

Change We Can Believe In? The Muslim World, America, and Obama's Promise

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June 1, 2009

On June 4, 2009, President Obama will deliver his long-anticipated speech to the Muslim world in Cairo. This speech represents an important milestone in the president's broader efforts to heal the rift which has come to characterize U.S.-Muslim relations and to redefine U.S. foreign policy in this critical area.

In reaching out to the Muslim world, President Obama will invariably touch upon some of the most important concerns and grievances, including the Arab-Israeli conflict and the need to enhance respect and understanding between the U.S. and the Muslim world. The president will outline the contributions and achievements of Islamic civilization, and recognize the economic, social, and political progress underway in several Muslim countries. Reaffirming the U.S.'s dedication to law and a more principled foreign policy, the president will hail the early symbolic successes of his administration such as the commitment to close Guantanamo Bay.

However, the fundamentals of U.S.-Muslim ties remain deeply flawed. Despite the pervasive challenges of poverty and illiteracy, the two strongest ties that currently bind the U.S. and the Muslim world are military aid and oil. Instruments which can improve the lives of ordinary people such as trade, investment and development are largely missing from U.S.-Muslim relations. This is a weak foundation on which to build a broad-ranging, mutually beneficial relationship, as President Obama hopes to do.

Who is the Muslim World?

As U.S. policy toward the Muslim world takes center stage, an important first step is to understand who these countries are and how the U.S. has engaged with them in the recent past. So just who is the Muslim world? This question is more difficult to answer than one might think. There is no single definition and any attempt is liable to criticism for whom it includes and whom it leaves out. Matters are only complicated by the fact that the term "Muslim world" is often used interchangeably with the Middle East, when only one quarter of the world's Muslims live in this region.

One simple definition is the membership of the Organization of the Islamic Conference (OIC), an assembly of states with significant Muslim populations which defines itself as "the collective voice of the Muslim world". The OIC members are a diverse grouping, spanning four continents and 57 countries. Though this definition of the Muslim world excludes Muslim minorities living in other countries – notably, the 150 million Muslims living in India – and includes non-Muslim populations in OIC member countries, it provides an unambiguous means of exploring Muslim world country

characteristics and recent U.S. policy towards the Muslim world on a government-to-government basis.



Source: Wolfensohn Center for Development at Brookings

Muslim Countries: On the Margins of the Global Economy

Using the OIC definition, the 57 countries that constitute the Muslim world contain 1.5 billion people, or approximately one-quarter of the world's population. Yet their economies have a combined GDP of only \$6.6 trillion – a little less than half that of the U.S. and one-tenth of the global economy. Most of these economies are poor: 25 of the 57 are classified as low-income countries by the World Bank, with 18 classified as lower-middle income countries and only 14 classified as upper-middle income or high income. Average GDP per capita in the 57 countries is \$4,900 – slightly less than half the global average of \$10,400. However, this masks a great diversity of incomes at a country level, ranging from \$485 in Guinea Bissau, one of the poorest countries in the world, to \$85,000 in Qatar, one of the richest.

Given the modest economic weight of many countries in the Muslim world, living standards are often low and many families face hardship. One in four people in Muslim countries – 394.5 million people – live in extreme poverty, under the international benchmark of \$1.25 a day. At least 293.9 million people aged 15 and above are illiterate, and this is a conservative estimate given that there is no available data for some of the least developed countries, such as Afghanistan and Somalia. Literacy rates are particularly low among women, with female literacy rates on average only three quarters of their male equivalent. The Muslim world is relatively isolated from the global economy. In a ranking of 158 countries based on metrics of economic, social, and political integration and openness, 22 Muslim world countries fall in the bottom 50 in the world. Conversely, only 5 make the top 50. In spite of this, the countries of the Muslim world have enjoyed relatively strong economic growth in recent years, averaging 5.6 percent growth since the beginning of the decade, although in some countries this expansion has been partially reversed by the global downturn.

As a group, the Muslim world is young: of its 1.5 billion people, the majority – 835.7 million – is under the age of 24. Some commentators expect President Obama to deliberately pitch his speech in Cairo toward the youth population, defined as those between the ages of 15 and 24. The Muslim world contains 306.9 million people of this age – almost exactly equal to the total number of people who live in the United States.

Many of the world's security hotspots are in the Muslim world. Two in three Muslim countries are currently in conflict or face a significant threat of conflict, compared to only one in four non-Muslim countries. Afghanistan, Iraq, Pakistan and Somalia are the most high profile countries grappling with instability and conflict. But the Muslim world is home to a number of lesser-known countries which also present significant geostrategic risks. For instance, Chad faces one or two attempted coups every year, a higher frequency than perhaps any other country, and has been drawn into the Darfur conflict and clashes with rebel groups in neighboring Sudan. Guinea-Bissau has the dubious honor of being Africa's first modern narco-state, serving as a conduit for cocaine smuggling from Latin America to Europe. By some estimates, Yemen, the poorest country in the Middle East, threatens to become the world's next safe haven for terrorism, in the same mould as Afghanistan.

The Muslim World and America: Five Facts

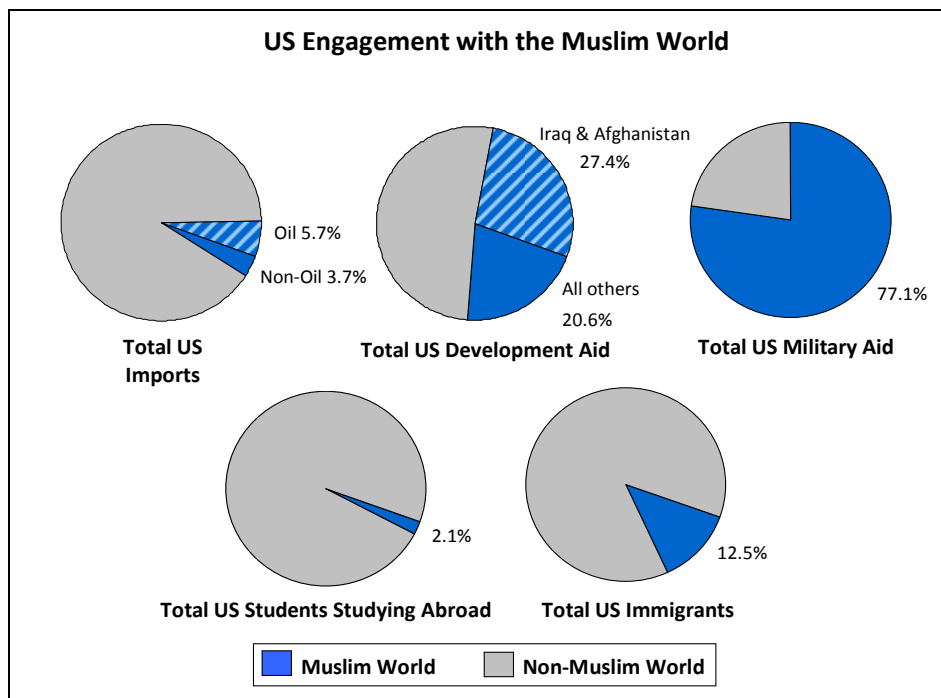
1. **Large and youthful populations.** The countries of the Muslim world contain approximately 1.5 billion people, or one-quarter of the world's population. The majority – 835.7 million – are under the age of 24.
2. **One in four people living in poverty.** The Muslim world's economies have a combined GDP of only \$6.6 trillion – less than half the size of the U.S. economy and one-tenth of the global economy. 394.5 million people live on under \$1.25 a day.
3. **More U.S. military aid than development aid.** 77 percent of U.S. military assistance goes to the Muslim world: in 2007, this amounted to \$10.0 billion. Iraq and Afghanistan account for 57 percent of U.S. development assistance to the Muslim world.
4. **Underdeveloped U.S.-Muslim trade ties.** In 2007, only 9.4 percent of all U.S. imports came from the Muslim world. Oil accounted for 61.1 percent of these imports: only 4.4 percent of U.S. non-oil imports came from the Muslim world.
5. **Weak people-to-people links with the U.S..** In 2007, of the 242,000 Americans who studied abroad, only 2.1 percent chose to study in Muslim countries - less than half the number who studied in Australia. Of the 9.8 million immigrants who obtained legal permanent residence in the U.S. over the past 10 years, only 12.5 percent were from Muslim countries.

U.S. Ties With the Muslim World: Arms and Oil

Given the economic, social and security importance of the Muslim world, has the U.S. effectively engaged with these countries to help them promote development and improve the quality of life of their citizens? Analysis of foreign assistance, business and cultural links reveal major deficits and distortions.

The U.S. provides more military assistance than development assistance to Muslim countries. More than 75 percent of U.S. military assistance goes to the Muslim world. In 2007, the U.S. provided \$9.1 billion in net official development assistance to the 57 countries of the Muslim world, or 48 percent of total bilateral U.S. foreign aid. While on the surface this would appear impressive, if we exclude Iraq and Afghanistan – which together account for 57 percent of U.S. aid to the Muslim world – the other 55 countries received only \$3.9 billion. Conversely, in 2007, the U.S. gave \$10.0 billion in military assistance to the Muslim world, including \$4.1 billion to Iraq, \$3.6 billion to Afghanistan, \$1.3 billion to Egypt, and \$312 million to Pakistan; the only major non-Muslim recipient of U.S. military aid is Israel. (Even these substantial sums don't come close to reflecting the full scope of American military engagement with the Muslim world; the U.S. has spent a total of \$864 billion on Iraq, Afghanistan, and

the war on terror since 2001.) Such high levels of military assistance are justified, according to proponents of this support, by the security challenges facing many of these countries. Yet the result has been to allow military aid to become the centerpiece of U.S. policy towards the Muslim world.



Source: See "Data Sources for Chart"

The U.S. has only minimal commercial business links with Muslim countries. In 2007 the U.S. imported \$190.0 billion worth of goods from the 57 OIC countries, or 9.4 percent of all U.S. imports. Oil accounted for 61.1 percent of these imports; only 4.4 percent of U.S. non-oil imports (\$73.9 billion) came from the Muslim world. In terms of exports, the U.S. exported only \$75.2 billion to Muslim countries in 2007, or 6.5 percent of all exports. Of the total stock of U.S. foreign direct investment abroad, only 2.7 percent is located in the Muslim world. Over the past decade the U.S. has put in place various trade policies to strengthen these commercial ties: signing free trade agreements with Bahrain, Jordan, Morocco and Oman; launching negotiations with Malaysia; proposing a wide-ranging U.S.-Middle East free trade agreement; and allowing preferential access to U.S. markets under the African Growth and Opportunity Act for 18 Muslim countries. However, these policies have yet to translate into substantive trade flows, and clearly more needs to be done if economic ties are to eventually play a significant part in the U.S.-Muslim world relationship.

Is the United States doing a better job of connecting culturally with the Muslim world on a person-to-person basis? Hardly. In 2007, of the 242,000 Americans who studied abroad, only 2.1 percent chose to study in Muslim countries – less than half the number who studied in Australia alone. Only 12.3 percent of foreign students studying in the U.S. last year were from Muslim countries.

Of the 9.8 million immigrants who obtained legal permanent residence in the U.S. over the past 10 years, only 12.5 percent were from Muslim countries. Indeed, of the top 20 countries of origin for U.S. immigrants, only one is in the Muslim world (Pakistan, in 17th place).

The Peace Corps, whose goal is to help promote a better understanding of Americans on the part of people served and to promote a better understanding of other peoples on the part of Americans, is doing a somewhat better job of engaging with the Muslim world. There are currently 2,379 Peace Corps volunteers serving in the Muslim world, 30.2 percent of the global force. However, today Peace Corps volunteers are only found in 21 of the 57 Muslim countries, whereas in the past they have served in 42.

Ties That Bind the Next Generation

Earlier this year, President Obama pledged to base the U.S.-Muslim world relationship on “broader engagement based on mutual interest and mutual respect.” This is an important objective, which strikes at the heart of today’s problem. Indeed, given the limited and narrowly-defined model of past American engagement, the current alienation between the U.S. and Muslim countries is no surprise. As a new generation comes of age in the Muslim world, expanding this relationship beyond the simplistic frames previously pursued under the “war on terror” to include economic development, commercial ties and cultural exchange can secure a more stable and prosperous future. Demonstrating America’s willingness to help the Muslim world meet its various economic challenges and aspirations will require actual improvement in these metrics of engagement.

Diana Greenwald contributed to this commentary.

Sources

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Data Sources for Chart

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