

## **A quantitative study to ascertain if membership of organisation of islamic cooperation(oic) will significantly enhance india's economic growth**

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### **Abstract:**

This research establishes the theory that India's membership to Organisation of Islamic Cooperation (OIC) will significantly enhance India's Economic Growth. The study is based on a detailed literature review and data analysis carried out by the researcher post capture of perceptions from respondents who are adequately exposed to International Relations. The paper provides an analysis of how membership to OIC can advance India's economy through furtherance of the economic and non-economic factors affecting Economic Growth. It also establishes a correlation between the Economic and Non-Economic factors that affect India's Economic Growth.

**Keywords:** Organisation of Islamic Cooperation (OIC), Economic Growth, Perceptions, International Relations & Economic and Non-Economic factors

### **Background**

#### **Organisation of Islamic Cooperation (OIC).**

The Organization of the Islamic Countries (OIC) is an inter-governmental organization grouping fifty-seven states from East Asia, Africa and Gulf Arab regions, which correspond to one-quarter of the membership of the United Nations. These States decided to pool their resources together, unite their efforts and speak with one voice to safeguard their mutual concerns and ensure the progress and welfare of their people and those of other Muslims in the world.

Born at a juncture of history when most newly independent Muslim majority nation-states were ideologically divided, traditional religious identity provided the OIC with a unique platform. Member countries declared in the charter their commitment "to be guided by the noble Islamic values of unity and fraternity, and affirming the essentiality of promoting and consolidating the unity and solidarity among the Member States in securing their common interests at the international arena, and to adhere commitment to the principles of the United Nations Charter, the present Charter and International Law." Member states also wanted "to achieve close cooperation and mutual assistance in the economic, scientific, cultural and spiritual fields, inspired by the immortal teachings of Islam"(Turan Kayaoglu, 2015). In this context, during his Official State visit to India in January 2006, King Abdulla bin Abdul Aziz of the Kingdom of Saudi Arabia came out with a proposal that India must join the multination OIC in the form of an Observer(Abdulaziz Sager, 2009).

For the first time since its founding, the Indian Nation State received an invitation to the OIC (Organization of Islamic Cooperation) meeting in early 2019, which was a significant diplomatic win. The first Indian minister to speak at the inaugural meeting as a Guest of Honor at the OIC's session of the Council of Foreign Ministers was Mrs. Sushma Swaraj, who was India's External Affairs Minister (EAM) at the time. Pakistan, which had consistently opposed any Indian representation in the OIC in whatever capacity, was severely hurt by the Indians' simple attendance at the Abu Dhabi meeting(Sujan R. Chinoy & Md. Muddassir Quamar, 2019).

**Selected Sub Area of Study.** The selected sub area for the study is ‘To ascertain whether India’s membership to OIC can be leveraged to further India’s Economic Growth’.

## Research Objectives

**Objectives of Study.** The evaluated research objectives for the thesis are as under: -

- (a) To identify various economic variables affecting India’s Economic Growth wrt India’s membership to OIC.
- (b) To identify various non-economic variables affecting India’s Economic Growth wrt India’s membership to OIC.
- (c) To understand the perceptions of certain identified experts on foreign policy and international relations regarding the impact of India’s membership to OIC on India’s Economic Growth.
- (d) To identify the factors affecting India’s Economic Growth wrt India’s membership to OIC.
- (e) To analyse the interrelationship among the factors affecting India’s Economic Growth due to India’s membership to OIC.

## Relevance of the Study

The study ascertained whether India’s membership of OIC will further its Economic growth. The study determined a correlation between India’s membership to OIC and furtherance of its Economic growth. If beneficial India must endeavour to use its clout to become a member of OIC and thereafter exploit the same to further its interests.

## National Interests versus Economic Growth.

From the literature reviewed there is a clear connection that has been established between Economic Growth of a nation and the various economic and non-economic factors that influence economic growth. Similarly, there is a clear understanding of the steps that a nation needs to take to further its national interests (Economic, Defence, World order and Ideological interest(*Natioanl Interest Defined Based on Morganthau*, n.d.)). It can be clearly seen from the available literature that the economic factors contributing to economic growth are also the steps required to further the economic interests of a nation. Similarly, the non-economic factors contributing towards economic growth are also the steps that a nation needs to take to further its Defence, World order and Ideological interests. The literature review has analysed how a membership of OIC can assist in furtherance of the four types of National Interests. The literature review has also analysed how economic and non-economic factors affect Economic growth of a nation. Thus there is an inevitable direct/indirect connection between India’s membership to OIC, furtherance of National Interests/Economic and Non-Economic factors leading to India’s Economic Growth.

## Research Gap Identified

The Review of Literature has brought out the following Research Gaps: -

- a. A gap exists in the existing literature wherein the same is unable to suggest whether membership to OIC with further India’s Economic factors affecting Economic Growth.
- b. A gap exists in the existing literature wherein the same is unable to suggest whether membership to OIC with further India’s Non-Economic factors affecting Economic Growth.

## Theoretical and Conceptual Framework

The theoretical framework and conceptual framework for the study as enumerated in Chapter 2 are as tabulated below: -

<b>India's Membership to OIC and Economic Factors Affecting Economic Growth</b>	<input type="checkbox"/> <b>India's Economic relations with OIC</b>  <input type="checkbox"/> <b>Will the Membership to OIC lead to the following :-</b> <ul style="list-style-type: none"> <li>➤ <b>Enhancing Bilateral Trade.</b></li> <li>➤ <b>Ensuring Energy Security.</b></li> <li>➤ <b>Enhancing Foreign Direct Investments.</b></li> <li>➤ <b>Expanding Market for Indian Companies.</b></li> <li>➤ <b>Improving Per Capita Income/Living Conditions.</b></li> </ul> <input type="checkbox"/> <b>How have OIC member states benefited wrt furthering their Economic interests</b>
<b>India's Membership to OIC and Non-Economic Factors Affecting Economic Growth</b>	<input type="checkbox"/> <b>Leveraging OIC to Further India's Ideological Interests.</b> <ul style="list-style-type: none"> <li>➤ <b>Prevent Radicalisation.</b></li> <li>➤ <b>Integrate Muslims in a better Manner.</b></li> </ul> <input type="checkbox"/> <b>Leveraging OIC Membership to further its Defence Interests: -</b> <ul style="list-style-type: none"> <li>➤ <b>Eliminate Pakistan sponsored Terrorism in Jammu and Kashmir (J&amp;K).</b></li> <li>➤ <b>Counter Pakistan's Anti India Agenda other than Kashmir.</b></li> <li>➤ <b>Counter Naxal Terrorism and terrorism in North Eastern(NE) States.</b></li> <li>➤ <b>Prevent Anti-India Resolutions in OIC.</b></li> <li>➤ <b>Prevent Radicalisation of Youth Within India.</b></li> <li>➤ <b>Assist in India's Military Industrial Revolution.</b></li> <li>➤ <b>Defence Cooperation.</b></li> <li>➤ <b>Enhancement of Maritime Security in IOR.</b></li> </ul> <input type="checkbox"/> <b>Leveraging OIC to Further India's World Order Interests.</b> <ul style="list-style-type: none"> <li>➤ <b>Support in Global Forums incl Permt UN Membership.</b></li> <li>➤ <b>Global Power.</b></li> </ul>

**Research Design Followed.** The Research follows a quantitative research strategy and the research strategy follows the ontological position of objectivism, an epistemological position of positivism and a deductive logic of enquiry. The research relies primarily on primary data generated through a self-administered survey questionnaire containing 31 questions. The questionnaire was circulated online using

the Google Forms . The data received has been analysed using the` IBM SPSS® Statistics software and MS Excel®.

**Conceptual Framework** The constructs identified for measurement of perceptions towards validation of the hypotheses as enumerated above are as follows: -

- a. India's Membership to OIC versus significant impact on furthering its Economic factors affecting Economic Growth.
- b. India's Membership to OIC versus significant impact on furthering its Non-Economic factors affecting Economic Growth.

### **Statements of Hypothesis.**

The following NULL and RESEARCH Hypotheses were formulated keeping in mind the research objectives decided for the study : -

- a. **Null Hypothesis (H0).** India's Membership to OIC will NOT have a significant impact on furthering its Economic Growth.
- b. **Proposed Research Hypothesis (H1).** India's Membership to OIC will have a significant impact on furthering its Economic Growth.

The Construct Hypothesis for the two constructs in the Study are as given below:-

#### **(a) Hypothesis for Construct 1**

- (i) **Null Hypothesis (H10).** India's Membership to OIC will NOT have a significant impact on Non-Economic Factors affecting its Economic Growth.
- (ii) **Proposed Research Hypothesis (H11).** India's Membership to OIC will have a significant impact on Non-Economic Factors affecting its Economic Growth.

#### **(b) Hypothesis for Construct 2**

- (i) **Null Hypothesis (H20).** India's Membership to OIC will NOT have a significant impact on Economic Factors affecting its Economic Growth.
- (ii) **Proposed Research Hypothesis (H21).** India's Membership to OIC will have a significant impact on Economic Factors affecting its Economic Growth.

### **Data Analysis and Results**

After a detailed analysis of Pilot Survey, the final questionnaire was launched with 31 statements. These comprised of all statements in the Pilot study.

**Validity.** Factor Analysis of the 31 variables was then undertaken based on the responses of 435 respondents.

The above Table reveals the KMO and Bartlett's Test result. The inference are as follows:-

#### KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.949
Bartlett's Test of Sphericity	Approx. Chi-Square	6274.701
	df	465
	Sig.	.000

(c) The factor analysis of 31 Likert items was carried out. The Kaiser-Meyer-Olkin (KMO) sampling adequacy measure was 0.949, well above the 0.6 (Acceptable Limit).

(d) The Bartlett's Test of Sphericity was highly significant ( $X^2(465) = 6274.701, p < 0.05$ ).

(e) The first two factors explained 44.469 % of the variance. With these indicators, factor analysis was considered suitable for all 31 Likert items.

#### Reliability of Instrument.

The impact on India's Economic Growth due to OICs membership, was measured using Likert Scale of 31 Likert items. Scale Reliability of the Questionnaire was measured by calculating the Cronbach's Alpha construct-wise as well as for the complete questionnaire. The **Table below** reveals Cronbach's alpha test results and the reliability indicated by SPSS is 0.933 which is considered Good.

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.933	.937	31

#### Construct-1 Reliability.

The impact on Non-Economic Factors affecting India's Economic Growth due to OICs membership, measured using Likert Scale of 18 Likert items. Scale Reliability of the Questionnaire was measured by calculating the Cronbach's Alpha construct-wise gave a **Cronbach's Alpha of 0.892** and was therefore concluded to have good internal consistency.

**Reliability Statistics**

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.892	.896	18

**Construct-2 Reliability.**

The impact on Economic Factors affecting India's Economic Growth due to OICs membership, measured using Likert Scale of 13 Likert items. The analysis gave a **Cronbach's Alpha of 0.852** and was therefore concluded to have good internal consistency.

**Reliability Statistics**

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.852	.861	13

**Test of Normality of Constructs**

Shapiro Wilk test for ascertaining normality was carried out (df=435) to determine normality of the sample. The sample was not ideally normally distributed. However, the analysis of QQ Plot, boxplot and histogram qualitatively ascertains near-normality of the construct of 'Impact on Non-Economic Factors affecting India's Economic Growth due to OICs membership'.

**Inferential Statistics**

**One Sample T-Test (Construct 1)- The impact on Non-Economic Factors affecting India's Economic Growth due to OICs membership.**

**One-Sample Statistics**

	N	Mean	Std. Deviation	Std. Error Mean
Construct_1_OIC_Membership_and_NonEconomicFactors	435	3.9760	.58095	.02785

**One-Sample Test**

Test Value = 3.5					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference
					Lower Upper

Construct_1_OIC_Membership_and_NonEconomicFactors	17.088	434	.000	.47599	.4212	.5307
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**Interpretation of the One-Sample T-Test Results :-**

(f) **Mean Comparison:** The test was conducted to check whether the mean of the variable "Construct\_1\_OIC\_Membership\_and\_NonEconomicFactors" is significantly different from 3.5 (Test Value = 3.5).

(g) **T-Value:** The very high t-value (17.088) indicates a strong deviation from 3.5.

(h) **Significance (p-value):** The p-value (0.000) is less than 0.05, meaning the result is statistically significant.

(i) **Mean Difference:** The mean difference is .47599, with a 95% confidence interval between .4212 and .5307. This means the actual mean is significantly greater than 3.5.

(j) **Since the mean is much higher than the Test Value, it indicates that "OIC Membership has a significant positive impact Non-Economic Factors affecting Economic Growth".**

Thus, the perception of population is that India's Membership to OIC will have a significant impact on Non-Economic Factors affecting its economic growth.

**One Sample T-Test (Construct 2)- The impact on Economic Factors affecting India's Economic Growth due to OICs membership.**

**One-Sample Statistics**

	N	Mean	Std. Deviation	Std. Error Mean
Construct_2_OIC_Membership_and_EconomicFactors	435	3.9119	.55962	.02683

**One-Sample Test**

	Test Value = 3.5					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Construct_2_OIC_Membership_and_EconomicFactors	15.353	434	.000	.41194	.3592	.4647

**Interpretation of the One-Sample T-Test Results :-**

(k) **Mean Comparison:** The test was conducted to check whether the mean of the variable "Construct\_2\_OIC\_Membership\_and\_EconomicFactors" is significantly different from 3.5 (Test Value = 3.5).

(l) **T-Value:** The very high t-value (15.353) indicates a strong deviation from 3.5.

(m) **Significance (p-value):** The p-value (0.000) is less than 0.05, meaning the result is statistically significant.

(n) **Mean Difference:** The mean difference is .41194, with a 95% confidence interval between .3592 and .4647. This means the actual mean is significantly greater than 3.5.

(o) **Since the mean is much higher than the Test Value, it indicates that "OIC Membership has a significant positive impact on Economic Factors affecting Economic Growth".**

Thus, the perception of population is that India's Membership to OIC will have a significant impact on Economic Factors affecting its economic growth.

### Pearsons Correlation Test.

Pearsons Correlation Test was carried out to ascertain and establish the Correlation between the two constructs ie establish the corelation between Impact of India's OIC's Membership on Non-Economic and Economic Factors affecting Economic Growth. As can be seen from table ,there is a strong correlation between the two constructs with a score of 0.870 and the same is significant at the 0.001 level.

**Correlations**

	Construct_1_ OIC_Membership_and_NonEconomicFactors	Construct_2_ OIC_Membership_and_EconomicFactors
Construct_1_OIC_Membership_and_NonEconomicFactors	1	.870**
		.000
N	435	435
Construct_2_OIC_Membership_and_EconomicFactors	.870**	1
	.000	
N	435	435

\*\* . Correlation is significant at the 0.01 level (2-tailed).

### Recommendations

#### Administrative Finding.

As a conclusion from the statistical findings of the survey, the research has found that India's Membership to OIC will have a significant impact on furthering India's Economic Growth.

#### Inference 1 - India's Membership to OIC and Non Economic Facors affecting Economic Growth.

Perception among different categories of respondents regarding India's membership to OIC having a significant positive impact in furthering Non Economic Factors affecting Economic Growth are as given below :-

(p) Perception of the respondents across personnel from all respondents from Armed Forces and other professions was unanimous in concluding that India's membership to OIC will have a significant positive impact on furthering Non-Economic Factors affecting Economic Growth.

(q) As per the findings, Respondents have agreed that India's Non-Economic Factors affecting Economic Growth will be furthered by OIC Membership in the manner given below: -

- India's membership to OIC will prevent Anti India Resolutions in the OIC forum.
- India's membership of OIC will facilitate Joint Military Exercises with other member nations.
- Membership of OIC will ensure greater security for Indian companies investing in Islamic nations
- India's membership of OIC will assist in Anti-Piracy Ops.
- India's OIC membership will prevent funding of Terrorism in India by other members of OIC .
- India's OIC membership will assist India in becoming a global power in the long term.
- OIC membership will facilitate India in enhancing its maritime presence in the IOR.
- India's membership to OIC will assist in countering Pakistan's agenda of Jihad in Kashmir.
- OIC will become a potent international organisation if India becomes its member.



(r) The respondents have disagreed with the following perceptions about the following aspects in relation to India joining an Islamic organisation :-

- i. India will not be able to get the votes of OIC members in international organisations even if it becomes its member.
- ii. India's OIC membership will result in radicalisation of its large Muslim population.
- iii. India's membership to OIC will result in increased anti Muslim actions by India's Right-Wing parties

**Inference 2 - India's Membership to OIC and its Economic Interests.** Perception among different categories of respondents regarding India's membership to OIC having a significant impact in furthering Economic Factors affecting Economic Growth are as given below: -

(s) Perception of the respondents across personnel from all respondents from Armed Forces and other professions was unanimous in concluding that India's membership to OIC will have a significant impact on furthering Economic Factors affecting Economic Growth.

(t) As per the findings, Respondents have agreed that India's Economic Factors affecting Economic Growth will be furthered by OIC Membership in the manner given below: -

- i. Being a member of OIC will assist India in securing Energy supplies.
- ii. India's OIC membership will result in greater economic cooperation between member nations India's membership to OIC will make it possible to enhance sale of indigenous military equipment to member nations.
- iii. If India becomes a member of OIC, trade with member nations will get enhanced.
- iv. OIC as an organisation has made significant strides in ensuring greater economic cooperation between its member states .
- v. Becoming a member of OIC will result in more accessibility to markets of its member nations.
- vi. India's membership of OIC will facilitate OIC member nations investing in 'Make in India' projects.
- vii. India's membership to OIC will result in stronger investments in Strategic Petroleum Reserves by Energy Rich nations of OIC.
- viii. India's membership of OIC will result in securing Energy investments from other member nations .
- ix. India's membership to OIC will assist in securing of Foreign Direct Investments from developed nations of OIC .

(u) The respondents have disagreed with the following perceptions about the following aspects in relation to India's Economic Factors affecting Economic Growth through OIC Membership:-

- i. After 1969,ndia has not tried to become a member of OIC till date as there are no economic benefits in the membership.
- ii. India's partnership with individual nations of OIC will yield more dividends in Economy, than by becoming a member of OIC .
- iii. OIC as an organisation has failed economically due to the conflict of interests between its member nations.

**1. Answer to the Research Questions.**

All research enquiries/questions have mentioned in Para 13 of Chapter 1 have been adequately answered through the research in a manner explained below: -

Ser No	Research Question	Findings
(a)	Will India's membership to OIC help in securing its Economic interests and if so (or not) why?	Perception among different categories of respondents concludes that India's membership to OIC will have a significant impact in furthering Economic Factors (Economic Interests) affecting Economic Growth.

(b)	Will India's membership to OIC help in securing of its Defence interests and if so (or not) why?	Perception among different categories of respondents concludes that India's membership to OIC will have a significant impact in furthering Non Economic Factors (Defence, Ideological and World order interests) affecting Economic Growth.
(c)	Will India's membership to OIC help in securing of its Ideological interests and if so (or not) why?	
(d)	Will India's membership to OIC help in securing of its World Order interests and if so (or not) why?	
(e)	How will furthering National interests through membership of OIC affect India's economic growth?	Based on the survey's statistical results, the study concludes that India's membership in the OIC will have a significant positive impact on the economic and non-economic factors affecting the country's economic growth. The Economic (Economic interests) and non-economic factors (Defence, ideological and world order interests) correspond to the national interests.
(f)	Will dealing with members of OIC independently be more beneficial to India and if so (or not) why?	There was a unanimous disagreement on the statement that India's partnership with individual nations of OIC will yield more dividends in Economy, than by becoming a member of OIC.
(g)	Are there any communal implications of joining with a religious organization and if so (or not) why?	There was a unanimous disagreement on the following statements:- (i) India's OIC membership will result in radicalisation of its large Muslim population. (ii) India's membership to OIC will result in increased anti Muslim actions by India's Right-Wing parties .

**Achievement of the Research Objectives.**

The research has achieved all the objectives (mentioned in Para 14 of Chapter 1) that it had set out for itself: -

Ser No	Research Objectives	Finding
(a)	To identify various economic variables affecting India's Economic Growth wrt India's membership to OIC.	All Economic and Non-Economic Factors affecting India's Economic Growth wrt India's OIC membership have been identified through a detailed literature review and have been explained in Chapter 2.
(b)	To identify various non-economic variables affecting India's Economic Growth wrt India's membership to OIC.	
(c)	To understand the perceptions of certain identified experts on foreign policy and international relations regarding the impact of India's membership to OIC on India's Economic Growth.	Based on the survey's statistical results, the study concludes that India's membership in the OIC will significantly influence the country's economic growth.

(d)	To identify the factors affecting India's Economic Growth wrt India's membership to OIC.	All Economic and Non Economic factors that affect the Econic growth wrt India's OIC membership have been identified and enumerated in paras 6(b) and 7(b) of this chapter.
(e)	To analyse the interrelationship among the factors affecting India's Economic Growth due to India's membership to OIC.	A Correlation between the two constructs ie between Impact of India's OIC's Membership on Non-Economic and Economic Factors affecting Economic Growth has been established and there is a strong correlation between the two constructs.

### Recommendations.

The research through its findings has concluded that India's Membership to OIC will further its Defence and Economic interest. Hence India should endeavour to become its member and thereafter exploit the same further its interests. Some recommended actions that we need to take to become a full-fledged member of OIC are as given below: -

- OIC in 2008 took out a resolution to allow only Muslim Majority states from joining the resolution. This charter needs to be amended to accommodate membership to nations with a large Muslim population, as was the case before 2008.
- India enjoys excellent relations with many all of 57 member nations except Pakistan and Turkey. Saudi Arabia yields maximum influence in the organisation. Saudi Arabia and other member nations that are economically and politically close to India may be leveraged to bring these two nations on board and accept India's membership.
- Actions will be needed by India to make the member nations realise that the nation with the third largest Muslim population has full rights to OICs membership.
- The member nations of OIC will need to be convinced of the huge impact that the organisation can have by having one of the largest defence partners and economic powerhouse as its member. The organisation can have a greater say in many of the world forums with the world's largest democracy as its member.
- By and large India has moderate Muslims with a modern outlook. This will assist OIC in curbing Islamophobia in the world especially in the West. This aspect needs to be highlighted to all the member states.
- All Islamic organisations in India with their linkages in the Islamic countries must be galvanised to project India's case of a full membership in all the member nation states. This can be done in coordination with the embassies /high commissions of India in these countries.
- The most crucial aspect in getting a membership will be to keep Pakistan in check through collective Diplomacy, Information, Military and Economic (DIME) actions.

**Conclusion** The study demonstrates how India stands to gain much from full OIC membership. The membership will improve India's economic growth and national security. If the nation is convinced of the advantages, it must take certain steps to achieve its objective of joining the OIC as a full member, which will need coordinated action from the MEA and several organizations that defend India's interests.

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