

"All of the . . . democratic prerequisites are lacking in the Arab world. Arab democracy along Western terms is wishful thinking."<sup>496</sup>

## GLOBALIZATION AND ITS IMPACT ON THE MUSLIM WORLD

Many analysts expect that the Muslim world will face not only political and societal change and violence but also a deteriorating set of economic circumstances. Increased autarchy and economic dislocation will only add impetus to violence and disenfranchisement and anti-Western sentiment within the Muslim world. The Muslim states have done very little to accommodate the contradictions that result from conflicting trends in the global economy (liberalisation vs. protectionism, globalization vs. marginalization, nationalism vs. regionalism). In this context, the absence of any Arab national or transnational programme to enhance productivity, optimize market efficiency, or accelerate industrial and technological progress through specialization will undoubtedly hurt the Arab's world attempt to modernize and contain its fundamentalist factions. The Arab world has also not made any attempt to coordinate efforts to resist protectionism and marginalization within the domestic sphere nor to reform feudal governmental practices and narrow minded education programs that do little to encourage wealth creation or the establishment of a stable market economy.

The financial, technological and economic forces of globalization, outside the domain of oil and some other natural resources, has largely bi-passed the Muslim world. Changes in the structure of the world economy have been based on advances in information and communications technology and the development of synthetic materials. The Arab economies have developed no policies to keep pace with the scientific and technological revolution that has transformed many economies in the West and Asia. The mechanisms that are marginalizing those Arab economies that export oil and other primary commodities have also importantly not been addressed. More worrisome for oil dependent countries within the Muslim world are the technologies that will allow importers of major Arab exports to

reduce their consumption of these commodities. Combined these influences will aggravate the socio-economic malaise that permeates the Muslim world. In aggregate most experts agree that none of the Muslim nations has reached a level allowing it to compete even with the newly industrialised countries (NICs).

Such issues are obvious when one analyses the economic stagnation of the Arab world. Combined all Arab countries have a GNP smaller than Spain at around \$530 billion. This on an Arab population of 290 million juxtaposed against Spain's 38 million. Labour productivity has actually declined in the last 40 years. In fact productivity is so low that per capita incomes are only growing at 0.5% per year, meaning that it will take 140 years to double the average citizen's income. Citizens in the modern West achieve this every 10 years.<sup>497</sup> In the use of technology the region is last in the world in the number of websites, web users and internet hosts.

This lack of economic and technological development is reflected by a lack of interest in the outside world. Only 300 or so books in other languages are translated annually in the Arab world, which is less than that which gets translated into more obscure European languages. Press censorship and the lack of outside news handicaps perceptions of foreign cultures and states. The education system as well does little to instil flexibility of thought or innovative thinking and discourse, with about 43 % of the adult population still illiterate. One of every two women cannot read or write. The education system in the Arab world is routinely ranked far below world standards. Along with poor education R&D expenditure is almost non-existent further adding to the general backwardness of Arab economies.<sup>498</sup>

The top down socialist, and in the case of Iran, Iraq and Syria fascist, governmental structures is a main reason why the Arab nation states have failed. Since the early 1950s Arab regimes have been engaged in manipulating all aspects of economic, political, spiritual and intellectual life. Such centralization and imposition of a conformist centric, regime supportive society has retarded economic and social development. Military expenditure, wars, and misuse of native resources and a fixation on Israel has compounded the inability