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Challenges and Restraints to Halal Market Growth

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ABSTRACT

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Halal markets belong to the group of the world's strongest markets. In 2021, the size of the global halal food market is larger than the individual annual GDP sizes of some of the world's most developed countries, and is estimated to grow at a rate of approximately 11%. Companies from Muslim-majority countries, as well as those from non-Muslim countries, are working to become major players in such a growing market. However, the expansion of the halal market carries a potential social conflict arising from two related natures: on the one hand, the struggle for market shares in global production, and on the other hand, the clash of cultures in the market. For now, the economic conflict is muted by the globalist ideology of the free market, but the post-globalist perspective with the possible closure of national markets could awaken that conflict. The second conflict is more pronounced and strongly present in the public discourse of certain Western countries where aggressive anti-halal movements have been developing in recent years. The regular narrative of such movements is expressed by the claim that halal food is a threat to the normal life of Westerners and that by consuming it, non-Muslims will be contaminated by Sharia ideology. These are significant challenges and limitations for the further growth of the halal market. Gathering such information is an important prerequisite for understanding the complexity of market penetration of halal products, as well as for understanding the potential social conflict that is already hampering the long-term and complex dialogue between Islam and the West.

1. Introduction

The discourse on halal markets with all its ideological, geopolitical, economic, psychological and religious considerations has irresistibly entered the world of our time and today. Since the establishment of halal certification was initiated in the late 1970s and early 1980s, the halal industry – covering the production, distribution, storage, circulation, financing, marketing and consumption of halal

products and services – has experienced a fascinating expansion. In the initial phase of its development, the halal market was shaped as a market for halal food, primarily meat, and then progressively covered all aspects of modern human life and globalized to a whole range of products and services. The normative rounding of the halal concept was carried out by establishing new institutions: the Halal Certification Body (HCB), Islamic finance and Islamic marketing.

Over time, halal has grown beyond the scope of cultural, ethical and religious obligations of

Muslims (Power, 2008), and today everyone else prefers the concept of halal due to its clean and safe consumption (Haque et al., 2015; Ghadikolaie, 2016; Izberk-Bilgin & Nakata, 2016; Noor et al., 2016; Selvarajah et al., 2017). This established the halal market as a global phenomenon and a great market potential for the whole world. Many multinational companies have recognized their opportunity in both the local and global markets and are working to become major players in this growing market (Waarden & Dalen, 2011; State of the Global Islamic Economy Report 2018/19). The process of globalization has strongly supported the market penetration and competitiveness of halal products and services. Moreover, we can assert that halal markets have become complementary to the process of globalization. It is therefore not surprising that Joe Regenstein of Cornell University said that "food companies will not be global if they are not halal" (Power & Gatsiounis, 2007). Such expansion has led the halal market to an annual volume of production and turnover of halal products and services that already exceeds the gross domestic product of some of the most developed countries in the world.

However, the expansion of the halal market as a promising emerging market is not a one-way upward process. Despite the visible indicators of the success of the growth dynamics of all sectors of the Islamic economy (Islamic finance, halal food, Muslim-friendly travel, modest fashion, media/recreation, and halal pharmaceuticals /cosmetics), the global growth of the halal economy brings a series of challenges and limitations, which we have divided into two related groups. On the one hand, it is a struggle for market shares in global production, and on the other, a clash of cultures and ethno-religious ideologies at the market. In such a struggle for the primacy of "culture at the market" in some non-Muslim societies, the ideological and cultural boycott, especially of halal food, is strengthening. There is a broad ideological, ethno-national and cultural platform of resistance to the halal production-consumer concept, the most widespread of which is expressed by the claim that halal food is a threat to the normal life of Westerners and that by consuming it, non-Muslims will be contaminated with Sharia ideology. The struggle for market share in global production is turning into an increasingly fierce ethnic and cultural conflict. That has become not only a matter of potential obstacles to the further growth of the halal market, but also of a potential

social conflict that is already hampering the long-term and complex dialogue between Islam and the West.

2. Methodological approach and goal of the research

This research uses primary open published documentary sources (holy books, fatwas, parliamentary debates, databases) and secondary, data in the form of published scientific articles, books, media reports, conference papers and transcripts, interviews and other written forms about all important aspects of penetration and boycott of the halal market.

The research is the result of a discursive analysis that systematizes different approaches to the perception of the state and perspective of halal market penetration. The aim of this work is to look at the need to systematize information and face cultural, ideological and economic challenges and limitations of the existence and expansion of the halal market in multicultural societies. This kind of information is an important predictor of understanding the complexity of the global penetration of halal products, and even a kind of early warning of possible sharper social conflicts.

3. Propulsive growth - the potential of the global halal market

Halal markets belong to the group of the world's strongest markets. Latest *Global Islamic Economy Report 2021/2022* states that the halal market is worth USD 2,221.3 trillion and is larger than the individual annual GDP sizes of Italy, Canada, Russia and Spain, and is estimated to be growing at a rate of about 11%. Its growth at the global level is stable and continuous, without major disruptions and recessions, and is significantly more stable and stronger than the market of conventional economies. The growth of the halal market is even more attractive compared to the slow growth of Western economies. With over 18% of the total world market and the fastest growing market demand, the halal food and beverage market has all the prerequisites to become one of the most influential markets in the next decade. At the same time, other sectors of the Islamic economy are growing: some estimates from a few years ago calculated that the halal tourism sector will account for about 14% of global travel expenses by 2022. (Mattison, 2018).

Also, the Islamic economy proved to be significantly more resistant to the devastating effects of the coronavirus on the economy (Susilawati, 2020). Benamraoui (2021) shows that Islamic finance and economics provide a range of solutions to the economic effects of COVID-19 through its key investment principles and mechanisms, including profit and loss sharing, taka-ful and waqf. In contrast to the drastic drop in economic activities during the Covid-19 pandemic in 2020. (the world economy fell by approx. 5%, and in the Eurozone by as much as 6.6%), the market attractiveness of halal food kept its consumption at an almost unchanged level. Let's recall that then, private consumption, which is the main driver of the growth of the American economy, experienced the biggest drop since the 1980s, while the consumption of halal food decreased by only 0.2 percent. After 2020., another strong expansion of the halal market followed. In 2022, the turnover of the halal market exceeded the pre-pandemic 2019 (in which the turnover of the halal market was USD 2.02 trillion) (ISA, February 23, 2023), thus by USD 0.20 trillion or by 9.09%. Interpolating the trends from 2021 and 2022, IMARC Group expects the halal food market to reach USD 4,177.3 trillion by 2028 with an expected growth rate (CAGR) of approximately 11% during 2023-2028. (*Market Research Report, 2023*). The expansion is even stronger than what was predicted in the past years. Statistical calculations

(*State of the Global Islamic Economy, Report 2018/2019*) predict that compared to 2017., the halal food market will grow at an annual rate of 6.1 percent and reach USD 1.9 trillion by 2023., while in reality the situation shows that this amount has already been significantly exceeded in 2022., by USD 0.30 trillion.

With the inclusion of Islamic finance (3.6 trillion USD in 2022.), the Islamic economy grows to over 5.8 trillion USD. The global financial crisis of 2008 gave a strong impetus to Islamic finances, with Islamic finances being promoted as a serious challenge to the restructuring of the crisis-prone global financial system. Investments in companies relevant to the Islamic economy increased by 118% from USD 11.8 billion in 2019/20. to USD 25.7 billion in 2020/21. About 66.4% of total investments in companies relevant to the Islamic economy are covered by Islamic financing transactions. The figures include corporate mergers and acquisitions, venture capital investments in technology start-ups and private equity investments (*State of Global Islamic Economy Report 2022*). The global market capacity of the halal economy of individual countries is measured by the Global Islamic Economy Indicator (GIEI). Table 1 provides a broader overview of the indicators of the global halal market for the first 15 countries, starting with GIEI, as well as indicators of the individual economic sectors belonging to the Islamic economy.

Table 1. Indicator score breakdown for Top ranking countries 2020/2021

	GIEI	Islamic Finance	Halal food	Muslim-Friendly Travel	Modest Fashion	Pharma and Cosmetics	Media and Recreation
1. Malaysia	207.2	426.9	123.4	193.5	46.0	83.0	97.4
2. Saudi Arabia	97.8	218.6	56.6	69.2	19.3	34.3	29.7
3. UAE	90.2	114.6	63.3	78.6	171.8	53.6	63.8
4. Indonesia	68.5	91.0	71.1	58.0	68.0	46.3	26.0
5. Turkey	67.3	51.0	69.8	106.7	95.1	55.0	53.5
6. Bahrain	66.7	121.9	44.5	89.3	18.6	29.4	30.1
7. Singapore	65.0	45.0	57.0	107.1	48.3	107.9	78.5
8. Kuwait	62.1	115.5	43.1	69.0	17.5	29.6	29.2
9. Iran	56.0	90.3	48.1	52.1	25.4	42.3	24.9
10. Jordan	51.8	72.1	51.3	58.4	19.3	44.6	25.7
11. Oman	47.8	74.5	46.1	43.2	20.2	26.9	25.9
12. Qatar	46.9	73.4	43.4	40.1	21.6	26.2	30.8
13. United Kingdom	46.1	49.0	47.4	31.4	41.9	45.2	52.9
14. Kazakhstan	45.2	46.0	59.2	60.8	26.6	22.7	26.4
15. Pakistan	44.9	65.7	48.3	38.7	26.4	30.9	11.0

Source: DinarStandard 2022 (DinarStandard uz potporu Dubai Economy and Turizam (DET)).

Compared to the indicators in the previous eight annual reports, *The Global Islamic Economy Report 2022* reveals a strong dynamic of the expansion of the Islamic economy. On the one

hand, the dynamics of the sector, especially in halal food, Islamic finances and FinTech. On the other hand, through the new positioning of the most successful countries in terms of the

development of the Islamic economy, which until now consisted exclusively of Muslim countries. The UK is in the top 15 countries now, and in some sectors, in the top 10 countries are Italy and France in Modest Fashion, and China, UK, Belgium and Germany in Media and Recreation.

4. Ideological and cultural conflict - limitations to the growth of the halal market

By opening space for the meeting of different national and cultural environments, globalization brings peace and unrest at the same time, as we can witness in the example of the rivalry between Islamically defined halal and non-halal concepts at the global market. Against the belief of numerous Islamic scholars that the halal concept is "not a purely religious issue, but a lifestyle" and a "symbol of quality and safety" stands the ideological-political and culturally aggressive boycott of halal by certain political, cultural, ethnic, religious and academic structures in non-Muslim societies (cf. Azam & Abdullah, 2020.). In the global framework, this rejection of the halal concept is significantly less than the interest in the consumption of halal products and services. Moreover, some of the non-Muslim countries in which anti-halal forces appear are at the same time countries with a growing consumption of halal products and with a significant number of companies that implement halal certification of their products (UK, France, Belgium, Australia, India). The UK is on the list of 15 countries with the highest GIEI (see table 1), while France and Australia are among the world's largest exporters of halal meat. France is also among the first countries in Islamic Modest Fashion, and Belgium is among the first countries in Islamic Media and Recreation. (see: *State of the Global Islamic Economy Report 2022.*)

This dichotomy of non-Muslim societies according to the halal concept was explained in a recent study (Wilkins, Mohsin, Shams, Pérez, 2019), which found that "consumer cosmopolitanism and non-Muslim religious identity were found to be positively related to halal product judgment", while "consumer ethnocentrism and national identification were negatively related to halal product judgment." Therefore, the enormous expansion of the halal market is fraught with a multitude of ideological-political and economic conflicts and cultural differences. The halal market, therefore, carries a potential social conflict that is ultimately of a twofold nature: on the one hand, the struggle for

market shares in global and local production and trade, and on the other hand, as a clash of cultures at the market, and therefore religion as an integral part of culture. Namely, the conflict of economic interests and the conflict of cultures interpenetrate each other, thus expressing their predictive potential.

In the market battle, halal products are leading a successful race for a share of the global economy. According to the growth indicators, this market is one of the fastest growing industries, which worries the competitive (production, trade, traditional-cultural) positioning of products and services outside of halal certified products and services. Waarden & Dalen (2011) attributed the emergence of anti-halal campaigns to the rapid expansion of the halal food market, which led to the entry of multinational and international companies into the halal market. In particular, the growing demand at the halal market is stabilized by the certification logo, which is a key symbolic factor in strengthening consumer confidence in halal products and services. Halal regulation has been generously accepted by many Western and Indian large food industry companies whose founders and owners are not Muslims because it brings them huge profits. Halal food items are also gaining popularity among non-Muslim consumers as they have evolved from an identifying mark of religious observance to an assurance of a healthy lifestyle. Therefore, compared to non-halal products, halal products are presented as unique examples of sui generis real differentiation and complete price inelasticity, which is why they have full competitive protection. This differentiation of halal products allows manufacturers to implement a pricing strategy independent of competition based on consumer preferences. Competitive displacement of halal products is almost impossible, because the competitive positioning of non-halal products cannot be guided by any business strategy. The only possible way of competitive struggle and market displacement of halal products is non-economic - by violently promoting consumer ethnocentrism and national identification through anti-halal conspiracy theories.

On an apparent level, the nature of a purely economic conflict has been muted for now by the globalist ideology of the free market, but a post-globalist perspective with the eventual closure of national markets could reawaken that conflict. In this case, there are two scenarios that could limit the expansion of the halal market. The first comes with the reduction of globalization, which

strengthens nation-states and thus a more closed cultural view of the world and way of life. The second comes with a possible pessimistic scenario of not meeting sustainable development goals due to unbridled greenhouse gas emissions (Lenzen et al., 2018). Then countries would intensify their competition with each other, moving towards national security and securing their own food supplies, which would greatly limit the importation of halal food into non-Muslim societies. The economic dimension of this discourse is the Islamic economy as a whole. For critics, Islamic economics is driven by a "cultural identity" developed by Islamists in the 20th century, taking the basic prescriptions from Sharia, and systematizing them for the purpose of building a functionally ethically desirable economic system (Roy, 2015). Also, to present a coherent economic scientific discipline imitating conventional economics by embellishing it with references from the Qur'an and Sunnah (Kahn, 2013, 2018). Khan (2019), in addition, denied the possibility of Islamic economics becoming a social science until the methodological assumptions of the development of Islamic economic thought are clarified, since Islamic economists have not uniquely resolved several dilemmas about religion, Islamic rights, conventional economics, the content of Islamic economics, current practices of Islamic finances, etc. In such a critical context, the thesis is that the actualization of the halal certificate actually aims to hide the religious sanctuary of Islamic economics. The Halal concept is an important merit of the criticism of Islamic economics. Along with the strong expansion, the halal concept is also perceived as a focal point of ethnic-religious and economic competition. While in Islamic countries there is no problem of general acceptance of halal versus haram products for Muslims, the market for halal products is perceived in some political and cultural circles as a strong cultural Islamic intrusion into non-Muslim societies.

In the milieu of Western societies, conflicts of business interests spill over into the cultural domain, which results in the ideologization of identity, political debates and the escalation of conflicts in which the fundamental cultural and ideological values and customs of "others" are considered threatening and problematic (Funk & Said, 2004). The culture of "others" is embodied in halal certified products. As "culture manifests itself in the marketplace," "the marketplace has now become a focus of cultural, religious, and ethnic competition in several countries,"

generating fierce conflicts for the protection of cultural values and subjecting it to a "culture war" (Morgan and Sulong, 2021; Bowen, 2021). This case of conflict is strongly present in the public discourse of certain Western countries, which is what the theory of religious conflicts speaks about.

Many authors complete the picture of opposition to halal by openly considering renewed Islamophobia (Hurfurt, 2014; Ruiz-Beyarano, 2017; Whitham, 2021; Louati & Syeda, 2022). The old phenomenon of Islamophobia, which views Islam as a backward religion incompatible with Western values of democracy, freedom and gender equality, takes a new form by halting the growth of the global halal market and the Islamic economy as a whole (Ruiz-Beyano, 2017). Campaigns against halal have been implemented in some countries through court processes and parliamentary debates, notably in Australia (Etri & Yucel, 2016) and the Netherlands (Jung, 2022). In the case of ideological-political confrontation, accusations are made that the halal concept helps the penetration of creeping Islam, which suppresses the national and cultural identity of non-Muslim societies, and, in a stricter form, that the purchase of halal products is used to finance Islamic terrorism. In the second case, the avoidance of halal products is carried out for religious reasons, since some religions (Sikhism and Hinduism) expressly forbid the use of halal meat. When the American fast-food chain McDonald's announced in 2019 that it was serving only halal meat products in India, Hindu Jhatka defenders heatedly debated whether all customers, regardless of their religious beliefs, should be "forced to eat halal products" and objected to that civil freedom of choice ((Paranjape, 13th June 2020).

5. Discussion: Xenophobia versus halal market - focus thematic blocks

With the boycott of the halal market, xenophobia towards Muslims rounded off its global trend, which, along with its traditional roots in Western societies, is now affecting India and Australia. More recently, xenophobic opposition to Muslims has highlighted dress codes, migrants and the halal market. These topics are also the subject of major debates in legislatures across the West (cf. Zauddin, Jordi & Scot, 2019). In the rest of the text, we will focus only on those forms of xenophobia that imply ethnocentric attitudes towards halal products as a consumer preference. "Protection of the consumers' current situation"

focused on the question of culture (Robinson & Zill, 1997) is one of the three basic dimensions of the CYMYS scale that measures the structure of cosmopolitanism versus xenophobia (see in: Altintas, et al., 2013) and is therefore quite legitimate a methodological tool for examining the xenophobic attitude towards the halal market. We classified the most common positions of the protagonists of xenophobic opposition to the preferences of halal consumers in the following thematic blocks:

(1) Xenophobic attitude: By consuming halal food, non-Muslims will be contaminated with Sharia ideology, and the traditionally Judeo-Christian culture will be "Islamized"! Such views have been discussed in a number of papers (Hussein, April 15, 2015; Ryan, January 21, 2015; Hirschman & Touzani, 2016; Azam & Abdullah, 2020; Jung, 2022). Similar prejudices are directed towards halal tourism (Marbun, 2020). Communities of right-wing movements participate in the action of resistance against halal-certified products, most often through online groups, mainly in Australia, France and India, such as Boycott Halal, Halal Choices, Non Halal, Society of Australia, anti-Halal Facebook group, Opindia, etc. There are also numerous mirror Facebook pages (Boycott Halal UK, Boycott Halal in Europe, Boycott Halal in Canada, etc.). A common narrative of such boycott movements is expressed by accusations that halal food is a threat to the normal life and cultural identity of Westerners. One of the many anti-halal actions, which the Austrian newspaper *Der Standard* exposes as xenophobic, reads: some German supermarket chains that sell halal meat came under attack from the creators of the Halal Challenge, that is, their call to put pork products on halal products; "to get the desired food, devout Muslims would then have to touch pork" (*Der Standard*, March 31, 2016). However, among the harshest xenophobic attitudes towards the halal market and Muslims is the following: "If we can smash halal certification..., we will put a big hole in the power grab of the Islamic Movement. Parallel to this, we need a total ban on Islamic immigration and the Niqab/Burqa and Sharia Law. We have to continue the struggle to ban the building of mosques. (Ivarson, *Boycotthalal*, Australia, Nov 2014, cited by: Hirschman & Touzani, 2016: 23).

Against xenophobia and consumer ethnocentrism: Research on consumer cosmopolitanism (Altintas, Bahar, Kurtulmusaglu, Kaufmann, Reudiger, Harcar,

Gundogan, 2013) shows that: (a) foreign products (in our case, halal products) do not culturally colonize a country, (b) that foreign brands and products do not cause any cultural erosion, (c) foreign goods do not effect life styles, they should be sold in domestic markets, and they are not a threatening factor, they must be viewed without bias, the consumption of foreign products may make the consumer happy.

(2) Xenophobic Attitude: Muslim Halal Food Sales Supporting Terrorism! Islamic finances are more susceptible to abuse by money launderers! Such views are discussed in numerous works, including: Braun & Clarke (2006, 2019), Banna (2011), Wenlei (11 November 2014), Wendy (24 November 2014), Corey (12 May 2015), ABC News Australia (14 April 2015), Esposito and Inner, editors (2019), Jung (2022). Through media sources (e.g. Akt News, during April 2022) disinformation is being spread, along with slandering Muslim companies that they are connected to terrorism. In the same context, economic migrants (mainly Syrian refugees) are criminalized because they represent a great risk for the democratic foundations of European social peace systems. Critics of halal products oppose the "obligation of halal for everyone else", denouncing the cost of halal certification for the delivery of halal-certified goods as a religious tax imposed on all consumers. Worryingly, the Australian church says, "taxpayers are funding the enforcement of Islamic Sharia law through local government," constructing the most damning qualification for the halal industry as "economic and financial jihad" against non-Muslim societies and the "Islamization of Australia" (Hazarika, 4 April 2022; Janson, media portal of Australian Christians).

Contra xenophobia: Several court processes in Australia and UK and parliamentary debates in the Netherlands have shown the absurdity of linking the halal concept to terrorism (Braun and Clarke 2006, 2019; Hirschman, 2016; Etri and Yucel, 2016; Jung, 2022). Of the several baseless accusations, mention those in Australia during 2014 when, following an extensive police investigation, the daily newspaper *ABC News* (April 13, 2015) reported: "A spokesperson for the Australian Transaction Reporting and Analysis Center (AUSTRAC) - the governing body that oversees money laundering and terrorism - he told Fact Check that there is no information that would indicate a connection with the financing of terrorism through fees for halal

certification." In addition, Islamic banks are not allowed to have transactions that are considered haram (businesses dealing with pornography, alcohol, gambling, pork products, etc.), and have to be very cautious with respect to their clients, making sure that their funding sources are not resulting from criminal or non Shariah-compliant activities. Likewise, Islamic banks are required, in addition to standard audits, to rely on a Shariah board that would review and approve financial practices and activities for compliance with Islamic principles. Such reviews increase the probability of identifying any criminally operated accounts. This exclusive compliance characteristic of Islamic finances should be recognized as a credible prevention from terrorist financing and money laundering.

(3) Xenophobic attitude: Halal slaughter (although in the same context, kosher slaughter is rarely mentioned) is barbaric, cruel and unsanitary! It causes great pain to animals! Such accusations and counter-arguments have been discussed by a large number of authors, among others: Maffei (May 2, 2012); Wendy (24 November 2014), Hirschman, Elizabeth C.; Touzani, Mourad (2016), Fuseini, Knowles, Hadley, Swotton (2016), Hamdam (2017); Riaz and all (2021), Haritha (April 5, 2022). Ethnocentric writers and animal rights activists in Western societies advocate banning halal slaughter, which has been done in Poland, Switzerland, Norway and Denmark. Such arguments are based on claims of animal suffering without stunning in halal slaughter. Some authors believe that opposition to halal (and kosher) slaughter reflects anti-Semitic prejudices, which reached their peak during the Nazi movement. At that time, one of the Nazi propaganda films from 1933 (entitled *Der ewerige Jude*) completely distorted kosher slaughter, depicting it as beating animals to exhaustion for pleasure (Handam, 2017).

Contra xenophobia: According to Temple Grandin, Animal Sciences Professor and Advocate, at Colorado State University, if done properly, religious ritual slaughter is as humane as good conventional slaughter methods. A study by W. Shultz at Hanover University in Germany found that pain reactions of cattle to captive bolt stunning were more intense than the pain caused by Halal incision (ISA, Aug 5, 2021). Let us add that stunning can objectively be considered halal if it causes unconsciousness without causing death (Nakyinsige et al, 2013). Namely, several

mandatory procedures in handling the animal before and during slaughter break the myth of the barbarism of halal slaughter and speak of handling the animal in a humane and hygienic way (Maffei, 2012; Aghwan, et. all): (a) Provision of bio-food, clean air and a spacious area for animals to stay, (b) Before slaughter, the animal is calmed down - petted and given a little water, (c) Live animals must not see or look at those that have been slaughtered, as this would frighten them and make them nervous, (d) Animals must be slaughtered quickly with a sharp knife so that the animal does not suffer (the animal quickly loses consciousness, this allows the heart to continue pumping blood and drains the animal of blood). Halal bleeding, when carried out in accordance with recommended animal welfare procedures, will not only maintain the quality and wholesomeness of meat but could also potentially reduce suffering and pain, (e) It is forbidden to hit or shoot the animal, (f) "God's name should be recited over the animal just before slaughter, as the sacrifice is in His name and no other and only He has the right to legislate the taking of life." (g) Food is blessed and sacrificed for consumption, not for throwing away. Thus, Islam teaches zero tolerance to all forms of animal abuse during the supply chain for the production of meat (Farouk, Pufpaff & Amir (2016).

(4) Xenophobic attitude: The Halal concept is a threat to national ways of food preparation! Halal food is treated as an imposition and discrimination against domestic food, primarily meat. In France and the United Kingdom, this was witnessed by a sharp polemic at the moment when some fast food chains (Quick in France, McDonald's in Great Britain) accepted halal certification and were criticized for abandoning domestic values. Moreover, the halal menu was accused of "becoming a threat to the very essence of French republican ideals." As a counterbalance to the halal menu, the French media developed "defensive gastronationalism" as a term that speaks of the "political use of food and the way of eating," reaffirming "national socio-economic boundaries." Gastronationalism thus grew into a political tool for strengthening French identity within national borders, using everyday food, thereby drawing the boundaries of who is French (Wright & Annes, 2013). Such policies even accuse the concept of halal as an ideological platform for "destroying French freedom and republican autonomy", while at the same time "Le Pen's statements demand that secularism

extends not only to the division between church and state, but also to the division between mosques and restaurants." In the same context, it is claimed that halal is not only an innocent term for religiously slaughtered meat, but also a symbol of an attack on French moral and cultural values, which have throughout history been articulated not only in the matrix of rights, freedom and republicanism, but also in their presence in the food itself (Mukherjee, 2014).

Contra xenophobia: Ethnocentric attitudes ignore the fact that halal food is in accordance with the recommendations of modern healthy and safe nutrition guidelines, so it is also attractive to non-Muslims (Bonne, Vormeir, Bergeaud-Blackler, Verbeke, 2007; Burgmann, 2007; Bonne & Verbeke, 2008); Renai, Mohammed, Shamsudin, 2012; Vloreen Nity Mathew et al, 2014; Ismail, Nasiruddin, Nur Syafiqah (2017), i.e. that it implies attributes of quality, purity, environmental responsibility and social justice such as Fair Trade, Bio and Organic in the US and Europe (Turaeva and Brose, 2020).

(5) Xenophobic attitude: The Halal concept is a threat to the development of certain national food industries in non-Muslim countries! The discourse on the threat to national economies is present in Australia and India. Online platforms are particularly active in Australia. For example, Halal Choice talks about discrimination against workers, and Boycott Halal says: "We aim to support our country's economy by seeking out and buying traditional products (according to: Hirschman, 2016; Etri and Yucel, 2016). Hindu Janjagruti Samiti President Ramesh Shinde (2018; 2020; 2022) presents the halal economy as a "parallel economy" that is a threat to the Indian economy and can even "bring down the country's economy." In the same context, halal-certified companies are accused of hiring only Muslims, discriminating against non-Muslims (OpIndia, May 14, 2020). Also, Shinde opposes the penetration of halal meat consumption among Indian communities (many state institutions, according to him, award contracts only to those who serve halal meat) because this destroys the domestic non-halal meat industry, so "thousands of poor Hindu butchers have been ruined" (Shinde, 2020).

Contra xenophobia: There is no rational evidence that the halal industry is destroying the economies of non-Muslim countries. Moreover, the existence of halal products can only contribute to the development of the country.

Surveys of Muslim respondents (Strauss and Juster, 2021) show that discrimination in the employment process actually affects Muslims more, especially Muslim women, given the prejudices of some employers about wearing the hijab. Among the results of the research is one that talks about the frequent existence of segregation of Muslims in the workplace and lower chances for development and career advancement. Research (Susilawati, 2020; Liala, Rusydina, As-Salafijah, 2021) shows that several sectors of the halal economy have mitigated the impact of the corona crisis and are significantly more resilient than similar sectors of the conventional economy (especially Islamic finances, followed by halal food and fashion in the halal sector).

One of the final consequences of the described halal boycott, which is primarily important for understanding the development of the halal market, is the deterring of companies in non-Muslim societies from seeking halal certification, and consumers from buying halal certified products. At the same level, there is support for companies that refuse halal certification. Due to fear of condemnation, some companies have had to abandon transactions with halal-certified companies or have had to remove the halal logo from their products, especially in Australia, India and France, and to a lesser extent in Denmark, Belgium, Canada, New Zealand, the United Kingdom and United States (Emery, 21 January 2015; Hirschman and Touzani, 2016; The Print, 8 April 2022).

6. Conclusion

We have indicated that the Halal industry is one of the fastest growing industries in the world. There is every possibility that the growth trend of the halal market will continue, but it is an open question whether this growth will move in accordance with the optimistic expectations created in reports and studies on halal markets. Contrary to the belief of many Islamic scholars that the halal concept is "not a purely religious issue, but a lifestyle" and "a symbol of quality and safety" - which makes halal products attractive to the non-Muslim population as well - there is an ideological-political, cultural and economic boycott of halal in parts of some non-Muslim countries.

The expansion of the halal market carries a potential social conflict, which is of a double nature: on the one hand, the struggle for market

shares in global production, and on the other, as a clash of cultures at the market. The nature of a purely economic conflict is for now muted by the globalist ideology of the free market, but a post-globalist perspective with the eventual closure of national markets could awaken this conflict. The second conflict is more pronounced and strongly present in the public discourse of certain Western countries where anti-halal movements have been developing in recent years. The reasons for concern are increasingly visible: the emergence of consumer ethnocentrism and national identification are negatively related to the evaluation of halal products. The oppositions are numerous, and among them stand out those with an ideological-political and cultural-religious background. In the first case, xenophobic attitudes towards the halal concept are actualized, that it promotes the penetration of creeping Islam that suppresses the national and cultural identity of non-Muslim societies, and in a more severe form, that the purchase of halal products is used for financing Islamic terrorism. Such oppositions also intensify at the local level: halal slaughter of animals is qualified as cruel, and Western companies with halal certification for slaughter are often denounced as betraying the national and cultural identity of their countries. In addition to cultural threats, Muslim companies are directly accused of "economic and financial jihad".

In this paper, we draw attention to the possible limitations of further penetration of the halal market, especially the consumption of halal food. We advocate a more comprehensive approach to the challenges of the halal food industry boycott movement. The aim of this paper is to refer to the need to systematize information on the challenges and limitations of the existence and expansion of the halal market. Various halal bans, along with negative stories about halal food in the media, are a warning to the global halal industry. This kind of information is an important predictor of understanding the complexity of market penetration of halal products, and even a kind of early warning of potential sharper conflicts.

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Challenges and Restraints to Halal Market Growth

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Pregledni rad

PODACI O RADU

SAŽETAK

Ključne riječi:

*halal tržište,
islamska ekonomija,
halal bojkot,
ksenofobija*

Halal tržište spada u grupu najjačih svjetskih tržišta. U 2021. godini, veličina globalnog tržišta halal hrane veća je od pojedinačnih veličina BDP-a Italije, Kanade, Rusije i Španije, a prema procjenama raste po stopi od oko 11%. Kompanije iz zemalja sa velikom ili ukupnom muslimanskom populacijom, kao i one nemuslimanske, rade na tome da postanu glavni igrači na tako rastućem tržištu. Međutim, ekspanzija halal tržišta nosi potencijalni društveni sukob koji potiče iz dvije povezane prirode: s jedne strane, borbe za tržišne udjele u globalnoj proizvodnji, a s druge, kao sukoba kultura na tržištu. Priroda čisto ekonomskog sukoba je za sada prigušena globalističkom ideologijom slobodnog tržišta, ali postglobalistička perspektiva sa konačnim zatvaranjem nacionalnih tržišta mogla bi probuditi ovaj sukob. Drugi sukob je izraženiji i snažno je prisutan u javnom diskursu pojedinih zapadnih zemalja u kojima se posljednjih godina razvijaju agresivni antihalal pokreti. Uobičajeni narativ ovakvih pokreta izražen je tvrdnjom da halal hrana predstavlja prijetnju normalnom životu zapadnjaka i da će je konzumiranjem nemuslimani kontaminirati šerijatskom ideologijom. Ovo su značajni izazovi i ograničenja za dalji rast halal tržišta. Prikupljanje takvih informacija važan je preduvjet za razumijevanje složenosti prodora halal proizvoda na tržište, kao i za razumijevanje potencijalnog društvenog sukoba koji već komplikuje dugotrajan i složen dijalog između islama i Zapada.
