

Foreword

Resource Rich Muslim Countries and Islamic Institutional Reforms

While there have been numerous studies conducted on the resource curse, this book provides a new perspective and focuses their research specifically on Muslim countries endowed with natural resources. The authors provide an extensive econometric analysis and explain that the reason behind the inferior economic performance of oil-rich Muslim countries could be attributed to the presence of resource curse. More specifically, they establish institutional quality as a key factor causing the lag in economic performance.

The recommendations given to resolve the curse, is one of the most comprehensive in resource curse literature. The authors provide policy recommendations that are aligned within an Islamic framework and discuss at length how these Muslim countries can achieve the ideal structure envisioned by the Qur'an. They trace the fundamental differences between Institutions from the conventional with Islamic perspectives and present why an Islamic institutional framework offers the most complete solution for the countries in their study. There is no evidence that prior research had looked at Islamic teachings to ameliorate the resource curse problem. This book is an important contribution and could serve as a reference in Islamic economics and studies to manage depletable resources in Islam.

The country specific studies on Malaysia, Saudi Arabia and Qatar allows readers to understand the extent of the resource curse issue in leading resource rich Muslim countries. They provide the stark reality that corrosion of quality of institutions in these countries and the misallocation of the vast wealth from natural resources have resulted in imbalanced and unsatisfactory economic

conditions. The authors provide sound justification on the need to change the current institutional framework.

This book, is a great reference point in understanding the resource curse problem in Muslim countries and what can be done for these countries to begin their path towards institution building and reforms.

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