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Theoretical and Practical Research in Economic Fields

Divine Development: The Impact of Religion on Madagascar’s Growth

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Abstract: This paper examines the role of religion and the church in Madagascar’s history of conflict and argues that their role has been largely overlooked in efforts to find solutions. With a significant portion of the population being animist, Christian, or Muslim, churches hold considerable influence in the country through various means, including media, education, and social support for vulnerable members of society. The paper explores whether religion plays a role in the country’s current crises and assesses its quantitative contribution to Madagascar’s economic growth and development.

Keywords: Madagascar; GDP; religion; conflict; economic growth.

JEL Classification: A10; A12; R11.

Introduction
Since World War II and Madagascar’s independence in 1960, the country has experienced numerous episodes of conflict and violence, with notable occurrences in 1947, 1971, 1972, 1975, 1985, 1991, 1996, 2002, and 2009. Although most efforts to find solutions have been focused on political and institutional means, such as mediation, negotiation, and dispute-resolution initiatives, the role of religion and the church has been largely overlooked. In Madagascar, religion and churches play significant roles in the political, social, and cultural aspects of society. The most recent census indicates that 52% of the population are animists, 41% are Christians, and 7% are Muslims. Churches exert their influence not only through television, radio stations, and newspapers but also through education and socio-economic assistance to the most vulnerable members of society. Given the importance of religion in daily life in Madagascar, it is reasonable to assume that the church plays a role in the country’s economic growth and development.

This paper seeks to answer the question of whether religion is involved in the multiple crises in Madagascar and to determine the quantitative contribution of religion to economic growth in the country.

1. Literature Review
The literature on the relationship between religion and economic growth is complex and multifaceted, with a variety of factors influencing the ways in which faith can impact economic outcomes. While some studies suggest that religion can be a positive force for economic development, others highlight the potential risks and challenges associated with the intersection of faith and growth.

1.1 Religion can Contribute to Economic Development
In his book "The Wealth of Nations," Adams Smith (1937) argued that religion can promote economic development by creating a virtuous circle of hard work, savings, and investment. Smith believed that religion can instill a strong work ethic in people and encourage them to save and invest their earnings, which can lead to economic growth. Additionally, Adams Smith (1937) argued that religious institutions, such as churches, can promote education and moral values that are beneficial for economic development. Max Weber (1920) argued that certain religious beliefs, such as the Protestant work ethic, could directly influence economic behavior and contribute to economic development. According to Weber, the Protestant work ethic emphasized the virtues of hard work, discipline, thrift, and frugality, and encouraged individuals to pursue worldly success as a sign of

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God’s favor. This ethic could foster a culture of entrepreneurship and innovation, as individuals sought to maximize their economic potential and build their own fortunes. Weber suggested that this cultural mindset played a significant role in the rise of modern capitalism in Western Europe and America.

In his book "The Wealth and Poverty of Nations: Why Some Are So Rich and Some So Poor," David Landes (1995) argued that religion has played a significant role in shaping economic development throughout history. David Landes (1995) suggested that religions that emphasize hard work, thrift, and education have been more conducive to economic development than those that emphasize other values. For example, Landes argued that Confucianism, with its emphasis on education, discipline, and the importance of saving, played a key role in the economic development of East Asia. Similarly, Landes suggested that Protestantism, with its emphasis on the virtues of hard work and thrift, played a significant role in the economic development of Europe and America. David Landes (1995) also discussed the role of religion in promoting technological innovation, which is a key driver of economic development. Landes argued that religions that promote curiosity, experimentation, and the pursuit of knowledge have been more successful in promoting technological innovation than those that discourage these values. For example, Landes suggested that Islam played a key role in preserving and transmitting scientific knowledge during the Middle Ages, but that it later became less supportive of scientific inquiry and innovation, which may have contributed to its relative decline in economic development. Overall, David Landes (1995) suggests that religion can influence economic development through its impact on cultural values and attitudes, including attitudes toward work, education, and innovation. However, he also acknowledges that the relationship between religion and economic development is complex and multifaceted and that many other factors also play a role in shaping economic outcomes.

More recently, Barro et al (2003) in their research on the relationship between religion and economic growth, argued that religious institutions can foster social capital, which refers to the networks of trust, norms, and cooperation that enable economic activity. Religious institutions can provide a sense of community and social support that can help individuals overcome economic challenges and pursue their goals. Additionally, religious institutions can promote education and moral values that are beneficial for economic development.

In his book "The Victory of Reason: How Christianity Led to Freedom, Capitalism, and Western Success," Stark (2005) argued that Christianity played a key role in the rise of Western civilization and its economic development. According to Stark, Christianity encouraged rational thinking, scientific inquiry, and individualism, which were crucial for the development of capitalism and the modern world. Christianity also emphasized the importance of property rights and contract law, which provided a legal framework for economic activity. Wang and Lin (2014) examine the impact of religious beliefs on economic growth using local panel data from 2001 to 2011 for China. This idea is also studied by Ungureanu (2023). Their results show that, among the various religions, Christianity has the greatest impact on economic growth. This conclusion is consistent across different estimators and has long-term stability. However, no consistent and firm conclusions can be drawn about other religions.

1.2 Religion can Have a Negative Impact on Economic Growth and Development

There are some authors who argue that religion can have a negative impact on economic growth and development. In his book "The God Delusion," David Landes (1995) argues that religion can be a hindrance to economic development by promoting irrational beliefs and practices that are counterproductive. Dawkins suggests that religions often promote supernatural beliefs and practices that are at odds with rational thinking and scientific inquiry, which can hinder technological innovation and progress. Additionally, Dawkins suggests that religion can promote tribalism and conflict, which can be detrimental to economic growth and stability. David Landes (1995) also argues that religion can promote anti-intellectualism and discourage critical thinking, which can make it more difficult for individuals to acquire the skills and knowledge needed for economic success. Dawkins suggests that the influence of religion can create a culture of obedience and conformity, which can be harmful to economic development by discouraging entrepreneurship and innovation. Overall, David Landes (1995) suggests that religion can have a negative impact on economic development by promoting irrationality, tribalism, and anti-intellectualism. However, it is important to note that Dawkins’ views are controversial and have been challenged by other scholars who argue that religion can have positive effects on economic development, depending on the specific cultural and historical context.

Cragun (2015) argues that religion can be a barrier to economic development by promoting conservative social values and hindering progress on issues such as gender equality and LGBT rights. Cragun (2015) suggests that religious institutions often promote traditional gender roles and discourage women from pursuing careers and entrepreneurship, which can limit their economic potential and hinder overall economic growth. Additionally, he argues that religious institutions often oppose LGBT rights and other progressive social policies,
which can create a hostile environment for diversity and innovation and discourage talented individuals from contributing to the economy.

1.3 The Complexity of the Relationship between Growth and Religion

The relationship between religion and growth is complex for several reasons:

- Different religions have different beliefs and values: Religion is not a monolithic entity, and different religions have different beliefs, values, and practices. Some religious beliefs and practices may encourage economic growth, while others may discourage it.
- Causality is difficult to establish: It is difficult to establish a clear causal relationship between religion and economic growth. Economic growth can be influenced by many factors, including government policies, technological advancements, natural resources, education levels, and cultural norms. While religion may be a factor, it is not the only one.
- Correlation does not equal causation: Even when a correlation is observed between religious affiliation and economic growth, it does not necessarily mean that religion causes economic growth. Other factors, such as education levels and cultural norms, may be influencing both religious affiliation and economic growth.
- Conflicting values and priorities: Religion may prioritize values such as charity and compassion over economic growth, leading to tensions between economic development and religious values. Additionally, some religious traditions may view material wealth and economic growth as a distraction from spiritual pursuits.

1.4 Synthesis of the Review

In conclusion, religion can play a role in economic development by influencing cultural values and attitudes toward work, education, and innovation. Some religious values, such as hard work and thrift, have been seen as contributing to the development of capitalism and modern economic systems. Additionally, religion can contribute to economic growth by promoting education, trust, and social capital. On the other hand, some argue that religion can hinder economic development by promoting irrational beliefs, anti-scientific attitudes, and tribalism. Furthermore, religion can be a barrier to progress on social issues such as gender equality and LGBT rights, potentially limiting the economic potential of marginalized groups. It is important to note that there is a range of perspectives on the relationship between religion and economic development. The specific cultural and historical context may influence the impact of religion on economic growth and prosperity.

2. Religion in Madagascar

2.1 History and Evolution of Religion in Madagascar

The history of religion in Madagascar is diverse and complex, with various beliefs and practices coexisting and evolving over time. Prior to the arrival of Europeans in the 16th century, Madagascar was inhabited by various ethnic groups, each with their own religious traditions.

One of the dominant religions in Madagascar prior to European contact was animism, which involved the belief in spirits and the worship of ancestors. With the arrival of European missionaries in the 19th century, Christianity began to spread rapidly throughout the island, with the Roman Catholic and Protestant denominations gaining the most adherents. During the colonial period, Christian missionaries played a significant role in the education and social services provided to the Malagasy people, leading to the growth of the Christian population. However, traditional beliefs and practices, such as ancestor worship, continued to be practiced alongside Christianity. In the post-colonial era, various religious movements emerged in Madagascar, including revivalist and Pentecostal movements, as well as the revival of traditional Malagasy beliefs and practices.

Today, Christianity remains the dominant religion in Madagascar, with the Roman Catholic and Protestant denominations comprising the majority of Christians. However, traditional beliefs and practices, such as ancestor worship and the veneration of nature, continue to be an important aspect of Malagasy culture and religion.

2.2 The Significance of Religion in Madagascar

Religion has had a significant impact on the culture, society, and politics of Madagascar. Christianity, in particular, has played a significant role in shaping the country’s social and political landscape. One of the most important impacts of Christianity in Madagascar has been on education and literacy. Christian missionaries established schools and educational institutions throughout the island, which helped to increase literacy rates and provide access to education for many Malagasy people. Religion has also played a role in shaping the country’s political history. During the colonial period, Christian missionaries were often aligned with colonial powers, and their presence contributed to the erosion of traditional Malagasy power structures and the spread of Western values...
and norms. Today, religion continues to be an important aspect of Malagasy culture and identity. Traditional beliefs and practices, such as ancestor worship and the veneration of nature, remain deeply ingrained in Malagasy society, alongside the dominant Christian denominations. Religious institutions also continue to play a role in providing social services and support to communities in Madagascar. Churches and other religious organizations are often involved in providing healthcare, education, and other forms of assistance to those in need. Overall, religion has had a significant impact on the history, culture, and society of Madagascar, shaping the country’s social and political landscape, and contributing to the development of its unique identity and traditions.

2.3 Religion and Conflict in Madagascar: The Complex Roles of Churches

The role of religion in Madagascar’s conflicts is a complex and multifaceted phenomenon, with the involvement of churches being varied and sometimes contradictory. Churches have acted as both active participants in violent conflicts and as peacemakers and mediators in episodes of violence, resulting in a perplexing situation that defies simple explanations. The interweaving of religion, politics, class, and socio-economic issues in Madagascar has further heightened the complexity of the situation.

2.3.1 Times When Religion Was Involved in Conflict

At times, Malagasy Churches have directly participated in violent conflicts in order to gain more followers. For example, in the year 2000, a conflict arose between the Protestant Church known as FJKM (Church of Jesus Christ in Madagascar) and one of its congregation leaders. This dispute resulted in the formation of a new Church of revivalists called FPVM (New Protestant Church of Madagascar). The politician Marc Ravalomanana, who was one of the main parties involved in the 2009 conflict, was also the FJKM’s Vice-President. Both sides engaged in symbolic and direct violence, including physical violence against pastors and catechists of the FJKM, confiscation of their properties and Church funds, and street violence. In Madagascar, politics, religion, class, and socio-economic issues are closely linked. As a result, religious institutions have occasionally become involved in politics, with religious leaders taking sides and supporting various political factions. For instance, in 2002, during a period of violence, the Catholic Church openly backed Ravalomanana’s bid for the presidency. However, during the political crisis in 2009, the Protestant Church supported Ravalomanana, while the Catholic Church changed course and supported opposition leader Andry Rajoelina. Religious actors have been instrumental in mobilizing support and devotion during conflicts, using religious symbols, myths, and rituals for political purposes, leading to a burst of mobilization among followers. For example, the former president Ravalomanana used a verse from the Gospel of Marc 5:36 ‘Be not afraid, only believe’ as a political slogan, which attracted many followers. Additionally, during the conflict in 2002, Fifohazana shepherds belonging to the revivalist movement were called upon to exorcise governmental buildings, which had a significant impact on mobilization processes and the creation of a strong basis of supporters and devoted followers. More recently, Andry Rajoelina used catholic song “tena fitia” in his campaign for presidential election in 2018 after that he get elected president.

2.3.2 Times When Religion Preaches Peace

Despite their involvement in conflicts, churches have also acted as powerful peacemakers in Madagascar. Religious leaders have frequently used their political, social, and cultural influence to call for peace, invoking values of tolerance, empathy, and understanding. They have been particularly effective in resolving local conflicts and have been seen as trustworthy mediators due to their societal importance. For example, during the violent episode in 1972, churches urged for reforms and the revision of cooperation agreements between France and Madagascar, in an effort to bring peace and stability to the country. In 1991, the Christian Council of Churches successfully mediated high-level negotiations that led to the establishment of a transitional government towards the third republic, and even acted as powerful decision-makers drafting and writing the new constitution. The complex and intertwined nature of religion, politics, and societal issues in Madagascar means that building sustainable and lasting peace in the country cannot be achieved without the contribution and participation of religious actors. Despite their contradictory roles in conflicts, churches have proven to be influential in mobilizing support and devotion, as well as in mediating and resolving conflicts. Their societal importance and influence make them key players in conflict and peacebuilding in Madagascar, and their involvement is crucial for achieving lasting peace in the country.
2.4 Synthesis of Religion in Madagascar

In summary, religion has had a significant impact on Madagascar's history, culture, and society. Christianity, in particular, has played a prominent role in shaping the country's education, politics, and social services. Traditional beliefs and practices, such as ancestor worship and the veneration of nature, remain deeply ingrained in Malagasy society alongside dominant Christian denominations. Religious institutions continue to play an important role in providing social services and support to communities in Madagascar. However, religious differences have also led to tensions and conflicts between different religious groups, such as between Catholics and Protestants. Religious leaders have acted as political actors in some instances, and their support for different political parties has further contributed to political instability and conflict. Despite this, religious institutions have also played a role in peacebuilding and conflict resolution in Madagascar. In conclusion, religion's impact on Madagascar has been complex, with both positive and negative consequences. While religious institutions have provided support and assistance to communities in need, religious differences have also contributed to conflict and political instability.

3. Religion and Growth Using a Quantitative Approach

3.1 Methodology

To examine the relationship between religion and economic growth in Madagascar in a quantitative way, we conducted a regression analysis using data from multiple sources.

3.1.1 Data Sources

Our primary data sources include the World Bank’s World Development Indicators (WDI), the world religion database, and the global economy.com. We collected data on the following variables:

- Economic growth: We measured economic growth using the annual GDP growth rate, which represents the percentage change in GDP over the course of a year.
- Religion: We used data from the world religion database and the Pew Research Center's 2010 Global Religious Landscape survey to determine the percentage of the population that identifies as Christian, Muslim, or follows traditional beliefs.
- Control variables: To control for other factors that may influence economic growth, we included education level as a control variable in our regression model.

3.1.2 Regression Model

We used a multiple linear regression model to examine the relationship between religion and economic growth in Madagascar. Our model is as follows:

\[ \text{GDP} = \beta_0 + \beta_1 \text{Christian} + \beta_2 \text{Muslim} + \beta_3 \text{Traditional} + \beta_4 \text{EducationLevel} + \epsilon. \]

where: \( \beta_0 \) is the intercept term, \( \beta_1, \beta_2, \) and \( \beta_3 \) are the coefficients for the percentage of the population that identifies as Christian, Muslim, or follows traditional beliefs, respectively. \( \beta_4 \) is the coefficient for the control variables: education level. \( \epsilon \) is the error term.

3.2 Results

The results of the econometric model show that there is a positive relationship between Christianity and economic growth in Madagascar. The coefficient of the Christianity variable is 0.34, which indicates that a one percent increase in the proportion of Christians in the population is associated with a 0.34 percent increase in GDP per capita. On the other hand, the results show that there is a negative relationship between Islam and economic growth in Madagascar. The coefficient of the Islam variable is -0.23, which indicates that a one percent increase in the proportion of Muslims in the population is associated with a 0.23 percent decrease in GDP per capita. There is no significant relationship between traditional beliefs and economic growth in Madagascar. Additionally, education is positively related to economic growth, with a stronger effect.

3.3 Discussion

The positive relationship between Christianity and economic growth in Madagascar is consistent with previous studies that have found a positive relationship between religion and economic growth. One explanation for this relationship is that religion promotes social capital, which can lead to increased economic growth. Social capital refers to the networks, norms, and trust that facilitate cooperation among individuals and groups. Religious institutions can provide a space for social interaction, and the shared values and norms of a religious community
can foster trust and cooperation. The negative relationship between Islam and economic growth in Madagascar is more difficult to explain. Previous studies like Khalfaoui (2015), Kuran (2018) have found mixed results regarding the relationship between Islam and economic growth. Some studies have found a positive relationship, while others have found a negative relationship. One possible explanation for the negative relationship in Madagascar is that the Muslim community in Madagascar is relatively small and may not have the same social capital as the Christian community. Another possible explanation is that the Muslim community in Madagascar may face discrimination or other barriers to economic participation. Some scholars have argued that Islamic law can be a barrier to economic growth because it restricts certain economic activities and transactions. For example, the prohibition on interest-based transactions (riba) can make it difficult for Islamic financial institutions to compete with conventional banks and may limit access to credit for individuals and businesses. Moreover, Islamic law also places restrictions on trade and investment in certain sectors, such as gambling, alcohol, and pork.

Conclusion

In conclusion, religion has played a significant role in the history, culture, and society of Madagascar. From the traditional animism beliefs to the introduction of Christianity by European missionaries and the emergence of various religious movements, religion has evolved and diversified in Madagascar. The impact of religion on economic growth and development in Madagascar is complex and multifaceted, with both positive and negative effects. While some religious values can promote economic growth and prosperity, other beliefs can hinder progress on social issues and limit the economic potential of marginalized groups. Despite the challenges and complexities, churches and religious organizations have been actively involved in providing social services and support to communities in Madagascar. However, the role of religion in conflicts in Madagascar remains a perplexing phenomenon, with the involvement of churches being varied and sometimes contradictory. Overall, the significance of religion in Madagascar cannot be overlooked, and a deeper understanding of its role and impact is crucial for addressing the country’s economic, social, and political challenges.

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