

The EU model versus the Islamic Caliphate  
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The birth of the Eurozone was hailed as a successful model of unity. It sought to accumulate Europe's economic and political power into one block. With years of meticulous work, the formation of this block came with a multitude of advantages for businesses and investors, promising to promote both trade and travel through some uniformity of laws and ease of mobility throughout the zone and this economic unity, also invariably implied 'aggregated' political power in decision making in world events.

In the Muslim world, the debate on the role and importance of unity now had an additional reference points, i.e. the EU. The 'Organization of Islamic Conference' known as the OIC had primarily been the focal point for discussions on unity of Muslim nation states. The OIC has for years, served as a vent for the political opinions of the Muslim Nations. The platform provides a means for Muslim-majority nations to come together, and discuss various issues, ranging from politics to trade and commerce. It also over the years passed several resolutions voicing the opinion of the Muslim nations. However, the OIC, despite expressing the desire for greater unity, had made little progress in articulating a roadmap to achieve it. The formation of EU and its adoption of single currency have been looked up at, by various academics and opinion-makers in the Muslim world, who have sighted it as an example for the Muslims to replicate.

The EU today is a union of independent Nation-states, which all embrace a common model of governance i.e. Democracy and are essentially capitalist states. On the other hand, the Muslim world has a range of governance types, from dictatorships -with either ruling Monarchs or Generals- to democracies. While the governance Model in the EU, i.e. Democracies enjoy indigenous support and greater stability, the regimes in the Muslim world, remain gripped in political instabilities in various degrees.

Today, as the Muslim world yearns, for unity, it is imperative, to critically evaluate any models of unity which may be presented to her as adoptable alternatives. At present, primarily two specific models of unity are often discussed, one if the EU and the other is that of an Islamic State, i.e. Caliphate.

The EU is primarily a voluntary union of sovereign states, in which member states have democracies, where elections can affect the political decisions made by the state. These decisions may be made independent of the benefits or effects on other member states. Hence the union in essence, is for a 'win-win' situation, where common interests are what bind the member states. Contrary to this the Islamic State's model of unity, is centralized. It's neither a union nor a federation. Member 'states' (lands) effectively merge within the Islamic State, and are hence designated as 'Wilaya' (Province). A Wilaya, cannot opt to disembark from the central state, and hence, this ensures that pursuit of local interests cannot dent the overall interests of the State.

Currency is another key factor in any model of unity. The common currency, Euro, adopted by member states, is used in parallel to the local currencies. While this comes with advantages, it also creates complexities. The Islamic State, has singular currency, backed by gold (& silver), and hence, its value is not susceptible, unlike FIAT currency. The singular currency ensures that wealth throughout the state has an even representation, and is not subject to any internal imbalances.

In the EU model, which is based on a union of democracies, the adherence to rules of the union can be terminated, if the citizens of any state, no longer accept to abide by them. In an Islamic state, the 'Wilaya' (Provinces) do not have their independent status, and therefore, adherence to rules is mandatory.

In today's world, with global trade and commerce, often the economies of countries are interconnected. This inter-connection is fortified, when countries assist each other through loans, bail-out packages, and investments etc. For example, the current problems in Europe can have an effect on the US, and it is for this reason, that Presidential candidates in this election year are eager to resolve the crises. In the recent G8 summit, in a bilateral talk between Obama, and David Cameron, the UK Prime Minister, stated that he detected a "growing sense of urgency that action needs to be taken" on the Eurozone crisis. In contrast, the Islamic State, will seek to have a robust economy that is least dependent on other major economies. It will not engage in interest-based loans with other countries; It will avoid any investment venture in stocks of other economies, and will not lend assistance – e.g. in the form of bailouts – to other economies, based on capitalist principles.

In the union, sovereign states pursue their own interests along with the mutual interests. However, interests of one Member State may eclipse that of another. For example Germany, which has Europe's relatively larger economy, imposed tight austerity, measures as criteria for International loans, to relatively small economies in the zone, such as Greece. According to critics, these policies resulted in fueling unemployment in Greece, and pushing it to near bankruptcy, and in Italy and Spain, it had added to the already existing crises. An Islamic state, on the other hand, is not prone to such skewed and biased policies. The accumulated wealth of the state, is put to effective use, and shared on need basis. A wealthier 'Wilaya' cannot impose its policies on poor or less wealthy 'Wilaya' by influencing the center. This ensures that generally and in particular at times of crises, the single unit state, acts as 'one for all and all for one'.

In a union, there is a possibility, that the people may vote a new government, which representing its electoral vote bank, chooses to ignore the promises made by previous governments. In such a scenario, the center, cannot force it, to abide by the promise of previous government. For e.g. in Spain, the new government, led by Prime Minister, Mariano Rajoy, stated its government did not feel bound by the 'adjustment program' which were agreed by the previous administration. This stance was rebuked. However, in essence, it carried weight; and the 'Adjustment Program' for Spain, was being considered to be made more lenient. A Caliphate structurally is not prone to such weakness, because the Caliph, has the legal authority to ensure, merger states, comply by the rules agreed upon.

The EU, is technically designed on the assumption that a member state will not consider departure from the union, because the cost of it will be high, as compared to the benefits of staying with the Union. However, recent events, especially in the case of Greece, indicate that this assumption may not perpetually hold valid. An overburdened state, unable to meet its obligations to the union may consider an exit as advantageous. In an Islamic State, the burden (needs of citizens) is shared horizontally amongst the merger states.

Daniel Gros, Director of Brussels-based Centre for European Policy Studies, recently wrote on the crises facing EU that "Financial markets have reacted as strongly as they have because investors recognize that the "sovereign" in sovereign debt is an electorate that can simply decide not to pay.". On the contrary, Islam's model of unity, i.e. the Caliphate, embodies a political and economic system, that provide a stable environment for investors.

In a recent Editorial on '21st May 2012', M. A. Niazi (Editor, The Nation newspaper), had made a valid point, by stating that "there does not seem any intrinsic reason why a Caliphate cannot be established. It's

not as if Indonesians have horns on their heads, or Algerians breathe nitrogen instead of oxygen. We've had experience of living in a federation with other nationalities, so why can't we have a Caliphate".

Today, while there is a huge potential, for economic growth, and political power, much of the Muslim world, remains mired in a plethora of problems. Discussions on need for greater cooperation are often restricted within the apparatus of OIC or other groupings, which so far have failed to effectively deliver. As the debate for greater unity gains momentum, it is imperative for the intellectuals, opinion-makers and key power holders to approach this topic with sincerity, and critically evaluate all models of unity which are presented to it.

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