



Jared Rubin. *Rulers, Religion, and Riches: Why the West Got Rich and the Middle East Did Not*

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Reviewer: Erhan Akkas

Rulers, Religion, and Riches: Why the West Got Rich and the Middle East did Not is a seminal work on the Middle East region by Jared Rubin. The monography sets out a unique explanation for why the Middle East lags behind Europe in economic performance by providing a historical perspective from early stages of Islam to more recent times and comparing them to the Christian West. Substantial framework of the study is based on a neutral approach, via quotation of Rubin; “this book does not blame Islam more than any other religion for substandard economic performance” (p.xv).

In this comparative work, the main research question is why some economies succeed, but the others do not. Rubin argues that players, who are at the bargaining table with the rulers, need to be identified in order to clarify this question referring to the historical economic trajectory. Therefore, the author points out the relationship between religious authorities justifying laws and policies via *fatwa* tools and rulers, which are the primary focus of the book. The monograph clearly states that the penetration of religion, whether it is Islam or not, on politics for economic performance needs to be eliminated.

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The first chapter, *Introduction*, provides key themes and discussions of the book presented around the main idea of “one cause-and consequence-of Middle Eastern economics retardation is poor governance and violence” (p.1). In the introduction, the reader is given a map which provides a historical overview i.e. “urban centre of gravity in Europe and the Middle East covering the period of 800-1800 to figure out the general picture for the readers” (p.7). This map clearly presents that the Middle East has lost its economic superiority over the years. The question however is that what was the reason for this economic downturn in the Middle East?

Giving a more detailed overview of this economic downturn and answering the aforementioned question, the second chapter, *The Propagation of Rule*, introduces “why Economies of the Middle East fall behind those of Western Europe after leading them for centuries following the spread of Islam” (p.27). Rubin bases the answer on the incentives that are shaped by law and policies to present the historical outcome of poor governance. The important issue in this part is that who determines these laws and policies, or who influences law as well as the policymakers who determine these laws. Rubin argues that “enacted policies ultimately result from the ruler’s choice of propagating agents and the bargaining strength of the agents” (p.38). However, the influence of these propagating agents on the policies is related to how much propagation is needed by the rulers. The main issue here is that who are these propagating agents?

Chapter three, *Historical Origins of Rule Propagation*, presents the historical reasons for difference between the propagating agents of the Western Europe and the Middle East. Rubin argues that there is a difference between Islam and Christianity regarding the role of religious propagation in politics; the former is more influential when it comes to providing political legitimacy to the rulers: “appointment from God, inheriting authority from a legitimate ruler, and having an ‘oath of allegiance’ from the populace” (p.51). Considering this special situation in Islam, the author claims that religious authorities should have shown their presence at the bargaining table in the Middle East more than they do in the Western Europe. Therefore, religious agents have strong impact on bargaining table to enact laws and policies when it is compared to other agents, including the economic elite (p.61). However, religious agents were very strict against innovation and technologies in which if a country does not have them; they would face the fact that economic progress would remain low or fall down as can be witnessed in the Industrial Revolution of Europe.

Chapter four, *Bans on Taking Interest*, and the chapter five, *Restrictions on the Printing Press* presents issues that prevented economic development, due to the

fatwas given by *Muftis* or Islamic scholars. In these two chapters, some similarities in terms of restrictions against innovation to manage economic development can be observed. However, these two restrictions are, ontologically and consequently, different. First, while the sources of interest prohibition are Qur'an and Prophetic tradition, the restrictions on the printing press were totally the decision of Islamic scholars of that time. Secondly, according to the outcome of these restrictions, while interest ban had a positive effect against inequality¹ and on social welfare, the late arrival of the printing press affected the human capital negatively in the society. At least, cash *waqf* system, at that time, could be considered as an alternative way of the banking system without interest. While interest ban was derived from the Qur'an as a Revealed knowledge, the other was through the *fatwas* by Islamic scholars. Therefore, the printing press was open to discussion at the bargaining table, but interest ban was not. Supporting this argument, when the economic failure of the Middle East is compared with the European one, the role of interest would be seen as very small while "the use of religious authority in legitimising political rule" (p.98) had greater impact on this difference. Rubin also stated that "Although focusing on interest restrictions shade our eyes from many other important historical events affecting the economies of both regions, it brings to light the consequences of one of the primary features dictating medieval political life" (p.98).

Chapter six, *Printing and Reformation*, presents the impact of the printing press on the spreading of the Protestant Reformation which had a prominent role for the economic trajectory of Western Europe as is supported by the econometric analysis (p.132). This chapter supports Rubin's main argument in the book. According to the econometric results in this chapter, when religious legitimacy weakened, it was replaced with economic elite, which lead to economic success, at the bargaining table.

Chapter seven, *Success: England and the Dutch Republic*, and chapter eight, *Stagnation: Spain and the Ottoman Empire*, presents the success and failure cases regarding economic performance in the history. In this section, Rubin finds out that when religious agents had power at the bargaining table as in the case of Spain and the Ottoman Empire, an economic elite failed to emerge to manage economic success through reforms or vice versa as was witnessed in the case of England and the Dutch Republic. This finding also supports the Weberian approach that Calvinism brings the spirit of capitalism and economic elite, guiding Protestant countries to follow a different economic path.

1 For more information, please see; Chapra (1992); Naqvi (1995) and Asutay (2007).

Lastly, Rubin largely contributes to the gap in the literature, providing an institutional perspective for this divergence between the Middle East and Europe. Rubin's arguments and findings seem to complement Timur Kuran's arguments (Kuran, 2010) on the Middle East. As for the interest ban as an example in the book, it does not seem directly related to the economic failure of the Middle East as much as printing press.

Although there are many reasons, such as political, cultural, demographical, and geographical, for the current underdeveloped position of the Middle East region, Rubin focusses on the propagation agents who legitimise the law and policies of rulers by giving an institutional history of Western Europe and the Middle East. This argument is crucial for economic development, but the study can be developed focussing more on other reasons. In addition to that, despite the fact that this book presents a valuable conceptual framework and well-structured, its claims need to be supported with empirical works covering the last few decades. In general, this conceptual study provides a great source and promises a pleasant reading for students and scholars who are interested in the process of economic change of the Middle East by using a historical approach.

References

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