

A study on leveraging membership of organization of islamic cooperation (oic) for enhancing india's economic growth

S. Deepak

Research Scholar, The Assam Kaziranga University, Author

Dr G. P. Bhandari

Associate Professor, The Assam Kaziranga University

Dr Manvinder Singh Pahwa

Professor, Dr Harisingh Gour Vishwavidyalaya

Abstract:

This research tries to establish the theory that India's membership to Organisation of Islamic Cooperation (OIC) will enhance India's Economic Growth. The Article is based on the detailed review of Literature carried out by the researcher. Over the past few decades, India's relations with practically all of the OIC's member nations have grown and expanded. The paper provides an analysis of how membership to OIC can advance India's national interests and thus enhance the economic and non-economic factors affecting Economic Growth. If the country is persuaded of the benefits, it must take specific actions to fulfil its goal of becoming a full member of the OIC through coordinated action by the MEA and numerous organizations that support India's interests.

Key Words: India, Membership to Organisation of Islamic Cooperation (OIC), National Interests, Economic and Non-Economic Factors, and Economic Growth.

Background

Organisation of Islamic Cooperation (OIC).

57 governments from the Gulf, Asia, and Africa make up the Organization of Islamic Cooperation (OIC), an intergovernmental body. Approximately one-fourth of the United Nations membership is represented by these states. Under Saudi Arabia's direction, these nation-states made the decision to pool their resources, coordinate their efforts, and speak with one voice to guarantee the security of their shared issues as well as the advancement and well-being of all Muslims worldwide.

Despite the OIC's apparent promise and ability to resolve conflicts in Muslim-majority and Muslim-state states, its fragmentation has prevented it from taking a united stance. The appeal of Islamic unity, as exhibited by the OIC, was expected to bring Muslim states together and help portray a moderate Islam that is prepared to live in harmony with the rest of the world. Significant economic cooperation among the member nations can be attained with the help of the industrialized societies of certain of the member states and their combined economic strength. The member states have enormous potential for working together to expand their military industrial bases and jointly develop specialized military technology that will benefit them both.

Before 2008 the organisation did not have a clear membership criterion. Article 8 permitted every Muslim state to join the Group with the approval of two thirds of the members. This led to some non-Muslim majority states joining OIC. This led to some non-Muslim majority states joining OIC(Kayaoglu, 2015).

India and OIC

India was excluded from the first meeting of the Morocco Organization of Islamic Conference in 1969 at the behest of Pakistan despite having been formally invited (because it had the second-largest Muslim population in the world). Although India was asked to attend the summit as "represented at the government level," General Yahya Khan of Pakistan subsequently prevented India from participating in the final session where the statement was adopted. The leader of Pakistan had objected to the presence of an official delegation from the Indian government rather than a statement from "the Muslim community of India". OIC and the Indian nation-state have not had a healthy relationship since, mostly as a result of Pakistani meddling. Numerous OIC Resolutions on the "Supposedly Poor State" of Muslims in India and the state of Jammu and Kashmir (which are biased and one-sided) are a result of this unhealthy relationship. India has rejected these with absolute clarity.

In 2003, a senior Qatari official raised the issue of viewing India from a new perspective for the first time. During the summit, he suggested that India should be sent an invitation to join the organization. This proposal alarmed nations, particularly Pakistan. Even though the proposal was quickly rejected, the idea of Indian Muslims thriving in the largest democracy in the world in a secular, multireligious setting continued to resonate with all of the Organization of Islamic Cooperation's member states, particularly those who were seeing tremendous economic growth as a result of their partnership with India. The leaders of the Gulf countries were intended to be influenced by India's swift economic growth following the 1990 reforms and its increasing resonance with global players(Sujan R. Chinoy & Md. Muddassir Quamar, 2019). Due to India's increasing influence in regional affairs and the effectiveness of Indian diplomacy, many Middle Eastern Arab nations are attempting to combine their resources such as energy and money with India's wealth of human capital, including talent and a rapidly growing market. In this regard, King Abdulla bin Abdul Aziz of the Kingdom of Saudi Arabia proposed that India become an Observer in the Organization of Islamic Cooperation (OIC) during his Official State visit to India in January 2006.

First Invite to OIC. It was a huge diplomatic victory for the Indian Nation state when it was invited to the meeting of OIC (Organization of Islamic Cooperation) in early 2019 for the first time since its conception. India's then External Affairs Minister (EAM) Mrs Sushma Swaraj was given an opportunity as the first Indian minister ever to speak at the inaugural meet as a Guest of Honour in the OIC's session of Council of Foreign Ministers(Address by EAM at OIC, 2019). A mere Indian presence in the meeting at Abu Dhabi was a major blow to the Pakistanis as it had been a regular opponent of any Indian presence in the OIC in any role whatsoever. The fact that India attended an OIC summit for the first time since its diplomatic humiliation at the inaugural Islamic Summit, which was held in Rabat, Morocco, in September 1969, makes the invitation to New Delhi significant. The largest Muslim country in the world, Indonesia, defended and deemed suitable the invitation that the United Arab Emirates sent to India to be the Guest of Honour at the Organisation of Islamic Cooperation summit "The invite extended to India by hosts UAE to attend the OIC foreign ministers meet was an appropriate move and

makes sense as India has almost 190 million Muslims" (Roy Chaudhury, 2019). Pakistan was unable to prevent India from attending in 2019 and, in a move that was unprecedented in history, decided not to attend the conference's plenary session. Saudi Arabia and the other OIC members, as well as the host UAE, were unimpressed with Pakistan's theatrical displays. (Sujan R. Chinoy & Md. Muddassir Quamar, 2019).

India's current standing as the country with the third-largest Muslim population in the world should help it strengthen its ties with the Islamic nation-states. It ought to facilitate more regular and significant cross-cultural interactions as well as improved bilateral trade. To strengthen the strategic, economic, and security ties, every effort must be made. India should take use of the 2019 OIC chance to enhance its national objectives. During important inter-institutional meetings, Pakistan gets furious over India's increasing influence in the region. India's diplomatic win-win scenario should be evaluated in light of its capacity to exert pressure on all of its friends and key partners. In that regard, the invitation as a "Guest of Honour" is calculated and persuasive in order to present India as a trustworthy ally with a thriving economy going forward (Vishakh Krishnan Valiathan, 2019).

Although India has retained its strategic independence, it will only give in to the wishes of the majority of nations in the world to the extent that each is perceived as being considerate of India's security concerns and aspirations to become a great power, as well as providing chances for a relationship built on friendship and sympathy for Indian objectives (Ashley J. Tellis, 2001). The world is increasingly turning to India's strong and steady leadership in part because of this feature. There has never been a more important time to comprehend India's viewpoint, and without India's active participation and contribution, no global issue including combating poverty, preventing nuclear proliferation, or addressing climate change can be effectively addressed (Stuenkel, 2021). Counterterrorism and diplomatic relations cannot coexist. Peace has always been India's top priority when it comes to its foreign policy. India has maintained cordial relations with the surrounding nations for a long time, and the shared civilization of West Asia is a valid link. Because of the large number of Indian migrants working there, the region's economy has grown greatly in terms of foreign exchange when compared to India. Oil has been the primary economic link between the colossus of south Asia and the Gulf.

India's Relations with member states of OIC. Over the past few decades, India's relations with practically all of the OIC's member nations have grown and expanded. The leaders of India and the Arab rulers currently enjoy close ties as a result of their initial interactions. In terms of positive relations, relations with Pakistan are the lone exception. The state of relations with Malaysia had deteriorated under Mr. Mahathir's administration. But things are starting to return to normal now. Every now and again, Turkey makes a remark to appease Pakistan, which is buying weapons from the country. Nevertheless, there is no proof that Turkey is acting in a way that is majorly harmful to India's interests. The member states of the Organization of Islamic Cooperation (OIC) generally have a favourable opinion of India, and they might be convinced to work in the country's best interests.

Bilateral Trade with OIC Member States. It should be emphasized that the GCC is currently India's largest trading bloc, with bilateral trade valued at over USD 154 billion in FY 2021–2022, exports valued at roughly USD 44 billion, and imports valued at roughly USD 110 billion (comprising USD 33.8 billion in non-oil exports and USD 37.2 billion in non-oil imports). In FY 2021–2022, the bilateral services trade between India and the GCC was estimated to be

worth USD 14 billion, with USD 5.5 billion coming from exports and USD 8.3 billion from imports (Press Information Bureau, 2022). Investments from the GCC in India are currently valued at over USD 18 billion. The last few years have seen this change in trade relations as a result of India's look west policy. India is one of the OIC's top trading partners, especially with the United Arab Emirates, Saudi Arabia, Iran, Indonesia, Kuwait, Nigeria, and Malaysia (Majumdar, 2023).

Energy Trade with OIC Member States. Nearly 35% of India's imports of oil and 70% of its purchases of gas come from GCC nations. Approximately \$48 billion worth of crude oil and about \$21 billion worth of LNG and LPG were imported by India from the GCC in 2021–2022. The amount of crude oil that India imports from Saudi Arabia, its regular supplier, increased gradually and reached a four-month high in February 2024—more than 8,33,590 barrels per day (b/d). Saudi Arabia set the Arab Light pricing for Asia at \$1.50 per barrel over Oman/Dubai for February 2024, the lowest price since November 2021. The leading crude oil exporter in the world set the price at \$2 per barrel over Oman and Dubai in January. It has maintained the same prices for March 2024 as it did for February (The Hindu, 2024). As per the United Nations COMTRADE database on international commerce, India's imports of crude oil from the United Arab Emirates in 2023 amounted to US\$8.63 billion (Forecast, 2024). ADNOC, a state-owned corporation based in the UAE and the 12th largest producer in the world, is the only foreign energy business to support India's strategic petroleum reserves program. The countries of Iran, Iraq, Kuwait, and Qatar are additional sources of natural gas and oil. With all of these nations, India has maintained incredibly productive and positive diplomatic ties.

Imp of OIC. About 29% of the United Nations membership, 47% of the African Union membership, and all members of the Arab League/GCC and Economic Cooperation Organization (ECO) are affiliated with the organization. The South Asian Association for Regional Cooperation (SAARC) is made up of three of its seven members. Its members are also three ASEAN nations, with the Philippines and Thailand serving as guests at meetings. As a result, the OIC is highly significant in multilateral settings, affects the outcome of elections to several UN bodies, and has a crucial role in influencing their choices (Kayaoglu, 2015).

Membership of OIC Given that India has the third-largest Muslim population in the world, the recognition it has received should aid it in forging closer ties with other Muslim nations and boosting bilateral trade. It's likely possible to enhance security and strategic relations as well. India can take advantage of this window of opportunity provided by the OIC to further its national interests. India might now try to join it and use it to pursue its interests as a country. Only governments with a majority of Muslims were permitted to join the OIC resolution in 2008. As was the situation prior to 2008, this charter must be changed to allow membership to countries with sizable Muslim populations. With the exception of Turkey and Pakistan, all 57 of the member countries have strong relations with India. Saudi Arabia has the most sway among the group. It may be possible to persuade Saudi Arabia and other members who are politically and economically aligned with India to support India's candidacy for membership. The paragraphs that follow provide an analysis of how membership to OIC can advance India's national interests and thus enhance the economic and Non-Economic factors affecting Economic Growth

India's National Interests

National Interests. National interest has been defined by numerous academics. We've seen that many leaders use the term "national interest" loosely, and that this often changes when a country's regime changes. National interests can be defined as one sovereign state's perceived wants and desires in respect to other sovereign nations that make up the external environment. Here are three widely acknowledged truths about the word "national interest," which elaborate on this straightforward definition (Donald Nuechterlein, 1976):-

- (a) A change in leadership at the top of the state apparatus should not bring about a change in the national interests. This ought to be universally acknowledged by all parties involved.
- (b) This term is applicable only to sovereign states and not to states that are dependent on others.
- (c) The term is applicable only to the external environment. The interests related to the internal environment are usually referred to as public interests.

2. Identification of the National interests of a nation is often a challenge and the strategic thinkers are often called to define these. One of the ways in which these can be identified are as given below(Donald Nuechterlein, 1976):-

- (a) **Defence Interests.** These ensure the nation states and its citizens protection against the physical violence or the threat of violence directed from another nation state, and/or a threat to its system of governance from an external agency.
- (b) **Economic Interests.** These enhance a state's well-being in relation with other states.
- (c) **World Order Interests.** These are the interests that assist in maintaining a global political and economic system wherein the nation state may feel secure, and an environment wherein its citizens and trade may operate peacefully beyond its borders.
- (d) **Ideological Interests.** These include those interests taken to ensure protection and furtherance of the values which its people share and believe to be universally acceptable.

India's Defence Interests. India must take specific steps to guarantee that the country and its people are safe from acts of physical violence, threats of violence from other countries, and/or attacks on the country's political system by outside parties. The following are some steps that India must take to advance its defence interests, with particular regard to the Organization of Islamic Cooperation (OIC) and its member states : -

- (a) **Pakistan sponsored Terrorism in Jammu and Kashmir (J&K).** In order to promote an armed insurrection in the former state of J&K, Pakistan has been facilitating, aiding, and sponsoring terrorism in the region for the past few decades. Separating this region of India and incorporating it into Pakistan is its ultimate goal. India must hence take action to persuade Pakistan to cease sponsoring and abetting terrorism in J&K through both internal and external influence.
- (b) **Pakistan's Anti India Agenda other than Kashmir.** Pakistan has spent a great deal of time and money recruiting terrorists, not just to fight in Kashmir but also to cause unrest in other regions of the nation. It has made multiple attempts to undermine the nation's intercommunal harmony by reaching out to certain irate members of India's minority population. India must persuade Pakistan to modify its anti-Indian position by using either overt or covert tactics.
- (c) **Anti-India Resolutions in OIC.** The OIC adopts numerous resolutions against India regarding Kashmir at the urging of Pakistan. The economic security of India is unaffected by this. Nevertheless, this aids the enemies of the nation in disseminating a misleading account

of events in India. This facilitates the recruitment of further terrorists, the acquisition of funding for anti-Indian actions, and the damage of India's reputation in international fora.

(d) **Radicalisation of Youth Within India.** India must take action to stop young people within its borders from becoming radicalized. Radicalization of Muslims and Sikhs is a direct consequence of action (including money) by agencies outside India, but radicalization of Hindus is supported by organizations within the nation. India needs to use all its might to resist this.

(e) **India's Military Industrial Revolution.** India's military industry is undergoing a significant reform process, with numerous businesses producing top-notch equipment as a result of the Made in India campaign. We might look into technology exchange or buyer-seller relationships with friendly nation states if we want to strengthen our defence cooperation with them. India's reliance on its armaments to provide future demands will inevitably draw other countries closer to it.

(f) **Defence Cooperation.** Armed services personnel get closer to one another when there is defence collaboration and understanding between two countries. When this link is strengthened and chances to improve commerce and other ties between any two countries are presented.

(g) **Maritime Security in IOR.** To make sure that its security interests are met, India needs to sign treaties with the countries that encircle the Indian Ocean. India must act to resist the expanding influence of China as well as the growing cooperation between China and Pakistan in the IOR(S Jaishankar, 2020).

India's Economic Interests. India must take a number of steps to improve a state's standing in respect to other states. Today's geopolitics is dominated by geoeconomics. Bilateral trading between two countries directly affects their bilateral relations. The following are some crucial steps that India must take to advance its economic interests, specifically in relation to the Organization of Islamic Cooperation (OIC) and its member states: -

(h) **Bilateral Trade.** By 2025, the national leadership wants India to have a five trillion-dollar economy, and a significant portion of that GDP will be based on the value of commodities imported into other countries. India has historically been a major exporter of services, perishable goods, textiles, and other goods; but it is currently gradually becoming a manufacturing hub with plans to export machinery, electronics, and other finished goods. India aims to export 400 billion dollars in goods and services in 2021–2022, and it is quickly approaching this goal. India needs to take a number of steps to make it easier for its industry to export goods. Improving connections to facilitate bilateral trade is one crucial step in increasing exports. Only when there are significant exports to other countries will India's "Make in India" effort reach its full potential.

(i) **Energy Security.** A sufficient body of material exists to elucidate India's future steps towards guaranteeing energy security. The problem is illustrated in the government's Niti Ayog Vision paper(Vision India@2047, 2018). The majority of the research points to a clear focus on securing energy sources, transitioning to a low-carbon economy, and transitioning to energy access through economic measures, foreign policy, and energy policy in order to ensure energy security(Gopalaswami, 2010). The following actions are involved in this:-

(i) Use diplomatic influence to weave a web of energy partnerships with nations that produce energy.

(ii) Each oil supplier or nation from whom India imports oil must build a specific Strategic Petroleum Reserve (SPR).

- (iii) Making nuclear, renewable, and clean energy more widely available.
- (iv) Energy-related policies that encourage private infrastructure investment and efficiency in the production, distribution, and transit of electricity.

(j) **Foreign Direct Investments.** For India to reach its goal of having an economy of \$5 trillion, foreign direct investment (FDI) inflows are necessary. Foreign direct investments (FDIs) are essential for a country's economic progress because they introduce new technologies from other nations, create new sectors, and create jobs. FDIs provide the country with fresh knowledge and expertise, particularly in less developed industries. As a result, FDIs multiply the impact on the economy.

(k) **Market for Indian Companies.** India invested 2.51 billion dollars overseas as of April 2021. Indian businesses should make international investments because doing so expands the addressable market for their goods and boosts sales. Due to their concentration on the sizable Indian market, Indian industries have not made significant investments in other markets. But in order for our economy to reach its full potential, we must look for successful ventures and make investments in friendly countries.

India's World Order Interests. India must take specific steps to support the upkeep of a global political and economic order that gives the nation-state a sense of security and permits trade and inhabitants to live in harmony outside of its borders. Every nation-state that values peace and acts responsibly in international and regional affairs believes in peaceful coexistence, even as it reserves the right to protect its territorial integrity and national sovereignty (Shahid Hussain Raja, 2020). By developing into a regional power in the near future and a global force in the long term, India can ensure the aforementioned elements to a large extent. OIC may directly or indirectly support us in taking specific national state-required activities in order to accomplish this goal: -

(l) **Permanent Membership of UN.** India has a strong argument for permanent membership in the Security Council given its status as the largest democracy, the fifth largest economy, a nuclear power, a technical hub, and a long history of international participation. In order to accomplish its goals of upholding international security and to be relevant, the Council must adjust to the changing circumstances on a global scale (S Jaishankar, 2022). With 57 members, the Organization of Islamic Cooperation (OIC) can help secure the support of most of these nations for UN changes, which will help India become a permanent member.

(m) **Support in Other World Forums.** In addition to supporting OIC membership in the UN, OIC members can help obtain support from other OIC members in other UN forums as well as international forums like UNHCR, etc. These organizations currently pass a lot of resolutions that paint India in a negative manner. Since we lack the necessary number of supporters in these organizations, the majority of decisions regarding India are founded on untrustworthy material. This scenario can be changed by joining OIC.

(n) **India as a Global Power.** India can impact global decision-making by growing in importance within the organization, which will help the country accomplish its foreign policy goals. Fulfilling the foreign policy goals will help India advance its defense and economic

interests. India can realistically aim to become a developed country and global superpower by 2047 if all external factors work in its favour.

India's Ideological Interests. India must make sure that the necessary measures are made to guarantee the preservation and advancement of the values that its citizens share and consider to be universally acceptable. Secularism is one of the key principles that is also ingrained in our constitution. With the world's most diversified population, India must ensure that all of its residents, regardless of faith, are committed to the country's ultimate aim of becoming a developed nation. India can join the OIC in the following ways to further its ideological goals: -

(o) **India's Secular Credentials.** Many people throughout the world have a poor perception of India because of the numerous conflicts between people of different religions. India may dispel the misconceptions and promote a favorable image of itself as a true secular nation by joining the Organization of Islamic Cooperation (OIC). India's admission to the OIC will hurt Pakistan since it will be unable to carry out its evil plan to portray India negatively.

(p) **Radicalisation of Youth.** Joining an Islamic organization will provide Indian Muslims with the guarantee that their community is treated with the same respect and decency as all other religious groups in India. This sentiment will stop young people from becoming radicalized since there won't be any anti-national narratives to support a bad view of the nation-state. If Muslim youth radicalization declines, the nation's law and order situation will improve.

National Interests versus Economic Growth. The actions that a country must take to advance its national interests—economic, defense, world order, and ideological—are well understood. The literature that is currently available makes it abundantly evident that the economic elements that contribute to economic growth are also the actions necessary to advance a country's economic interests. In a similar vein, a country's defense, global order, and ideological values are all influenced by non-economic elements that contribute to economic growth. The literature review has examined the ways in which participation in the OIC can support the advancement of the four different categories of national interests. The impact of both economic and non-economic elements on a country's economic growth has also been examined in the literature review. India's membership in the OIC, the advancement of national interests, and the economic and non-economic variables that contribute to India's economic growth are therefore inextricably linked, either directly or indirectly.

Causal Analysis -India's Membership to OIC and Economic Growth. Economic Growth through India's membership to OIC has been further analysed with the help of a causal loop diagram shown below :-

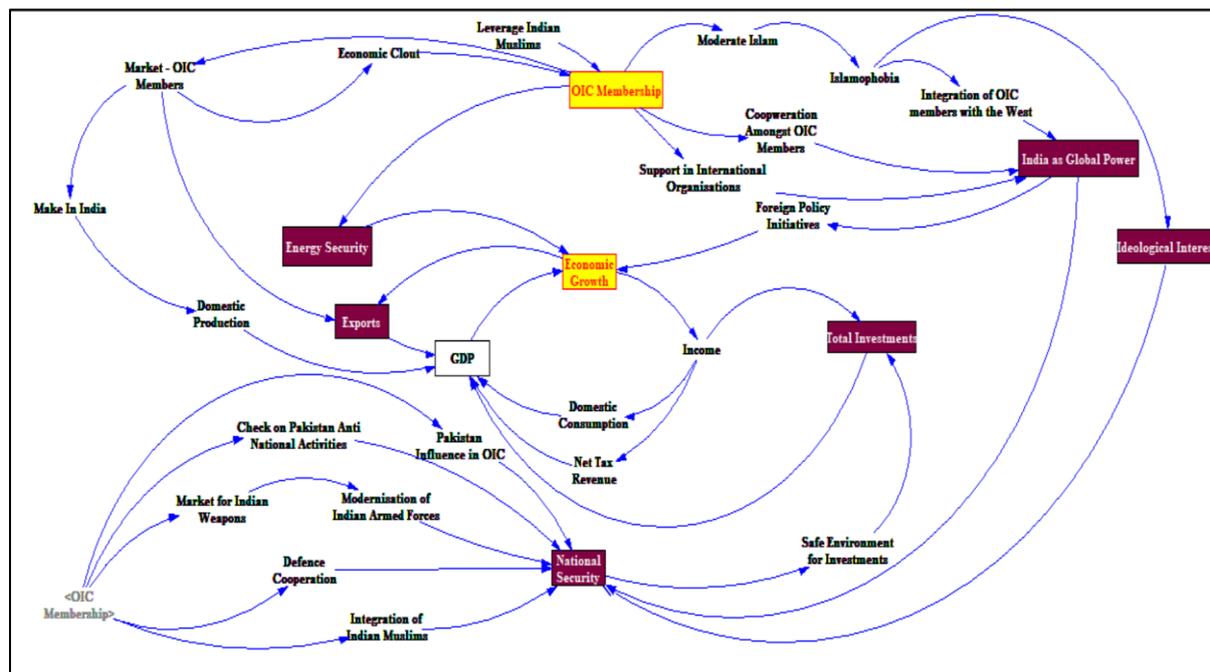


Fig : Causal Analysis

The causal loop diagram above illustrates how India's OIC membership and economic growth are related. It illustrates how OIC membership affects economic growth directly and indirectly through a number of economic and non-economic factors. The aforementioned evaluation is qualitative, and it is necessary to quantify the degree of correlation between India's economic growth and its membership in the OIC.

Conclusion

The study's aforementioned features highlight India's significant benefits from full OIC membership. There are several drawbacks to this course of action. One of these is membership in a group that has a bias toward a particular religion. The advantages, however, outweigh the disadvantages and will serve India's national interests. India's national security and economic growth will consequently benefit from this. If the country is persuaded of the benefits, it must take specific actions to fulfil its goal of becoming a full member of the OIC through coordinated action by the MEA and numerous organizations that support India's interests.

Bibliography

1. *Address by EAM at OIC.* (2019). https://www.mea.gov.in/Speeches-Statements.htm?dtl/31105/Address_by_External_Affairs_Minister_at_the_46th_session_of_Council_of_Foreign_Ministers_of_the_Organization_of_Islamic_Cooperation_OIC
2. Ashley J. Tellis. (2001). *India's Emerging Nuclear Posture Between Recessed Deterrent and Ready Arsenal (2001)*.
3. Donald Nuechterlein. (1976). *National Interests and Foreign Policy*.
4. Dr Rumki Majumdar. (2023). economic outlook. *Deloitte Insights*.

5. *Forecast.* (2024). <https://tradingeconomics.com/india/imports/united-arab-emirates/crude-oil-petroleum-bituminous-minerals>
6. Gopaldaswami, R. (2010). *Sustaining India's Economic Growth.* <https://ohioopen.library.ohio.edu/spacejournal/vol9/iss16/5>
7. *Press Information Bureau.* (2022). <https://www.pib.gov.in/PressReleaseIframePage.aspx?PRID=1878714>
8. Roy Chaudhury, D. (2019). *India at Organisation of Islamic Cooperation makes sense: Indonesia FM Retno Marsudi [Politics and Nation].* <https://www.proquest.com/newspapers/india-at-organisation-islamic-cooperation>
9. S Jaishankar. (2020). *The India Way_ Strategies for an uncertain world.*
10. S Jaishankar. (2022). <https://www.ndtv.com/india-news/india-has-powerful-case-to-be-permanent-member-of-un-security-council-eam-jaishankar>
11. Shahid Hussain Raja. (2020). *International Relations: Basic Concepts & Global Issues: A Handbook 2nd Edition.* 2020. <https://www.goodreads.com/book/show/56866345-international-relations>
12. Stuenkel, O. (2021). *India's National Interests and Diplomatic Activism: Towards Global Leadership?*
13. Sujan R. Chinoy, & Md. Muddassir Quamar. (2019). *India at the OIC: Recognition of a Rising Global Power | Manohar Parrikar Institute for Defence Studies and Analyses.* Manohar Parrikar Institute for Defence Studies and Analyses (MP-IDSa). <https://idsa.in/idsacomments/india-at-the-oic-chinoy-quamar-250319>
14. *The Hindu.* (2024). <https://www.thehindubusinessline.com/economy/indias-crude-oil-imports-from-saudi-arabia-at-a-4-month-high-in-february/article67917199.ece>
15. Turan Kayaoglu. (2015). *The Organization of Islamic Cooperation.*
16. Vishakh Krishnan Valiathan. (2019). *India at OIC – Is it a Turning Point in India's Diplomacy? – Center For Land Warfare Studies (CLAWS).* <https://www.claws.in/india-at-oic-is-it-a-turning-point-in-indias-diplomacy> *Vision India@2047.* (2018).