ISLAMISM AND GLOBALISATION:
UNPACKING THE DIALECTICS OF IDEOLOGY
AND SOCIO-ECONOMIC CHANGE IN THE MIDDLE EAST

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The ascension of Islamism in the Middle East is an articulation of the profound and far-reaching transformations transpiring within the political and cultural spheres. As a construct, Islamism is at the center of the public discourse regarding the interplay between Islam, Muslims and power. Despite disparities among Islamists in their perceptions of extremism, political participation and societal engagement, they hold in common several fundamental ideological tenets. Notwithstanding the enigmatic nature of these tenets, the diversity among Islamists in the extent to which they materialize these principles into action is profound. It is imperative to contextualize Islamism within the historical, social and economic contexts that have exerted an impact on its ideology and practices. In this regard, it is particularly important to situate contemporary Islamism within the context of globalization. The primary objective of this paper is to situate the emergence of Islamism within the framework of political economy and underscore the dialectical relationship between Islamist convictions and socio-economic transformations. The paper argues that by leveraging economic opportunities, Islamism has created alternative methods of existence. Islamism is seen as a confluence of organizations and endeavors that advocate for the diffusion of Islamic principles. Nonetheless, it has identified a battleground in the marketplace, where it can pursue a counter-hegemonic conflict with the dominant narrative of the establishment.

Keywords: Islamism, globalisation, political economy, Middle East, capitalism and Islamic economics

Introduction

Globalisation has greatly facilitated the flow of capital, ideas and people throughout the Muslim world during the last three decades (Milanovic 2022). The world has become a global village as a result of the easy movement of products and services across borders, the rapid advancement in communication technology and the elimination of tariffs and quotas (Amin 2012). According to Vertigans and Sutton (2002), the political, economic and cultural spheres are all included in the major categories of contemporary globalisation theories in the social sciences. The emergence of a tripartite international system made up of core, peripheral and semi-peripheral nation-states is the subject of political economy theories based on Wallerstein's ambitious world-systems approach (Waller-
It is unclear, however, whether this actually qualifies as a theory of globalization, since Wallerstein claims that his world system is neither a system in the world nor of the world (Kuru 2005). It is a structure that is a world (Seifabadi and Dolatabadi 2022). Since ‘world’ is not a characteristic of the system, the hyphen is necessary. Instead, the two words combined represent a single idea (Vertigans and Sutton 2002). This implies that there can be, and undoubtedly have been, a number of world systems that have made up worlds in themselves. This idea contrasts with many other theories of globalization, which suggest that the process will eventually encompass the entire globe and that no society will be able to live outside of it (Ospina and Roser 2018). Nevertheless, the underlying neo-Marxist notion of an expanding capitalism spreading from the West has been quite influential and persists as a crucial feature that is required for comprehending the current situation (Yavuz 2003; Westra 2020).

Several culturalist interpretations of modern globalization have emerged in opposition to what was perceived as the economic reductionism of this approach (Frank 1995). The role of Islamist groups with a religious focus is still under-theorized in these debates (Beck 2000). In Wallerstein’s world-system theory, religious and ethnic movements are primarily regarded as defensive responses to the global spread of the capitalist world-system. As noted by Beck, the universalization and strengthening of capitalist logic engenders opposition on a global scale, including anti-Western, anti-modern, fundamentalist sentiments, as well as the environmental movement or neo-nationalist currents (Beck 2000: 37). This is, however, an inadequate characterization that does not help us to grasp the diversity and vitality of Islam or the commitment shown by practitioners (Vertigans and Sutton 2002: 36).

Similarly, culturalist theories of globalization frequently point out that diverse fundamentalisms demonstrate the inadequacies of political economy models of globalization and characterize religious counter-movements as forms of opposition to capitalist growth (Boman 2021). In order to understand the Islamic revival, for instance, we need to learn much more about Islamic cultures. This will enable us to comprehend why certain communities accept Western, modernist behavioral norms while others do not, or why opposition is so strong in some regions but not in others. But despite the admirable goal of avoiding Eurocentrism, cultural theories of globalization nevertheless have trouble analyzing Islamist fundamentalism (Kilminster 1997: 261). With the argument being made by inference to a general model of fundamentalism, there has been insufficient reference to empirical research findings on fundamentalisms, and so the problem remains. To dispel the current somewhat over-generalized picture, we need to distinguish between different fundamentalisms. Islam, for instance, can be regarded as an ideology that self-consciously supports an alternative theological and cultural form of directed globalization, as opposed to simply opposing the forces of capitalism and consumer culture that are globalizing society (Vertigans and Sutton 2002: 37).

This paper emphasizes the importance of studying Islamist movements, in relation to political economy because, on the one hand, the economy provides these movements with access to opportunity spaces and, on the other hand, economic practices are one of the primary places where the impact of social movements can be seen. Also, the insights offered by this research can serve as a starting point for new investigations into the links between the processes of socially constructed ideologies and socio-economic transitions. In fact, a key conclusion of these findings is that a closer link is advocated between the study of political economy and culture, the latter term being used in its
broadest anthropological sense. Interdisciplinary techniques that can incorporate theoretical frameworks and methodologies from social sciences like sociology and anthropology could greatly advance future studies. Comparative analyses with other contexts could be very useful for the study of contemporary Islamic identities. Furthermore, systematic scholarly focus should be placed on how social actors, who may or may not be Islamic activists, articulate Islamic ideas in their daily lives. Particularly, these micro-ijithad processes could reveal ongoing interactions between the Islamist and modern global capitalist paradigms.

In order to better comprehend both Islamist movements and global processes, this paper examines the emergence of Islamic movements in the Middle East in relation to globalization theories. We pay special attention to groups in particular whose circumstances and lifestyles have exposed them not only to the processes of globalization, but also to different interpretations of these changes. Focusing on the political economy of Islamism, this paper argues that Islamism must be understood within specific historical, social and economic circumstances that have influenced the development of its ideology and tactics. The paper views Islamism as intertwined with the emergence and growth of capitalism as a process of redefining modernity. It specifically examines the role of the dialectic between Islamism and socio-economic developments in the transformation of modern Muslim countries in the Middle East by focusing on political economy. While exploring how Islamism has evolved alternative modes of existence using accessible opportunity spaces, the paper gives particular emphasis on Islamic economics and finance and how it has reified the pillars of the capitalist economy, providing stronger foundations for the capitalist system.

Islamism in the Middle East

To objectively examine the evolution of Islamist groups, it is essential to look at the political and economic environment in which they operate. Many scholars have emphasized the importance of the relationship between the state and Islamist groups, frequently seeing the latter as a threat to the former. As Tripp asserts, the structures of imagination and power proper to the state are to a significant degree shaping the aims and means of the groups involved in the reassertion of Islamic values in political life (Tripp 1996). The current politicization of Islam, according to Tibi (2005), is a reaction to the ongoing crises of the modern secular nation-state in the Islamic world. The advent of the secularist state and the rationalist outlooks of the intellectual elites associated with it were crucial in the creation of the Islamic resistance, which posited a vital relationship between the state and its ideology.

Islamism has historically been both a danger to the legitimacy of the contemporary Arab nation-state's claim to be secular, in addition to being a solution to that problem. Ayubi asserts that the major threat to the state at the moment comes from the cultural private sector, so to speak, in the form of Islamist organizations (Ayubi 2006: 442). Zubaida argues that the whole idea of the state is in question and on the defensive in the face of the Islamist challenge (Zubaida 2011). It is thus possible to conceptualize the legitimacy problem of the Arab state in the 1970s as a key influence on the development of modern Islamist groups and modern Islamic identities. One of the main claims is that Islamism gained access to new market-based economic models with strong rentier features as a result of the shift from state capitalism. The growth and development of the so-called Islamic alternative coincided with the collapse of the Arab nationalist rhetoric.
Accordingly, a connection can be seen between the decline of purportedly socialist forms of state capitalism in the economic structure and the loss of dominance of the Arab socialist movement in the intellectual superstructure. Similar connections appear to exist between the creation of a market economy and the growth of Islamism, as well as between the rise of Islamic entrepreneurship and the political dimensions of the Islamist mission. The relationship between these processes should not be seen in a deterministic manner, postulating automatic superstructure modifications in response to changes in the economic structure, but rather as dialectically connected (Ismail 2006). The study of the growth of the Islamic private sector is very crucial for a reason, which is explained by these theoretical assumptions. In fact, although Islamist doctrine moulded the Islamic private sector, the growth of the Islamic private sector revolutionized Islamist ideology by allowing social movements to grow both horizontally and vertically. In other words, Islam provided emerging social forms with a vocabulary to communicate their grievances, ambitions and criticisms of the existing quo, as represented by Arab and other Muslim nation-states.

Contemporary Islamist discourses assert that they support a selective and critical view of modernity. It would be interesting to see whether this critical view of modernity has also been able to develop a criticism of Western epistemologies. According to Ayubi, pan-Arab ideology has prevailed in conflict with the ‘other,’ first the Ottoman state and subsequently Western colonization (Ayubi 2006: 146). However, after Israel defeated Nasser in 1967, this ideology suffered an identity crisis, which paved the way for the birth of the Islamist alternative (Ibid.: 147). In fact, this setback marks the transition from an era dominated by Arab nationalism to the so-called Awakening of Islam. As a result, Islamists tended to reject the aspirations of Arab nationalism in favour of the idea of the Islamic ummah undergoing a renaissance. They understood the significance of the ideological sphere, where Western ideals imposed their cultural dominance on Arab countries. This is one of the reasons why Islamist movements like the Muslim Brotherhood have, from the beginning, placed a strong emphasis on grassroots organizations in an effort to promote cultural and religious reform from the bottom up and to create a moral community that would be built from below (Harmsen 2008).

But to analyze the conflict between nationalism and secularism solely in terms of ideological spheres would be simplistic; the socio-economic aspect of the conflict between the nationalist and the Islamist narratives was equally crucial. A model for the transformation of Arab society, congruent with Western ideals and emancipated from what was perceived as the burden of Islamic law, was proposed by Western-educated secular elites. This development must be contrasted with the emergence of Islamic revivalism from a social perspective (Grinin and Grinin 2022). Khoury has persuasively emphasized the connection between ideology and social class by highlighting the extent to which the new elite had no significant allegiance to the weaker religious institutions (Khoury 1983: 13–23). This diverse elite had led the independence movement and established its authority over the Arab nations after their liberation from colonialism thanks to its secular outlook. The governing elites supported populist-inspired policies according to the Atatürk's paradigm, which required a strong state as well as the hegemony of the state over the all spheres of public life. Concerns about the private sector followed the promotion of an import-substitution model and the expansion of a sizable public sector, impeding the emergence of a group of entrepreneurs who were independent of governmental control (Khoury 1983: 11).
Overall, the interventionist state paradigm based on state capitalism resulted in significant inequalities in the socio-economic growth in the Arab world. Additionally, because the development of the public sector was frequently followed by a striking expansion of the repressive apparatuses, a strong connection can be established between patronage-based authoritarian governments and the suppression of civil society (Khoury 1983: 12). The growth of patronage networks throughout civil society was a method of buying legitimacy, as the regimes' claims to legitimacy rested on shaky foundations.

Islamist Polarities: Radicalism and the Liberal Islamist Rationale

Islamism is not a monolithic phenomenon; rather, it has many facets, levels and frequently contradicts itself. Without taking into account the effect of Islamism as a pastiche of ideology, cultural milieu, modes of action and ways of life, it is simply impossible to comprehend current Islamic (and, in particular, Arab) communities. It is widely agreed among researchers that Islam and Islamism, or religious belief and the political ideology based on it, cannot be compared on a same footing. Modern Islamism is a political philosophy derived from Islam and is relatively new. It was first linked to an awareness of Western dominance and the threat it posed to Muslim nations. The rise of Islamism in recent decades is directly related to the Islamic Resurgence, a unique form of Islamic modernity. Islamism is sometimes described as politicized Islam or political Islam, which is convenient but not entirely accurate. Islamism encompasses not only politics but also a way of life and a way of behaving. In any event, it is certain that Islamism transforms Islam into a political ideology, in addition to a religion (Achilov 2016).

Although a very substantial percentage of Salafis are not extremists, radical Islamism strongly relies on the intellectual trend known as Salafism/Salafiyyah in Islam (Schwedler 2011). Most followers of this movement want a return to pure Islam, as it was in the early Islamic communities throughout the first centuries of its existence and acknowledge the Qur’an and the Sunnah of the Prophet as the only sources of faith. In other words, they claim to support a return to the basics. For this reason, this tendency is seen as fundamentalist, and the word Salafiyyah itself is sometimes translated as fundamentalism. Some scholars claim that Islamism is nothing more than the contemporary Salafiyyah, but this ignores the existence of non-Salafi groups.

The fact that Islamism is a living stream that evolves with realities, even if this is not always apparent from the outside, explains why there are many ways in which it has been conceptualized in different places and at different times. According to some scholars, the range of responses to the issues surrounding the current Islamic phenomenon, both in terms of terminology and of its core ideas, foundations and premises, is essentially a reflection of the dynamics of this phenomenon. Common terminology varies and new meanings are created with each sudden change in its forms and traits. This shows either that the internal indicators of this phenomenon have not yet developed, or that these contradictions are the result of the old approach to new political circumstances or the synthesis of incomplete techniques (Grinin, Korotayev and Tausch 2019: 65). On the one hand, it is primarily the ideology of groups such as the Afghan Taliban, who fought for a Shari‘ah based government in Afghanistan; their view is based on strict adherence to Shari‘ah laws as interpreted by mediaeval religious and legal schools. It is also important to note that Salafis from other countries support the idea of returning to the original roots of Islam. In general, Islamists of two groups make up the Salafis.
There are many who uphold the spirit of revelation, who are both modernizing and conservative, both moderate (like the Muslim Brothers) and radical. These individuals support the rebirth of the Islamic community entirely on the basis of the sacred texts (Grinin, Korotayev and Tausch 2019: 67). Notably, one of the key sources of moderate Islamism has developed as a modernizing Salafism, which draws inspiration from scholars like Jamal al-Din Afghani and Muhammad Abduh (Al-Janabi 2021). It is vital to reiterate that the majority of Salafis are not extremists (Schwedler 2011). Islamists disagree on the extent to which life should fall under the umbrella of Islam. Some believe that Islam is a complete way of life, an all-encompassing vision in which the sacred transcends all things and plays a role in every facet of human existence. They translate the Arabic term for religion, _din_, into English to describe this transcendent discipline that goes beyond traditional religion and in which only when Islam is infused into daily life is a truly Muslim life lived. It is a statement of the absolute dominance of Islam to insist that religion influences every aspect of life. However, if everything in life is sacred, then nothing can be isolated as being genuinely sacred. In reality, few Islamists steadfastly uphold this kind of sanctification of all life. These and other labels are contested by many scholars and Islamists to distinguish between different levels and tendencies of belief, such as neo-Islamist, radical Islamist, Salafi Islamist and others. It is more crucial that scholars agree that these particular kinds of disparate phenomena really exist, regardless of how one chooses to identify them, than that they agree on labels. It is crucial to keep in mind that all of these expressions are ideological constructs (Fuller 2003).

Using terms like liberal and conservative, radical and moderate, and expecting every Western politician to fit into a neat and tidy box are no more arcane than this phenomenon. Academic definitions are superfluous. The modernist end of the Islamist spectrum is subject to the same warnings. Modernists often lay the greater emphasis on the current interpretation of the Qur’ān and the traditions. Contemporary interpretation, which prioritises context over text, places a special emphasis on carefully reading each language in these writings within the historical context of the time period from which it attempts to extract fundamental underlying principles (Fuller 2003: 58).

Through this context analysis, a thorough understanding of the message of Islam should be possible, which can then be used to interpret and apply it in the light of the circumstances of the moment. A significant part of this comprehensive perspective views the revelation of Islam, and especially the Prophet's interpretation and application of it to community life, as a universal message, but one that is intimately bound up with seventh-century Arabia and dealing with the pressing issues of that time and place. To grasp the larger meaning and modern ramifications of such revelations requires thoughtful interpretation. Many Islamists attempt to artistically connect the Muslim past and present. One of these is referred to as _Usuliyya_ in Arabic, which is virtually a literal translation of the word ‘fundamentalism’. Though not through its literal application to the present, the _Usulis_ also seek to reconnect with the early beginnings or roots of Islam. _Usulis_ oppose new borrowings from Western ideas or practices, but not interpretations of Islam that adapt to modernity; they contend that Muslim life should derive directly from the basic principles and practice of Islam as it would be interpreted under contemporary conditions (Fuller 2003: 59).

Liberal Islam defines itself in opposition to the customary norms and draws on the example of the early period of Islam to invalidate contemporary behaviours. Muslim
literals represent another type of modernism and constitute a significant school of thought, particularly in modern times. Although revivalists might be considered to use modernity (such as electronic technology) in the name of the past, liberal Islam invokes the past in the name of modernity. According to the liberal tradition, Islam, when properly understood, may coexist with or even be a precursor to Western liberalism. Because they feel that the term ‘liberal’ implies permissiveness or a careless attitude toward religion, at least in the Muslim world, many modernist Islamists passionately dislike the term.

Islamic mysticism, often known as Sufism or folk mysticism and being currently practiced, has a long-standing tradition in Islam (tasawwuf). Depending on their level of political involvement, Sufis may or may not be regarded as Islamists, although most of them place a strong emphasis on spiritual faith. Many Westerners have found Sufism to be the most understandable branch of Islam, especially after reading the poetry of Rumi, who is surprisingly the best-selling author in the US. Sufism places a strong emphasis on spiritual principles, an ecstatic and direct awareness of God, and the believer's heart and love for God. Sufis frequently give greater importance to inspiration and love than to the law. In their desire to address societal issues head-on as they arise, many Sufi organizations might be classified as modernist. Sufi orders encompass a wide range of practices and beliefs. Despite their mystical bent, they can often take a conservative or liberal stance on social issues or become actively involved in politics, as various orders in Turkey, Egypt, Sudan and other countries have done. Sufism is typically opposed by fundamentalists who view it as a corrupt tradition that compromises Islam with local religious practice, tends to downplay the importance of Islamic law, and engages in saint worship, which they find to be very insulting (Fuller 2003: 67–70).

Globalization and the Development of Islamism

An increasing amount of data suggests that economic liberalization and other aspects of globalization have created a space that is rapidly being occupied throughout the Middle East by religious groups, some of which are political motivations (Aztori 2015). The emergence of globalization has coincided with the insistence of international financial institutions on rules that limit the ability of the state to provide sufficient social safety nets to protect the underprivileged. Governments undergoing reform are forced by the ‘Washington Consensus’ and its emphasis on fiscal austerity and inflation control to enact measures like significant reductions in public spending and more general measures ‘to roll back’ the state (Said and Harrigan 2006: 450). For instance, in Jordan, the IMF stipulated that gains from privatisation projects could only be used to pay off foreign debt, and prohibited the government from allocating such funds to social sectors. The Socio-Economic Transformation Plan (SETP), launched by the Jordanian government in partnership with the World Bank in 2002 to reduce poverty in the countries, is conditional on the availability of grants and extra financial support (Said and Harrigan 2006: 455) Most of the initiatives planned by the SETP for 2002–2004 were not carried out because the government was unable to get enough funding. This calls into serious doubt the IMF's recently expressed commitment to poverty reduction in the MENA countries. However, in 2020, an Extended Fund Facility (EFF) agreement worth US$1.3 billion over four years was authorized by the IMF for Jordan. The plan included provisions for additional investment to contain and treat COVID-19 and was intended to help Jordan at that crucial moment (IMF Press Release No. 20/17 2020). Despite this,
the increase in poverty and inequality brought on by the forced withdrawal of social support by governments has led Islamist organizations with political aspirations to fill the welfare gap left by the reduction of the state. Islamists have emerged as the leading protectors of the underprivileged in Morocco, Tunisia, Egypt, Lebanon, Palestine and Jordan, giving them food, clothes and monetary benefits to pay for their health, education and even weddings.

Additionally, they offer business loans through their specialized Islamic banks, which are more in tune with local customs and cultures and have flourished throughout the region. Islamists have taken the lead in fighting for the rights of the underprivileged and setting up organizations to raise money for them. In their thorough research on the area, Richards and Waterbury described it this way: While the government dithers, the Islamists go in and garner favour by giving their own aid (Richards and Waterbury 1996). For instance, Öniş (1997) examines the extent to which globalization-related neoliberal policies were instrumental in the rise of the Islamic Welfare Party in Turkey (Refah Partisi). Öniş views the Welfare Party as the political expression of expanding Islamic capital, thus establishing a connection between the rise of an Islamist bourgeoisie and the emergence of an Islamist political party against the historical backdrop of globalization. Gülalp (2001) has also effectively shown this connection in the context of the Turkish example. After the Welfare Party, the AKP continued its mission of emphasizing the role of Islam in Turkish society. The AKP is the first modern Islamist party in Turkey to successfully complete a full term in office. Throughout the AKP's first two terms, the government supported various welfare-centered initiatives and public works, which helped it maintain popular support. Neo-liberal reforms such as public sector privatization, which promised to improve service delivery and infrastructure development, were widely implemented during this period. In less than ten years, these changes significantly improved the socio-economic condition of the nation. Although these measures temporarily helped the situation, the AKP effectively used them – and still uses them – as a tool to achieve its goals. According to Özdemir, the AKP gained power because of the impoverishment caused by two decades of neoliberalism and the subsequent crisis of 2001 (Özdemir 2020). As the first generation of neoliberal reforms led to poverty and economic instability, the establishment of the AKP could be seen as a response to neoliberalism. While in power, however, the AKP continued with neoliberal policies and strengthened them with second-generation reforms (PWC), which produced a more ‘humane neoliberalism’ through the social programs they included. So, despite the growth of neoliberalism, the AKP has been able to increase its support among the less fortunate members of society. As a result, social assistance has evolved into a crucial political instrument for the AKP. To put it another way, PWC's new social policy initiatives in Turkey enabled and supported the AKP's neoliberal populism.

The AKP's unique neoliberal economic strategy, which atomises the working class while simultaneously ensuring its partial consent through a limited welfare regime, is the key to the party's success in staying in power for the last twenty years. As planned by Erdogan, this strategy has been successful in reducing interclass tensions. Yet, it has done so by escalating the rivalry between factions within the ruling class (Akcay 2018). In other words, the primary political problem with the AKP's neoliberal populism is that it has not actually eliminated political conflict; rather, it has just moved the focus of that struggle upward, from the workplace and neighbourhoods to the top echelons of the political elite. So, rather than via class struggle, power conflicts have occurred as intra-
elite conflict, most notably in an attempted coup (2016). After the 2018 currency crisis, the difficulties facing the Turkish economy have been exacerbated. The AKP government's policy reaction, together with changing global financial conditions in 2019 like the Fed's U-turn in its monetary policy stance from quantitative tightening to easing, provided the framework for Erdogan to undertake an effort at authoritarian consolidation in Turkey. However, as Turkey's popular masses experience a worsening economic situation, there is a greater chance that the new government will face opposition (Turak 2022). The party is currently responsible for the country's economic disaster, with inflation rates reaching 84 per cent and the Turkish lira falling precipitously versus other major currencies (Yilmaz 2021).

The ability of nation states to regulate economic activity has reportedly been undermined by globalization (Oniş 1997: 750). Due to their diminished ability to offer a real alternative to neoliberal policies, social-democratic parties in Western Europe are currently in crisis (Ataseven 2022). Therefore, the left's dilemma of not being able to articulate a project that would challenge hegemony is directly related to the crisis of the nation-state (Bouymaj and Pereira 2022: 76). Islamism has often been effective in assuming this role in Muslim-majority countries. Regarding what is important to us, the profound changes that have taken place in the global economy have also had far-reaching impact on culture, where a tendency towards homogenization, particularly visible in consumption patterns, coexists with the emergence of identity politics, which has partially dislocated traditional axes like left and right (Oniş 1997: 751).

Islamist social initiatives sometimes have a significant political component in addition to religious ones. Islamists have been able to increase their political legitimacy at the expense of established governments because of their symbolic capital (Ayubi 1995: 8). There is a growing consensus among scholars and observers both inside and outside the region that Islamism has been nourished by the inability of existing, authoritarian governments to achieve economic equality and also by the US strategy of supporting corrupt, authoritarian regimes combined with unwavering support for Israel (Niva 1998). Strangely, the Western world was astonished by the landslide victory of Hamas in the Palestinian elections in early 2006, when it finally decided to run.

In Jordan, Islamists did not lose power in the parliament until the Jordanian authorities, supported by the US, amended the electoral rules in 1993. After years of abstaining from politics, Islamists are re-entering Jordanian politics. There are five Islamic parties or movements in Jordan, and four of them ran for office in the 2016 and 2017 municipal and national elections. They range from conservative movements that shun politics to centrist parties that support the monarchy. The official Islamic parties have broadened their political base after the Arab Spring by modifying their language and platform positions and forming alliances with tribal and Christian organizations (Timreck 2017). The Muslim Brotherhood in Egypt evolved as the country's largest social movement and political opposition over time. Its Islamist philosophy, which urges governments to adopt laws that reflect its understanding of Islam, has gained significant sway around the world. Nevertheless, the 2013 military coup that overthrow the group's presidential candidate, Mohamed Morsi, the Muslim Brotherhood has been all but wiped out, with the majority of its leaders either in prison, dead, or in exile. Muhyeddine al-Zayet, a 70-years-old senior member of the organization, has taken over as the group's new interim leader for the time being. The Brotherhood is at a crossroads, though, and must either reinvent itself or risk slowly becoming irrelevant, according to the harsh truth (Matesan 2022). In con-
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Contrast to the Muslim Brotherhood in Egypt, the PJD in Morocco appears to provide a much more encouraging example of how an Islamic party can adapt and develop under difficult conditions. The party not only survived, but it also made peace with the Moroccan royal family and ultimately came to power. The PJD is currently one of the weakest Islamist groups in the region, maybe even despite its achievements (at least in electoral terms). Prior to the Arab Spring, it deliberately lost. After the Arab Spring, it gained by losing. This indicates that, at least temporarily, the monarchy has succeeded in not just silencing the nation’s major political party but also making it ineffective (Hamid 2023).

Neoliberal and Political Economy Approaches to Islamist Politics

By the 1980s, neoliberal (rational choice/public choice) ideologies had taken hold in governments in many Western countries, particularly in the departments of foreign affairs, administrations and global financial and development institutions like the World Bank and the International Monetary Fund (IMF) (Piscatori 1986). Politics is viewed by neoliberal political economists as a marketplace where self-interested people, both inside and outside government, bargain and compete for public goods as well as buy and sell monopolies and privileges (Staniland 1985: 45). According to this viewpoint, the innate propensity for rent-seeking and rapacious plundering of public resources results in a drive to create institutions – systems of laws and customs – that can help rational people solve their problems through collective action. These institutions can create laws and regulations that, for instance, reduce transaction costs or guarantee the free flow of information (North 1994: 359–368). What is the place of religious politics in a society of logical people and predatory robbers? Political economists specializing in rational choice have not done much research on the relationship between religion and politics. Where it is discussed, religion seems to be seen as a way to deal with issues of social action that arise as market capitalism develops (Bellin 2008).

According to Norris and Inglehart, religious politics can, on the one hand, develop from below as a communal yearning for security, safety, or social solidarity in a world of uncertainty (Norris and Inglehart 2004). On the other hand, political decisions and considerations can influence religious policies on the demand side. For instance, according to Bellin, leaders make decisions on how to deal with competitors or how to form alliances – like a business pursuing market share – by leveraging the usefulness of the firm metaphor (Bellin 2008: 46). Therefore, it is the means by which religious leaders guarantee existential security, particularly in unstable nations, but even in those where there are no social safety nets provided by the government. In either scenario, politics and religion are viewed as tools of power and control. Approaches that use rational choice pose two problems. One is the absence of the power and interest issue. Religion becomes a tool for establishing some semblance of a functional order, divorced from more fundamental conflicts about who should hold power and how in contemporary capitalist society. Another problem is that it is unclear why some Islamic political movements succeed and gain traction while others do not.

In order to understand Islamist politics, one must look at how fundamental shifts in capitalism itself produce new social forces and interests, while pushing others to the periphery. The ways in which Islamist politics is grafted onto various coalitions and agendas, whether to protect or reform the social order, and how the social landscape is transformed by different periods of social and economic development, are crucial in this
context. Marx was famous for dismissing religion as the opiate of the people, keeping them from grasping the real socio-economic concerns at hand and the exploitative nature of power. For Marx, the inference is that the state and the ruling classes have most often cynically utilized religion to keep the populace calm, even when they are being exploited and oppressed (Robinson 2014). It is true that the church has historically played a significant role in maintaining the social and economic power structures in Europe. But movements opposing the state and other socio-economic classes have also used religion as a rallying point. Many Islamist groups now include welfare and the misery of the poor in their wider political agendas, just as Methodism, for instance, was at the heart of the labour movement in Britain.

Religious concepts were also at the heart of medieval peasant movements and millenarian events. And so a variety of political interests have appropriated religion for political purposes, using it as a tool to maintain or undermine established hierarchies of power. This is not to imply that a genuine belief in doctrine does not occur, or that it is necessarily an intentional or cynical process. The architecture of social and economic power and interests must be identified and dissected in order to fully comprehend religious politics, especially Islamist politics. These presumptions allow us to argue that there are three basic categories of Islamist politics. One is a kind of conservative populism linked to a dwindling, primarily rural petty bourgeoisie that has land and trade to survive and has attempted to accommodate both. Another type of Islamic politics is more militant and regressive; it is a by-product of modern market capitalism and urbanization and aims to overthrow the new society in which it finds itself. The third is an approach to Islamic politics that accepts both bourgeois concerns and a popular appeal, while attempting to expropriate and control market capitalism.

Islamism, Dwindling Bourgeoisie and Authoritarianism

The Ottoman Empire and other centralized agrarian bureaucracies, as well as colonial empires that increasingly sought to build new types of commercial production for export, dominated the politics in the majority of Islamic countries throughout the nineteenth and early twentieth centuries. Under colonial administration, imperial businesses controlled a developing financial and international commercial industry. Small landowners, tradesmen and members of the petty bourgeoisie were largely shielded from the emerging and increasingly globalized economy. A reactionary and conservative Islamist politics emerged among these people, mostly in rural backwaters and provincial towns. In a significant way, this reactionary type of politics was a defense of local authority over theology and justice as well as modest property interests, rather than a frontal challenge to either pre-colonial dictatorship or colonial control (Halperin 2005: 1135). The role of religious leaders and other personalities was significant at this stage of Islamist politics.

The policies that served the interests of the landowners and the petty bourgeoisie were not replaced when the colonial rulers left office or the despots they supported fell from power; rather, they were replaced by secular politicians recruited from the military and bureaucracy put in place by the old colonial rulers. They mostly constructed regimes based on economic nationalism, state-owned business structures and industrialization strategies that prioritize exports. Early Baathist governments in Syria and Iraq, Nasser in Egypt, Boumedienne in Algeria and Sukarno in Indonesia were among them. The status of orthodox, petty-bourgeois Islamic society became more fragile in such a situation. Islamist politics were often characterized by xenophobic sentiments and dif-
ferent types of regressive rural populism. Islamist politics was marginalized by the establishment of secular metropolitan elite and by state-owned corporate power. They were threatened by numerous land reform initiatives (Halperin 2005: 1144). Indonesian Islamist politics became involved in conflicts over how to defend local manufacturers and commerce from Chinese Indonesian intrusions. These particular class concerns served as the defining characteristics of early Islamist political groups from the 1920s to the nationalist era of the 1950s, such as the Sjarekat Islam, Dar al-Islam and the Asaat movement (Robison 2014: 25).

Islamist politics was also driven into diverse coalitions with the state because of a shared and growing hostility to political challenges from the left and from the minor liberal movements forming among the secular elites in the large cities, even as the established regimes tried to suppress these early Islamist political movements, sometimes very violently (Mandaville 2007). The Muslim Brotherhood played a part in Egypt's attempt to restrain the rise of leftist movements, especially labour unions. The rural Nahdatul Ulama in Indonesia and the groups it was affiliated with were crucial in the Communist Party's demise. This uncertainty persisted in defining the relationship between Islamist politics and the state (Robison 2014: 34).

Why, then, did more radical groups aiming for profound social and political transformation as well as the establishment of an Islamic state significantly outperform this extremely regressive and conservative style of politics to a considerable extent in the 1970s and 1980s? Political economists have connected this new radicalism to an important change in authoritarian regimes in the Islamic world towards greater engagement with the global market economies, the adoption of neoliberal reforms, and closer strategic alliances with the major Western powers. These changes could be seen in various regimes, such as those of Soeharto in Indonesia, Sadat and Mubarak in Egypt, Bendjedid in Algeria and Ben Ali in Tunisia, where market-oriented technocrats with close ties to the World Bank played a crucial role (Robison 2014: 34). The extent to which political groups advocating more radical demands for economic redistribution and political reform and based upon the poor and disadvantaged in the new urban conglomerates have merged with movements based on the reactionary populism of the petty bourgeoisie and lower middle classes is an intriguing topic. There are undoubtedly elements of such a fusion in the way the Muslim Brotherhood has restructured its political base in Egypt, and in the persistent impact of long-standing ideas, organizations and individuals in contemporary radical Islamist politics in the Middle East. However, the reference to a broader politics of political identity covers over a tenuous partnership.

Islamist Politics and Market Capitalism
Islamist politics has been forced to reject secularism and market capitalism at an increasingly frenzied pace, mostly through violent and extreme opposition outside the mainstream of political life, given the advancement of apparently inevitable trend of market capitalism and the global scope of its participation (Mandaville 2015: 112). On the other hand, there are significant pressures on Islamic political philosophy and behaviour to conform to contemporary secular politics and public expectations for governments to deliver services and control economic activity. According to some experts, this indicates that the center-right or conservative groups that are sidelined and whose influence is restricted to areas of social behaviour and religious observance outside of politics are where Islamist politics may eventually find its future (Roy 2013: 14). They
will therefore exist as forces that can exert moral influence through mosques and local communities, but who will not control the main political institutions. The AKP’s rise to power in Turkey is another example. In the past, Turkish Islamic political groups relied on initiatives to ensure that Islamic principles and values dominated both society and the economy. This agenda outlined persistent conflict with the nationalist and secular policies of the ruling Kemalist party and its military backers. This impasse was resolved in the 1980s and 1990s when publicly pious Muslim leaders changed their stance on the interaction between religion and politics and founded the AKP as a party that opposed religious exclusivity and supported secularism. The AKP advocated that religion should be practiced privately rather than in public (Robison 2014: 37). The AKP won the 2002 elections and, under Erdogan’s leadership, has dominated Turkey ever since. The party has benefited from a protracted period of economic prosperity as a result of adopting market capitalism and giving emphasis to the facilitation of Turkey’s economic success in international markets.

Numerous Islamist parties in other countries have claimed to have been inspired by the AKP. Although the grip of centralized, sometimes military-backed administrations has also been eased and different types of democratic, or at least electoral, politics have developed, it is far from certain that the AKP can be so easily copied in countries like Egypt, Tunisia, Algeria, Libya and Indonesia. Despite the fact that it is still early, it appears that the Islamist political groups that have formed in Egypt, Tunisia, Algeria and Libya in the wake of the Arab Spring are still more firmly entrenched in traditional Islamist politics than the AKP, or at the very least, are more reliant on more extremist sections within their own ranks. Additionally, more extreme movements like the Salafists continue to have a significant impact (Robison 2014: 40).

Outside of Turkey, no Islamic political organization or party has been able to come close to establishing itself as the voice of the autonomous bourgeoisie (including the professional middle class). One way to look at it is that other Islamist groups, like the Muslim Brotherhood, have not been able to achieve the same separation from their fundamentalist past or from these components of the larger Islamist movement that would have allowed them to offer the same secular and capitalist face to the middle classes. The Anatolian manufacturers and traders who had grown with the same vigour outside the confined tentacles of a rapacious and centralizing state likewise did not exist to the same extent in Egypt or Algeria.

**Capitalism, Islamic Finance and Economics**

As part of a wider process of ‘Islamisation of Knowledge,’ new research initiatives in the fields of economics and finance have exploded across the Arab and Islamic world as a result of the emergence of new social formations expressing their complaints and aspirations through Islamic frameworks. One of the best-known institutions, the Islamic Research and Training Institute of the Islamic Development Bank, has pioneered economic reform in the Islamic world by instructing Muslim scholars and students in Islamic economics and finance. In fact, this new field of study has influenced a vast and in-depth process of *ijtihād* in Islamic thought, inspiring generations of Muslim students to participate in the social construction of a field of study that could reconcile modern advances in economics and finance with Islamic principles while simultaneously promising material prosperity and rewards in the hereafter. One of the most innovative contributions of Islamic philosophy in the second half of the twentieth century can be at-
tributed to such a cultural movement. Islamic economics, which has been described by some Muslim scholars as just a rediscovering of the religion's subversive socio-economic message, is better understood as a reinvention of tradition. Islamic economists may have developed as a response by Muslim thinkers to the flaws of Western economics (Grinin, Korotayev and Tausch 2019: 32).

It can be argued that Islamic economics, which upholds private property and a free market, strengthens the foundations of the capitalist system. The first aspect that Islamism and neoliberalism have in common, according to Warde, is ‘the Islamic devotion to private property, free entrepreneurship, and the sanctity of contracts, in contrast to state-led economic policy’ (Warde 2004: 48). Furthermore, for Warde, Islam became the weapon of entrepreneurs seeking to overcome the past restrictive regulation and an instrument for privatisation and deregulation, and the ideal reason to disconnect the state from the economy (Ibid.: 47). According to him, governments have leveraged this trend in Islam to encourage financial restructuring, in addition to the cooperation between neoliberal and Islamic bankers (Warde 2004: 49). Second, Islamic economics and neoliberalism shared the idea that private welfare and philanthropy should be supported while criticising government interference. The overwhelming support for making business subject to sharī‘ah law, according to Noland and Pack, may be understood as establishing a logical framework for reconciling the demands of globalisation to local values (Noland and Pack 2007: 114). The purpose of Islamic economics was to create a practical and efficient economic system that would benefit Muslims both materially and ethically. Muslim thinkers concurred that economic growth is only beneficial if it is consistent with the principles and traditions of the Islamic community, or ummah. However, they are aware that in order to compete in the global capitalist market, Islamic organizations must adopt the same economic methods. According to Baqir al-Sadr, integrating the Islamic principles of social justice into the market economy would actually be more effective (Sadr 1984). By the 1990s, this had evolved into the defence of an Islamic economy in terms that were blatantly neoliberal in their underlying logic, as can be seen in the claim that free competition and the proscription of monopolies are at the core of any authentically Islamic economy (Ozaral 2011).

The issue that then emerges is how an Islamic economy can restore the moral standards of the Islamic world while simultaneously preserving these moral values and competing successfully in the system of contemporary secular capitalism. Muslim intellectuals believed that the concepts of society and the individual, which are also included in economic discourse, could be used to evaluate an economic system. They attempted to construct separate Islamic counterparts in each of these fields – the ummah and the Homo Islamicus – by abstracting these ideas from their role in mainstream economic discourse. According to this viewpoint, the Islamic economy will be built on people who adhere to the ethical teachings of Islam. The major tools of Islamic moral economics in this case would be the charity (zakat) and ban against riba. One of the cornerstones of the Islamic moral economy is the obligatory philanthropy known as zakat, which has a significant impact on social welfare and the equitable distribution of wealth. Ibn Qayyim, one of Islam's most influential mediaeval thinkers, defines the purpose of zakat as the advancement of socio-economic justice and the growth of compassion and altruism (Ghazanfar and Islahi 2003).

It can be argued that Islamic banking and finance has developed a strategy that is consistent with the substance of Islam, but Islamic economics has sought to develop
a different system that is in line with the form of Islam. In other words, Islamic banking and finance adopted the rule of capitalism while expressing itself in Islamic terms. Therefore, it may be said that Islamic business, and particularly Islamic finance, has been a key factor in the Islamic world's globalization, helping to integrate Islamic nations into the global capitalist system. This function is demonstrated by the fact that, since its establishment, Islamic business has found a political-ideological opponent and a barrier to the growth of its operations in the authoritarian Arab state. It is important to emphasize that Islamic business endorses free market principles, legalizes wealth accumulation within a liberal framework, promotes the expansion of the private sector and criticizes state-led economic programs. The ambitions of a new middle class, which emerged as a result of the infitah policies of Arab regimes in the 1970s and 1980s, have been simultaneously interpreted by a moderate strain of Islamism. Therefore, both the Islamic private sector and moderate Islamist groups appear to have supported political and economic liberalization measures. Undoubtedly, the development of Islamic economics must be seen as a chapter in the larger history of the ‘Islamisation of Knowledge’ endeavour, which has been undertaken to help create a genuine Islamic identity. Political economy requires that it be understood in the light of the collapse of Arab socialism and the move towards market economies.

Conclusion
The Middle East is a troubled and conflict-ridden region. One may argue that it encompasses the entire globe in its problems and persists in its struggle for the survival and triumph of Islam. As we have seen, in the 1970s and 1990s, Islamic societies started to gain more from globalization (Grinin 2021). This was particularly noticeable in the oil-producing countries of the Middle East, which underwent a kind of total transformation as a result of the petrodollar rain. They now play a far larger role in the world. With the rise of globalization, government budgets and social expenditures were to be reduced as a result of economic stabilization and structural adjustment programs. The partial unleashing of market forces through neoliberal policies created niches of opportunity that Islamist organizations have been able to seize. Many scholars have persuasively argued that globalization has aided the growth of Islamist groups in some Muslim-majority countries (Yavuz 2003).

Throughout this study, Islamism has been viewed as an important, but by no means exclusive, lens to analyze the ongoing processes of modern Islamic identities. Hence, this study makes the case that economic practices and cultural representations interact with one another, changing the symbolic worlds inhabited by social actors. In this setting, new approaches to understanding and reshaping social reality are reflected in the communal production of new frames that, in diverse ways, draw upon traditional cultures. These frames are the result of the blending of economic practices and cultural forms, but they are also the language that people use to actively respond to social and economic phenomena in an effort to provide meaning to human life and to change the social environment. In this way, the emergence of Islamism has been studied in the context of wider shifts in the political-economic landscapes of Arab societies. Islamic movements are also seen as the entirety of collective social actors that have contributed to the re-articulation of Islamic frameworks through a process that is thus described as a search for hegemony. Moreover, it has been suggested that this has led to an interaction
between capitalism and Islam that has helped to socially create what might be called Islamic ways to capitalism.

Both the alleged Islamic awakening of the 1970s and the socio-economic changes brought about by globalization appear to have had a significant impact on the way Muslims identify themselves (Anani 2022). Islamic identities are anything from static; like other identities, they are continually being renegotiated and reinterpreted, and these processes are connected to socio-economic changes. Islamism can only be taken seriously as a component of a larger process of collective social construction of ‘Islamic modernities’ if these connections are taken into account (Sealy 2021). In this context, the term ‘modernity’ does not imply any kind of value judgement, but rather refers to a link with the complex changes brought about by capitalism. As a result, this study argues that Islamist movements have contributed significantly to the process of redefining Islam. By interpreting and adhering to the dominant character of the political and philosophical framework of this modernity, groups that emerged to criticize ‘modernity’ appear, ironically, to have become instruments of ‘modernisation’.

Islamism is also a subject of modernisation since it serves as the nexus through which many versions of modernisation are conveyed by using Islamic symbols (Fuad 2019). In other words, Islamism is a complex and dynamic network of ideology and social practices rather than a single entity. It is understandable to see ‘Islamic modernities’ as the result of processes of hybridisation between the paradigms of capitalism and Islam. These two should be viewed as being in a complicated dialectical relationship rather than as a dichotomy. Hence, the notion of multiple modernities conceptualizes identities as dialectical by-products of processes of convergence, merging, and bi-causation carried out by social actors. Islamic banking is a very good example of a hybrid identity created by the social practices of multiple types of actors, such as individuals and organizations. This identity has been created through the cross-fertilisation between Islam and capitalism.

Understanding contemporary Islamic identities and Islamism is crucial for understanding Muslim societies in the Middle East and North Africa as an aftermath of the Arab revolutions and the widespread popularity of Islamist groups and parties in a number of Arab states. This study suggests that nothing can be said a priori about the interactions between Islamic movements and democracy: to claim that Islamic movements are either intrinsically democratic or anti-democratic is to postulate an immutable nature of Islamic movements that determines future political outcomes. In order to avoid falling prey to the appeal of meta-historical interpretation, it is crucial to constantly locate these experiences in their historically situated settings through their specific political economies.

REFERENCES


