

THE GLOBAL DIMENSION OF POVERTY
IN THE MUSLIM WORLD:
A NUMERICAL ASSESSMENT*

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Introduction

Poverty can be traced back to the beginning of history, but never to the extent of what we are experiencing now. Although poverty can be interpreted to mean several things, a widely accepted view postulates that the inability to earn adequate income for meeting one's basic need is important for understanding poverty. Such a narrow meaning, however, limits poverty to income alone, and therefore it is insufficient to highlight the broad dimensions behind the causes and consequences of poverty. In most cases, poverty is man-made, stemming from greed, injustice, exploitation, a lack of knowledge, unequal opportunity, corruption, social divides, gender, mal distribution of income, political, social, environmental and economic factors. Over the years, a vast number of studies both theoretical and empirical, have been published on all aspects of human poverty. Unfortunately, very little success has been achieved so far to alleviate the problem and free humanity from the immoral sin of poverty. From an Islamic perspective, poverty springs from the failure of Muslims to implement the prerequisites of Shari'ah concerning allocation of resources as well as fulfillment of religious obligations. Unless the problem is solved, poverty will remain a shameful reminder for all Muslims.

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According to the World Bank, there are about 1.5 billion people living on less than US\$1 a day, the majority of them are in developing countries. Globally, the *United Nations Human Development Report 2004* reveals that high-income countries, representing about 19 percent of the world population, received 84 percent of the global GDP in 2002. The six richest countries, i.e., the United States, Japan, France, England, Germany and Italy, with a population of about 11 percent of the world's total received two thirds of the global income in 2002. The wealth of the world's 200 richest people was estimated at more than \$1 trillion or the size of income earned by one billion Muslims in 2000. In 2002, total revenues of the world's top 11 largest corporations were close to \$2 trillion or twice as much as the income of all low income countries combined. In the period following the Second World War, substantial efforts have been made by international organizations, national governments, non-governmental organizations, charitable agencies, and various other institutions, groups and individuals to reduce global inequalities and alleviate poverty, but very little success have been accomplished so far.

Worldwide, Muslims are more familiar with poverty than anybody else. On average, a Muslim earns about US\$1,200 per year compared to US\$ 5,200, which is the world's average and US\$25,000 in high-income countries. About 500 million or close to 40 percent of Muslims are classified in the low-income category by the United Nations. In some Sub-Saharan Africa countries, where a large number of Muslims live, it is estimated that income per person not even in 100 years reach US\$900. This is despite the fact that Muslims possess a sizable share of the world's human and natural resources. Among other things, petroleum, which is the most traded commodity on the global markets, is controlled by Muslims and this makes up 80 percent of the world's known reserves. The Arabs have an investment of US\$1.3 trillion in the rich countries of Europe and North America. Across the Muslim world, from Indonesia to North Africa, Muslim elites smuggle billions of dollars every year to be