Routledge Handbook of Global Populism

Carlos de la Torre

Islamic populism and the politics of neoliberal inequalities

Publication details

Vedi R. Hadiz

Published online on: 03 Sep 2018

How to cite: Vedi R. Hadiz. 03 Sep 2018, Islamic populism and the politics of neoliberal inequalities from: Routledge Handbook of Global Populism Routledge

Accessed on: 09 Sep 2023

PLEASE SCROLL DOWN FOR DOCUMENT

Full terms and conditions of use: https://www.routledgehandbooks.com/legal-notices/terms

This Document PDF may be used for research, teaching and private study purposes. Any substantial or systematic reproductions, re-distribution, re-selling, loan or sub-licensing, systematic supply or distribution in any form to anyone is expressly forbidden.

The publisher does not give any warranty express or implied or make any representation that the contents will be complete or accurate or up to date. The publisher shall not be liable for an loss, actions, claims, proceedings, demand or costs or damages whatsoever or howsoever caused arising directly or indirectly in connection with or arising out of the use of this material.
It is argued here that Islamic variations of populism, in their contemporary manifestations, have been shaped by the profound social transformations that have occurred in the Muslim world in the last several decades. These have been associated with new social tensions and contradictions brought about by the pressures of neoliberal globalisation. Such pressures have given rise to, or reinforced, widespread ideas about masses that are systematically peripheralised, or disenfranchised, by small groups of economically rapacious and culturally remote elites. In many Middle Eastern and North African cases, for example, the retreat of the state from delivery of social services and welfare roles in the face of fiscal crises opened up space for (largely middle class-led) Islamic groupings to gain access to teeming urban poor populations through civil society-based charitable activities (Clarke, 2004). As recently suggested (Hadiz, 2016), a distinctive feature of Islamic populism is its key concept of the ummah (community of believers), which effectively substitutes for the concept of the ‘people’ that permeates through more conventional kinds of populism.

The evolution of Islamic populism is thus intertwined with an age of neoliberal globalisation that has been associated with extreme wealth disparities virtually all around the world. The popular press has been increasingly keen on reporting facts that, for example, just eight people living in the world today possess as much wealth as the poorest half of its total population, or 3.6 billion people. In Australia, where the author is based, it has been pointed out that two of the richest people living in the world today possess as much wealth as the poorest half of its total population, or 3.6 billion people. In Australia, where the author is based, it has been pointed out that two of the richest people currently possess wealth equivalent to the poorest 20 per cent of the population (The Guardian, 2017a). This is in spite of the country’s strong social democratic and egalitarian traditions, which match those in many parts of Europe. In the United States, where no such traditions have ever been particularly strong and where the tendency towards escalating income disparities has been recognised longer, it is reported that just 400 of the richest individuals possess wealth equal to the poorest 61 per cent of population of the country (Holland, 2015).

Of course, this sort of phenomenon is not confined to the rich and developed nations. In Indonesia, an almost consistently high-growth developing Muslim-majority country, the World Bank (2016a) has shown that the richest one per cent of the population have more wealth than the poorest 50 per cent of its more than 260 million people. Moreover, a mere four of its tycoons are worth as much as 100 million of their poorest countrymen (The Guardian, 2017b). In Egypt, arguably the most important of the failed ‘Arab Spring’ cases, it has been estimated that the
wealthiest ten per cent of the country’s citizens are in control of 73.3 per cent of its wealth (Credit Suisse, 2014). It is significant that the experience of Egypt historically produced the model of Islamic struggle associated with the Muslim Brotherhood, which has been influential around much of the Muslim world since the middle of the 20th century. Meanwhile in much of Latin America, where inroads had been made in addressing long-entrenched stark inequalities, a new period of ‘stagnation’ in such efforts has now set in (Molina, 2014).

One does not have to subscribe too closely to such classic ideas as Karl Polanyi’s (1994) ‘double movement’ to expect that such stark developments in the realm of the economy would elicit some quite vigorous social and political responses. It has been put forward, therefore, that contemporary populisms cannot be understood in separation from the contradictions brought about by neoliberal globalisation, of which the extreme disparities in wealth described is a major aspect. Moreover, it has been suggested that contemporary populisms are mainly a response to two closely related processes – growing frustration with prevailing modes of political representation and participation that preserve such inequalities as well as the development of new kinds of social marginalisation, as expressed, for example, in widespread precarious existence. The overall result is growing disillusionment with the broken promises of modernity (Hadiz and Chryssogelos, 2017) as growing numbers of people find their way to upward social mobility blocked within the social structures they encounter, or who find their material aspirations largely unfulfilled. Significantly, among the disillusioned are those whose social ambitions were fuelled by access to education and obtainment of skills, but whose life circumstances resemble people described by Standing (2011) as belonging to the ‘precariat’.

It is in this connection that the dramatic upsurge of populist movements in Europe in recent years should be understood, as should the shock of Brexit and the rise of Donald Trump in the USA. From this viewpoint, the evolution of Islamic populism represents but a specific kind of response to many similar developments at the global level. Islamic populism can be seen as a variation in the more general phenomenon of the global rise of populist politics, which nevertheless always takes forms that are defined by the relevant social and historical context.

But like the ‘people’ associated with more conventional populisms, the ummah of Islamic populism is made up of internally diverse social interests that are homogenised through juxtaposition against an identified set of elites. The latter are understood to be invariably exploitative economically and to be culturally distinguishable from the notionally pious members of the ummah itself. Thus, in Indonesia, the high profile of ethnic-Chinese citizens in economic and business activities, and from where a disproportionate number of the nation’s richest citizens are drawn, help give rise to prevailing definitions of who gets excluded and included in the ummah. Historical memories of the social position of the ethnic-Chinese in the colonial era serve to reinforce this definition. To some extent, the Coptic Christian community in Egypt – also traditionally associated with economically better-off segments of society and regarded as historically associated closely with the holders of state power – serve the same function, as object of juxtaposition, in the development of Islamic populism. In Turkey, however, where the multicultural Ottoman-era business class was destroyed in conjunction with events leading to the establishment of the modern Turkish Republic (Keyder, 1987), members of the ummah distinguish themselves from Istanbul-based secular elites who are regarded as being economically privileged as well as living a lifestyle that estranges them from the country’s more religious masses.

It is important to underline that the ummah is addressed by Islamic populists as being made up of those who possess virtue, much like the ‘people’ are considered to be the repositories of moral attributes in the more well-known populisms of Europe and the Americas (Abromeit et al., 2016; de la Torre and Arnson, 2013; Mudde and Rovira Kaltwasser, 2012). Growing disparities in
wealth in the neoliberal era, and what Max Weber (1978) called ‘life chances’, have no doubt accentuated their sense of widespread systemic marginalisation. For the purveyors of Islamic populism, the side-lining of the ummah has persisted from the period of Western colonial domination around the globe, to the development of secular nation-states in the Muslim world and all the way to the current era of neoliberal globalisation.

Finally, the understanding of Islamic populism offered here should be also situated within the existing theoretical literature. This is particularly so because of the variety of ways through which populism has been treated in the broader theoretical literature and because of the contentious (and often emotive) subject matter. Although much of this literature has focused on the experiences of Europe and Latin America, it has more obviously expanded to other regions like Asia (Mizuno and Phongpaichit, 2009) and Africa (Resnick, 2014) of late.

Among the major approaches are those that are mainly concerned with addressing populism discursively (Laclau, 2005), ideationally (Canovan, 1981) and organisationally (Mouzelis, 1985). In the discursive approach, populism finds ‘equivalence’ in varied sources of dissatisfaction with the existing social order through a common language of the oppressed. The result is to homogenise an otherwise heterogeneous ‘people’ against their elite oppressors. In the ideational approach, the emphasis is on the ideas and rhetoric especially of populist movement leaders, where the key feature is the conception of politics as conflict between the masses and elites (Mudde, 2004). The organisational approach focuses on the vehicles and strategies of populist movements, and their circumvention of established institutions of representation (Mouzelis, 1985) by more direct forms of political participation. Furthermore, recent contributions have addressed populism as political theatre – as a kind of performance of politics itself (Moffitt, 2016; – but also see Gill, 2013). Not surprisingly, the demagogic potential and irrationality of populist politics, and politicians, tend be emphasised here. This tendency is hardly a completely new aspect of the literature, nevertheless, as authors like Conniff (1999) have been keen to underline how populism leads to both irrational politics and irrational – i.e. non-market based – economic policies.

The approach that underpins this article is somewhat different. Its emphasis on divergent social interests bound together within populist social alliances that, at least temporarily, ‘suspend difference’, is infused with the assumptions of critical political economy (Hadiz and Robison, 2012). It also owes a perceptible debt to Oxhorn’s (1998) work on Latin America, where populism was viewed as being underpinned by ‘asymmetrical’ class alliances. In this view, those who are only relatively marginalised within a prevailing system of power, such as members of the educated middle class, may provide the leadership for cross-class social alliances that are put forward as expressions of the interest of the ‘people’. Another debt is owed to early endeavours to compare the varied social bases of a range of populist experiences in different contexts (see especially Ionescu and Gellner, 1969).

In a more general sense, the approach is also influenced by authors like Halliday (2002) and Rodinson (1966), who understood positions associated with the Islamic religion, on matters social, political and economic, as having evolved along with processes of material and social change. In doing so, they rejected examinations of Islamic responses to the challenge of modernisation based on scriptural interpretation or on innate cultural dispositions in favour of historical contextualisation.

Another notable aspect of the approach offered here is that it effectively seeks to provide a more concrete ‘material base’ for the way that theorists like Laclau (2005: 86) have sought to explain how particularistic demands become transformed into general ones. The Laclauian approach relies altogether on analysis of a discursive mechanism dubbed ‘chains of equivalence’ in doing so. By contrast, the approach adopted here brings in a distinctively political economy dimension to the analysis, as well as consideration for the sort of historical trajectories that the
theorist eventually came to eschew. It does so by examining how processes of social inclusion and exclusion through which the identity of the ‘people’ (or *ummah*, as in the case being analysed) becomes defined, relate to social conflict over time, especially involving competition over power and access to tangible resources.

Having now established its theoretical underpinnings, situating them within the broader literature, the chapter now proceeds with a closer historical and comparative analysis. The next section looks in particular at the changing social and material circumstances that have transformed the social bases of Islamic populism and yet produced significantly dissimilar outcomes in different countries. No less than a hundred years of evolution of Islamic populism is scrutinised, from its origins in the Western-dominated colonial world order of the early 20th century, through to the Cold War and into the phase of neoliberal globalisation. This is followed by a section that deals with tensions within contemporary Islamic populism as it addresses social contradictions that affect its broader constituencies in different ways. The contentious socio-economic problems that contribute to the political lexicon of Islamic populism are outlined. The chapter then closes with a concluding section about the significance of Islamic populism more broadly, using key findings from the cases cited.

**Historical trajectories**

The proposition that contemporary populisms are intricately related to the social contradictions associated with neoliberal globalisation does not mean that their social agents pose a fundamental challenge to neoliberalism or capitalism more generally. This should not be a surprise. In the recent past, for instance, we have seen how the populisms of Fujimori in Peru and that of Menem in Argentina have gone together with neoliberalising economic policies in their respective countries. As far as Islamic populism is concerned, we can witness today how the government in Turkey – run since 2002 by the Islamic-oriented AKP (Justice and Development Party) – has successfully combined a religiously-derived populist lexicon with the vigorous pursuit of a neoliberalising agenda in the economic sphere. It does so, in spite of privatisation policies that have shed jobs (Önis, 2012), by way of rhetoric that references religious concerns about morality and social justice – as well as duty to protect the virtuous masses from the machinations of their oppressors. The employment of such a lexicon has been a key aspect of its successful melding of a rising section of the bourgeoisie, pious segments of the new educated urban middle class as well as the vast urban poor.

It may be useful to draw a brief comparison with a non-Islamic case, that of India. Here the BJP has emerged at the head of a populist coalition in which divergent social interests are held together by recourse to a political lexicon that relies on ultra-conservative Hindu nationalist idioms and imagery. Led by a business class with growing regional and global ambitions and an upwardly mobile educated urban middle class – and supported by a global diaspora – this social alliance has been at the vanguard of a project to deepen economic neoliberalisation and to dismantle what is left of the lumbering statist economy constructed in the past mainly by Congress Party governments. The inevitable attendant new social dislocations and marginalisations are partly defused by emphasis on the ‘Hindu nation’, juxtaposed against ‘alien’ elements that purportedly weaken it – specifically, the Muslim component of the Indian population. In the process, the BJP has reached out to the poor Hindu masses through delivery of social services and development activities carried out by grassroots organisations, including the Vanvasi Kalyan Ashram (Tribal Welfare Association), Rashtriya Swayamsevak Sangh (National Volunteers Organisation). The result is the aggressive assertion of Hindu identity that contributes to communal tensions (Thachil, 2014).
Furthermore, there is of course nothing anti-capitalist about the populist agenda of Trump, the billionaire president of the USA who now purports to be fighting in the interest of the ‘people’ ignored by elites in Washington, New York – and Hollywood too. Arguably, the agenda – no matter how vague and chaotic at times – represents less an abandonment of neoliberal capitalism than an intent to exert more control by sections of American-based capital over the terms in which globalisation takes place. This is so in spite of the strongly inward-looking aspects of Trump’s rhetoric when directed at such issues as withdrawal from the Trans-Pacific Partnership brokered by the previous Obama administration (Baker, 2017).

Given this larger background, it is suggested here that the relationship between Islamic populism and neoliberalism is more historically contingent than fixed. The parameters of possibility of Islamic responses to neoliberalism are certainly not overly determined by supposedly immutable religious and doctrinal imperatives. This is especially so if one accepts that any politico-economic project is shaped by the social circumstances encountered by its social agents. The same may be said about Islamic populism’s relationship with democracy, in spite of prevalent ideas about the intrinsic incompatibility between democratic principles and Islamic doctrine (Kedourie, 1992). These ideas have lately helped to fuel anti-Islamic hysteria in much of the West, to the point that the latter’s own political liberalism has been compromised by domestic policies that discriminate against Muslims and other immigrants.

The key to understanding this is to view Islamic populism in terms of its social bases, which inevitably shift over time according to changing social and material circumstances. It is arguable that such matters affect Islamic populism’s contemporary relationship with democracy, and with markets, more than pure issues of doctrine. This too should come as no shock given that modern politics is fundamentally about competition for control over the institutions of state power and the levers that govern access to, and the distribution of, economic resources. The caveat would be if one subscribed to an extreme version of the idea of Muslim exceptionalism, which would somehow cause ‘normal’ social science to be inapplicable for the case of 1.6 billion of the people who live on the planet today.

The fact that the social bases of Islamic populism have fluctuated over time has some important consequences, as should be made clearer when we look further into the cases of the three Muslim-majority countries already mentioned: Turkey, Egypt and Indonesia. The experience of the latter two countries especially shows that the Islamic populism of the early 20th century was very much driven by petty bourgeois traders and small manufacturers whose interests would nevertheless become identified with that of the population at large. This can be said about the Muslim Brotherhood of Egypt, founded in 1928 by the legendary Hassan Al Banna. The son of a small town religious scholar and owner of a watch repair shop (Mitchell, 1993: 1), he disparaged the social order that had left the Egyptian masses toiling for the benefit of British capitalism (Rutherford, 2008: 79). It was no coincidence that the petty bourgeoisie from which his family hailed were already in the midst of its long process of decline since European capitalism came to dominate the Egyptian economy from the latter part of the 19th century. It was in this context that the Muslim Brotherhood came to present the fate of the Egyptian masses as being roughly equivalent to that of this declining traditional class, and in the process, developed into a major force in the struggle against British domination. However, the social bases of the Muslim Brotherhood came to be quite fundamentally transformed.

A similar observation can be made about the less durable Sarekat Islam (SI) in Indonesia, founded in the 1910s in what then still known as the Dutch East Indies. This organisation was driven by the interests of culturally Islamic small traders and manufacturers whose economic domain was being encroached upon by nascent ethnic-Chinese petty capitalists who were more favoured by the colonial state. In spite of its relatively confined initial social base, the SI
is recognised as having been the first mass organisation in modern Indonesia and a major instigator of the country’s nationalist movement (Shiraishi, 1990). It too projected the fate of the pious Muslim petty bourgeoisie onto the broader struggle for nationhood amongst the population of the then-Dutch East Indies before it largely gave way to communist, and later nationalist, streams of the anti-colonial movement. Today, the social bases of Indonesian Islamic populism have been significantly altered as well.

Meanwhile in Turkey, the disintegration of the Ottoman Caliphate after World War I and the subsequent experience of staving off Western military invasion, gave rise to a secularist Turkish Republic under the leadership of Mustafa Kemal Ataturk. His project involved the social and political marginalisation of Islamic forces in favour of the development of a modern state bureaucracy and society envisioned on the basis of European models. This is so even if the ‘population swaps’ of the 1920s had resulted in tremendous social dislocations affecting millions of people, as non-Muslims were forced out of Turkey into Greece and other countries while the latter expelled their own Muslim populations into Turkish territories. In the process, the means of production that had been largely controlled by Greeks, Armenians and Jews under the Ottoman Caliphate came to be taken over by a nascent Muslim petty bourgeoisie too newly ensconced to affect the forging of the modern Turkish state. It was only in the 1950s, first with the emergence of the Democratic Party, that Islamic petty bourgeois politics came to the fore in Turkey. But decades of suppression would occur before a social setting would develop to enable the rise of the Welfare Party, an Islamist party that was in power briefly in the mid-1990s, which was effectively the AKP’s precursor (Keyder, 1987; Hadiz, 2016).

The demise of the Caliphate was naturally of importance well beyond Turkey, no matter how corrupt and decrepit it had been. It activated a Pan Islamist political imagination in the Muslim world that equated the unification of the global ummah with overcoming Western colonial domination. But it was inevitable that any actual struggle would take place within the specific geographical confines defined by boundaries invented by colonial authorities across the Muslim world. Once new national states had emerged in rough accordance with such boundaries, the idea of establishing Islamic states that would protect the ummah remained appealing. The idea gained impetus especially where those who identified with it competed with forces newly ensconced in developing civilian and military bureaucracies for control over emerging modern states.

Today the social base of Islamic populism is much more diverse than it had been in the first half of the 20th century. This diversity brings with it potential internal contradictions. It should be noted, therefore, that there is a major difference in the conception of Islamic populism as employed here from that of ‘post-Islamism’ as compellingly suggested by Bayat (2013). For Bayat, the pressures of operating modern states and economies have induced those who would rule by Sharia (Islamic Law) to adopt the regularised institutions that are recognisable in any modern state – with the Islamic Republic of Iran being his primary example. But (Bayat, 2013: 219) conceives of a process of change that is largely unidirectional, towards ‘a more rights-centered and inclusive outlook that favours a civil/secular state operating within a pious society’.

By contrast, entanglement in the problems of the modern state and market governance is not envisaged here as moving Islamic populism in any predetermined direction. In fact, the conception of Islamic populism accommodates potential internal contradictions that may bring it to directions that are significantly illiberal. This is the case, for example, when the cross-class alliance it attempts to forge is less robust – as in Indonesia – where there is an historical absence of a big culturally Islamic bourgeoisie (Hadiz, 2016). The cause of this is the continuing
dominance of large-scale private business activity by giant conglomerates owned by ethnic-Chinese businesspeople and other cronies cultivated during the long authoritarian rule of Soeharto’s New Order (1966–1998).

Under such circumstances, Indonesian Islamic populism has been ambiguous on support for market-oriented policies, with minor businesspeople strongly attracted to the old petty bourgeois idea of a state that would actively protect the interests of the ummah in the economic sphere. The lack of robustness of Indonesian Islamic populism is also reflected in the limited electoral successes that Islamic political parties have had in the democratic period following the fall of Soeharto in 1998. These parties – which are in mutual competition, without any achieving dominance – have been increasingly absorbed into the chaotic logic of Indonesia’s money politics-fuelled democracy. This clearly contributes to the incoherence of Indonesian Islamic populism. One Islamic party, the PKS (Justice and Prosperity Party), has done relatively well across the various general elections since Indonesia became a democracy; yet its best result was achieving just under 8 per cent of the popular vote in 2009. It is also the Islamic party that has most clearly tried to emulate the Turkish route by openly relegating the aim of establishing an Islamic state to the background and also supporting, though more hesitantly, market-oriented economic policies (Hadiz, 2011). Still, it remains encumbered by the lack of financial support that a strong support base within big business would supply and therefore, also suffers from a lack of capacity to cultivate the loyalty of the poor through large-scale charitable and welfare activities.

It is significant that such a situation leaves room for fringe ‘hard-liners’, unable to compete directly within Indonesia’s electoral democracy for lack of resources, to claim that they are the more genuine representatives of the interests of the ummah than Islamic parties corrupted by a money politics-infested electoral democracy. Such organisations often reject democracy itself by claiming adherence to the teachings of Islam that purportedly demand that matters of state be organised on the basis of Islamic law. They can take the form of mass organisations and paramilitaries (Wilson, 2015) – all the way to outright terrorist groupings – the most infamous of which has been the Jemaah Islamiyah that was responsible for the Bali Bombings (ICG (International Crisis Group), 2002).

It is instructive, however, that anti-democratic and violent tendencies appear to be lately emerging within Egyptian Islamic populism too. Elements of the Muslim Brotherhood have been accused, for example, of forming a new military wing that has been responsible for a range of violent actions. But given the failure of the democratic and pro-market route taken by the leadership of the organisation, in spite of earlier advances, it makes sense that disenchanted members have sought alternative strategies, especially in the context of sustained state repression (Al-Anani, 2017). Recent developments in Egypt therefore reinforce the notion that when the democratic and pro-market route only yields limited results, a fragmented Islamic populism is more likely produce highly illiberal political tendencies.

In Egypt, the purveyors of Islamic populism – as best represented by the social alliance led by the Muslim Brotherhood before it was smashed by the country’s military in 2013 – had sought to emulate the Turkish model in the way that the AKP came to gain power through electoral means (Hadiz, 2016: 111). In some ways, this represented a reversal of roles, given that the AKP’s strategy of mobilising the support of the poor for a larger project was largely based on one developed by the Muslim Brotherhood through its longstanding networks of social charities and civil society institutions. Such activities had become increasingly important in the context of economic austerity measures associated with neoliberal market reforms advocated by international development organisations during the Mubarak era, which affected more than just the poorest segments of society.
Inspired by the AKPs electoral successes, the political party spawned by the Muslim Brotherhood, the now defunct Freedom and Justice Party (FJP), had asserted its support for free markets and democracy (Hadiz, 2016: 41), during the initial euphoria of the Arab Spring. Like the AKP, the party relegated the aim of establishing a state based on Sharia (Islamic Law) to the background in favour of an embrace of democratic competition. This was not surprising given that the Muslim Brotherhood appeared to be optimistic (excessively so, as it would prove) of its ability to win control over the institutions of the state and economy through democratic means and market competition once Mubarak was toppled in 2011, given its broad social bases of support. Because its reach now extended to those who could afford to entertain the idea of social advancement within the institutions of the existing secular state, the project of the Islamic state no longer appeared to be such a high priority.

This in fact reflected a major shift in strategy for an organisation that once had no less than Sayyid Qutb as its major ideologue (see Qutb, 2007). Executed by the radical secular nationalist regime of Nasser in 1966, Qutb was a vociferous exponent of the necessity of an Islamic state. His writings had become highly influential among Muslim activists around the world in ensuing decades, as they faced suppression by a range of secular authoritarian states. Again, the key to understanding this change is to look at the transformations in the social bases of the Muslim Brotherhood, especially under the Mubarak regime, which took Egypt on the road of neoliberal reform as it grappled with continual economic crises. Although once most firmly established amongst the long-besieged traditional petty bourgeoisie, the Muslim Brotherhood had adapted to a newly developing environment by forging a cross-class alliance involving pious members of the new educated middle class, whose life conditions have been described as not much better than the masses of urban poor (Bayat, 2013); large sections of the latter that had benefitted from concerted efforts to gain their loyalty through welfare activities; and a section of the big bourgeoisie that was emerging from within the Muslim Brotherhood networks itself. In turn, the alliance had been facilitated by the accommodation, however often tenuous (Akbarzadeh, 2011: 6), with the Mubarak regime, whose austerity measures meant state retreat from the socio-economic roles that Nasserism had envisaged.

For a short period, the Muslim Brotherhood appeared to be on the cusp of gaining control over the state and its apparatus and to be in the position to push for an economic agenda that would benefit its social bases. This is so even if, due to the asymmetrical nature of cross-class populist alliances, such benefits would not have accrued evenly across the ummah. It was during this time that the Muslim Brotherhood-affiliated bourgeoisie – along with the FJP it supported – showed considerable zeal for global market competition. This was spurred by the fact that the rhetoric of market competition was a useful weapon to deploy against dominant business groups that had benefitted from cronyistic relationships with the Mubarak family. Muslim Brotherhood-affiliated businesses could validate this enthusiasm for market competition, however, by continuing support for social welfare activities that benefitted the poorer sections of the ummah.

In some ways, such enthusiasm shown for capitalist markets may seem odd given the idea, made prominent by Weber (1978), that certain features of the Islamic religion were not conducive for the economic behaviour required for the emergence of modern capitalism. But authors as varied as Rodinson (1966), Gellner (1981) and Nasr (2009) have re-examined the claim of incompatibility of Islam and capitalism (also see Introvigne, 2006: 23–48, specifically on Turkey). Rodinson suggested that there is nothing in Islamic scripture that inherently hinders capitalist development, and that lack of economic progress in Muslim societies could be better explained by reference to a host of sociological and historical factors. Gellner (1981) suggested that Weber had missed some of the ideational bases for capitalism that could be
found in Islamic traditions. For Nasr (2009), on the other hand, it was profoundly clear that even if there had been resistance to capitalist development in the Muslim world in the past, it would be overcome in countries spanning from the Middle East to Southeast Asia because the fruits of joining the neoliberal globalisation bandwagon were so obvious.

But the position that Islamic doctrine inherently either supports or blocks the development of capitalism is misleading. It is more useful to understand Islamic responses to the advance of capitalism in their specific historical contexts. Such responses have vacillated over time along with the tensions and contradictions accompanying social change, issues of political exigency and prevailing constellations of power and interest. In Turkey, Islamic populism has provided the most distinctive example of success in gaining control over the institutions of state power through democratic means. This is so in spite of a more recent authoritarian turn, which has greatly tarnished the ‘Turkish model’ (Tuğal, 2016). It is also a case where, due to a major base of support within the Anatolian bourgeoisie, such control has been tied to the idea of advancing the ummah through unabashedly pro-market economic policies. The same sort of success was only fleeting in Egypt – and anyway – was followed by political disaster. In Indonesia, however, Islamic populism has never been close to achieving anything similar.

Islamic populism and social contradictions

The integration of various Muslim-majority societies within the processes of neoliberal globalisation have produced different outcomes. Today, Indonesia and Turkey are particularly seen as potential economic powerhouses. Indonesia has the largest economy in Southeast Asia and the 16th largest in the world. With less than one-third of Indonesia’s population, Turkey is the 18th largest economy in the world (World Bank, 2017), and like Indonesia, it is frequently referred to as a new BRIC – a term that refers to Brazil, Russia, India and China. Egypt’s economy, however, has been much less dynamic even prior to the tumultuous Arab Spring, after which it has been in a state of almost constant dire straits.

Yet it is significant that all three countries had embarked on almost parallel neoliberal economic reforms under deeply authoritarian conditions: Egypt under Sadat and Mubarak in the 1970s/1980s, Turkey under the technocratic government of Ozal (made possible by the military coup of 1980), and Indonesia under the New Order of Soeharto, which turned to export-oriented industrialisation following the end of the oil boom in the early 1980s. In Turkey, as underlined earlier, an Anatolian bourgeoisie was able to take advantage of this turn towards neoliberal globalisation, largely because of the export-orientation of its businesses and subsequently became a major pillar of the cross-class Islamic populist alliance led by the AKP. In Egypt, privatisation and the general socio-economic retreat of the state (but not including the non-transparent military-owned enterprises believed to be in control of large sections of the economy) provided opportunities for businesses within the Muslim Brotherhood networks to grow in confidence and ambition. In Indonesia, however, economic liberalisation only strengthened the stranglehold over the economy possessed by Chinese conglomerates and businesses connected to the Soeharto family, which are hard to imagine as being part of the ummah.

The changed circumstances ushered in by the end of the Cold War were important. In many ways, the post-Cold War environment facilitated the more overt embrace of capitalism by Islamic movements. Such an embrace had been previously obstructed by the presence of Leftist movements, which served as a reminder that modern capitalism was introduced to Muslim societies by colonial empires. In this sense, it was also a reminder of subjugation of the ummah by the non-Muslim West.
Such Leftist movements, as represented by the once powerful Indonesian Communist Party (PKI) – violently destroyed in the 1960s by an alliance that prominently included the military and Islamic organisations in the context of the Cold War – had also vied for control of the institutions of the post-colonial state. Today, what little there is of a Leftist stream in Indonesian politics has no viable organisational vehicle capable of nurturing a sustainable social base. In Egypt, the broader Left was smashed together with Nasserism and much of its ideals in the 1970s – an act also involving an alliance between the military and Islamic social agents. In this case, President Anwar Sadat had turned to the Muslim Brotherhood for support in order to facilitate a turn to the West and unpopular economic reforms that pushed up the price of basic commodities. In Turkey, historical memories of invasion by European forces following World War I remain salient in the national narrative. As such, the Turkish Left, which has covered a broad spectrum of organisational vehicles (Ciddi, 2009), has traditionally combined various forms of nationalist and socialist ideas and aspirations. Militant trade unions associated with the Left had become especially a problem, however, by the time that neoliberal economic reforms were instituted by the Ozal government in the 1980s, which apart from its technocratic aspects embodied a synthesis between newly accommodated Islamic vehicles and the military. Today the Turkish Left remains vibrant largely in relation to the Kurdish movement, and therefore, suffers from being an easy target of accusations of being ‘unpatriotic’.

Yet even with – or because of – the moribund nature of Leftist politics in each country, a social justice element within Islamic populism has to be projected if its cross-class nature is to be sustained. Thus, members of the culturally Islamic Turkish bourgeoisie have considered their increasingly powerful position as advancing a ‘common good’ (Demir et al., 2004), largely envisaged as equivalent to the interests of the ummah. For the Muslim Brotherhood of Egypt, the narrative that its founding involved Al Banna bringing together a small group of workers exploited by British capital still serves to underline the organisation’s broad commitment to social justice. This is the case even if the organisation was involved in a struggle with the Left for influence over the nascent labour movement (Beinin and Lockman, 1998) and that, while in power, it paid little attention to labour issues. In Indonesia, the PKS has only attempted half-hearted inroads into labour organisations and charitable activity aimed at the urban poor, and so it remains predominantly the party of pious sections of the educated urban middle class (Hadiz, 2011).

The projection of social justice concerns is also important because Islamic populism faces the challenge of addressing combustible issues arising from social contradictions associated with neoliberalism. In many ways, Islamic populism has stepped into the vacuum created by the demise of the Left in circumstances where the onslaught of neoliberalism has meant growing inequalities and precarity. Volatility could be expected especially when such circumstances clash with aspirations that have grown together with the promises of modernisation, especially among now better-educated youths. In Indonesia, while official unemployment stands at around 6.18 per cent (BPS (Badan Pusat Statistik [The Central Statistics Agency]), 2015), underemployment affects close to 1/3 of the workforce (Tadjoeddin, 2014) while over 20 per cent of Indonesian youths are classified as being unemployed (OECD, 2015: 17). This is so even if absolute poverty in Indonesia has fallen considerably in recent years, down to around 11.2 per cent in 2015 from 19.1 per cent in 2010 (OECD, 2016: 17).

In Egypt, 13.2 per cent of the workforce was reported to be unemployed in 2014, though underemployment is far more serious here as well (World Bank, 2016b). Significantly, youth unemployment is estimated to be very high, standing at 64.8 per cent for females and 32.7 per cent for males (World Bank, 2016b). Furthermore, although the Gini Index in Egypt was...
only slightly higher than 30.0 in 2013, the poverty rate was reported to be at over 25 per cent (World Bank, 2013). In addition, it is often ignored that the celebrated ‘youth uprising’ that brought the Mubarak regime to heel was preceded by a spate of labour protests, spanning from 2006 to 2009, in a range of industrial centres, like Mahalla and Suez. These protests took place under conditions of intense state repression of the labour movement in response to a ‘relentless neoliberal onslaught’ that had brought in privatisation, downsizing and diminishing entitlements for workers (Bayat, 2013: 227).

In Turkey, despite the much-lauded economic successes of the AKP, official unemployment in fact stood at a hefty 12.1 per cent in 2016 (Trading Economics, 2017a). But even more seriously, in excess of 17.7 per cent of Turkish youths are classified as unemployed (Trading Economics, 2017b). In 2014, a substantial 22.4 per cent of the Turkish population was still living below the national poverty line according to the Turkish Statistical Institute (Doğan, 2015). Of course, available statistics also show sizeable middle classes present in all these societies. What they tend not to reveal clearly, however, is the precarious nature of middle class status and the anxieties ensuing from everyday life struggles to maintain the associated lifestyles and aspirations.

The point to be underlined here is that Islamic populism is inherently an expression of tenuous – and internally asymmetrical – cross-class alliances that need to cater to a diversity of social interests. In some circumstances, it would need to relay the ambitions of sections of the big bourgeoisie that may identify with the ummah in spite of their socially privileged positions. The main organisational vehicles are typically manned, not surprisingly, by educated middle class activists with their own aspirations of upward social mobility and who are disdainful of the cronyism and corruption that characterise secular institutions of power within the much of the Muslim world. At the same time, such vehicles need to cultivate deep support bases amongst the vast urban poor, whose votes are so crucial for winning electoral contests. This is a substantial task given the economic problems outlined above, which are sometimes overlooked especially in the case of Turkey and Indonesia, where predictions of continuing future success tend to dominate the economic narrative.

**Conclusion**

Indonesia, the world’s largest Muslim-majority country, displays a case where democratisation has not meant the dominance of Islamic political vehicles over the state or civil society. In Turkey, Islamic populism has been far more successful on both counts. Egypt demonstrates another trajectory, that was – until the devastation of the Muslim Brotherhood – somewhere in between that of Turkey and Indonesia. Here, the organisation had been able to establish dominance over civil society largely through delivery of social services, an extensive network of charities and health facilities geared to assist the poor. Nevertheless, its short period of control over the apparatus of the state was to have catastrophic results.

The chapter has emphasised the contingent nature of the connection between Islamic populism and neoliberal capitalism. It has explored contexts within which the purveyors of Islamic populism may develop an interest in neoliberal reforms and those that ensure that this interest remains ambivalent. A further link to the presence or absence of support for democratic politics has been explored. It has been put forward that the major factor to consider is whether advocacy of neoliberal economic policies and democratic politics could advance the social position of those that take part, and play leading roles, in the broad social alliances that hinge on the notion of a homogenous and historically marginalised ummah. It matters greatly whether such a course could plausibly bring them to the corridors of state
power and within reach of the commanding heights of the economy. Of course, there would be some distance between what is claimed in the rhetoric of Islamic populism and reality. One obvious reason is that the components of *umma* will not benefit equally from advances into economic and political power given the asymmetrical relations inherent in Islamic populism.

**Note**

1 It should be noted that estimates of the size of these middle classes are based on varying criteria and so figures, such as presented in the following, should be regarded as indicative. The Asian Development Bank (2010: 11) estimates that 43 per cent of Indonesians are middle class, while the African Development Bank (2011: 5) considers 31.6 per cent of Egyptians to be so. Yilmaz (2008: 7) considers the middle class to make up 45 per cent of the population of Turkey.

**References**


