied on Weber's concept of economic ethics that looks at the values as they are actually lived. Hence, even a hundred years ago, one could have argued that the competition between state and church had been going on for hundreds of years, that the reformation had fundamentally changed the perspective of many believers, that various revolutions in favor of the core institutions had taken place – and that the implementation of our three core institutions was thus at least not unlikely. Hence, it is interesting to identify reform movements in the Muslim world that could have wide-ranging effects. It could be argued that the *Shi'a* branch of Islam should have fewer problems reforming because it never agreed to the notion that all possibilities of human reasoning and individual opinion (*ijtihad*) in interpreting the *Qur'an* had been closed. Then again, the *Shi'a* clergy have not been very innovative either. Another possibility is that the Asian Muslim countries who are subject to other influences and who guard against being dominated by interpretation from the Arab heartlands will be more ready to reform themselves.

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