

Program Summary: Institution Building and Development in Muslim Countries

Since WWII, the political, economic and social progress of Muslim countries has been inadequate for building thriving communities. The state of Muslim countries—poverty alongside opulence, inequality of opportunities in education and general advancement, economic and social malaise, pervasive injustice, political oppression and, above all, ineffective institutions—has created resentment, anger and hopelessness. In turn, these realities have contributed to the growing East-West divide and the rising menace of worldwide terrorism with the United States engulfed in an endless war the world over since 9/11. Short-term initiatives, which have included Western support for oppressive Muslim rulers and a variety of covert and military options, have, if anything, made conditions worse and are likely to make a turnaround ever more difficult over the long run.

The premise for this program is that peaceful and positive change in Muslim countries will have to come about in the context of Islam. For this turnaround, Muslims would have to better understand Qur'anic teachings and strive to establish *effective institutions based on the Qur'an and the hadiths* to replace the pronouncements of corrupt rulers, coopted clerics and terrorists in Muslim countries. Effective institution building, as recognized by Douglass North and others, takes much time. The condition of Muslim countries is path dependent and has been the result of centuries, or at least many decades, of missed opportunities and unhelpful policies and practices. The institutional scaffolding that is recommended in Islam, though similar to the structure envisaged by Adam Smith (especially in his book: *The Theory of Moral Sentiments*), is still different and requires a much higher degree of morality and justice.

How can this turnaround in Muslim countries be initiated, developed and sustained? We believe that Islamicity Indices provide the compass and the basis for establishing effective institutions, restoring hope, achieving sustainable development and for strengthening global order. These indices are based on the teachings of the Qur'an and the life and practice of the Prophet Mohammad and serve as an indication of the degree of compliance with Islamic teachings as reflected in the Islamic landscape of a community. The "Islamicity Foundation" will develop the organizational structure to disseminate the ongoing results of Islamicity Indices (policy successes and failures of each Muslim country and their institutional shortcomings) through existing and to-be-formed organizations in all Muslim countries. In the process, the foundation will build a vast global community of Muslims who internalize the teachings of the Qur'an and support peaceful reforms and effective institutions. As a result, rulers and clerics would no longer be in a position to dismiss the participation of such an informed global community of Muslims who have the moral support of millions of Muslims and non-Muslims around the world.

The indices show that Western countries, especially those of Northern Europe, Canada and New Zealand, reflect Islamic values much more than do Muslim countries (<http://islamicity-indices.org>). Islamicity Indices were launched in 2007 and have received publicity in Muslim countries. Malaysia has adopted a customized Islamicity Index as of 2015; the President of Iran referred to them in a speech inaugurating a Qur'an competition; the Islamic Development Bank has convened two conferences on the indices; tens of thousands of Muslims have read about these indices; a distinguished academic said of this work "this opens up a whole new area for scholarship which will enable observers to better assess which countries are serious in their efforts versus which are using the trappings of Islamicity to justify other actions;" and I was invited to give a 40-minute public lecture on the German National Broadcasting System and have given a number of interviews elsewhere.

The details of Islamicity Indices, their application for institution building and reform and as a roadmap for this proposed program are outlined in a recent book (slated to be translated into a number of languages):

Reformation and Development in the Muslim World: Islamicity Indices as Benchmark, New York: Palgrave Macmillan, June 2017.

The foundation of these indices has been developed in a number of recent books:

-The Middle East Oil Exporters: What Happened to Economic Development? Foreword by Robert M. Solow, February 2007.

- Islam and the Path to Human and Economic Development*, Foreword by Ali Allawi, August 2010.
- Conflicts and Wars: Their Fallout and Prevention*, Foreword by George A. Akerlof, July 2012.
- Ideal Islamic Economy: An Introduction*, Foreword by Ali Allawi, July 2017.
- Ancient to Contemporary Theories of Justice: An Islamic Perspective*, forthcoming 2019.

The goal of this program is to develop an organizational structure in Muslim countries to disseminate the ongoing results of Islamicity Indices (successes and failures of each Muslim country and their institutional shortcomings) and build a vast global community of Muslims who better understand the teachings of the Qur'an and support peaceful reforms and more effective institutions. Such an informed global community of Muslims, with the moral support of millions of Muslims and non-Muslims around the world, would be in a position to peacefully encourage rulers to build effective institutions and to initiate much-needed reforms to enhance human and economic development across Muslim countries.

Work Plan:

We have incorporated the Islamicity Foundation, a non-profit 501 (c) tax-exempt corporation in the U.S. state of Maryland, to take ownership of Islamicity Indices, and with the mission of bringing about peaceful and positive change in Muslim countries with Islamicity Indices as its instrument. The founding Board of Directors of the foundation will be enlarged and diversified and an International Advisory Board will be established during 2018.

The foundation plans to raise a significant endowment to generate an income stream to support its mission. The foundation will manage the program to refine and update the Islamicity Indices and design and implement a tentative work plan that includes:

- Collaboration with established local NGOs (or support for the creation of new NGOs) initially in a few Muslim countries (tentatively Afghanistan, Bangladesh, Indonesia, Iran, Malaysia, Qatar and Tunisia) to publicize the program and the latest indices, monitor developments along each dimension of the indices and to issue papers on policies and their implementation to establish effective institutions (increasing the number of countries covered each year)
- Convening of an inaugural conference to announce and kick off the program followed every five years with a conference to take stock, monitor progress and disseminate results
- Development of a five-year Plan of Action
- Further development and expansion of the Islamicity website to a new platform to allow interactive capabilities and include Facebook/Twitter/Instagram accounts for a connected global network
- Yearly improvement and updating of the Islamicity Indices and adoption of a third party audit plan for data and calculations
- Publication of an Annual Report on the latest indices with institutional recommendations, and white papers on a few Muslim countries bi-annually delineating areas of progress and shortfall
- Establishment of a Fellows Program and a Faculty Exchange Program with fellows and faculty invited from a handful of Muslim countries each year to engage in promoting indices and institution building in their countries

Although the Islamicity Foundation has been organized as a stand-alone entity, in time and if appropriate it could partner with a world-class university. This would afford the Foundation and its mission more visibility; it would facilitate fundraising activities; and most important, by teaching seminars on Islam and development and on Islamicity Indices, the Foundation could develop a cadre of young collaborators to better accomplish its mission around the world.