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# The Influence Of Trade Wars And Protectionist Policies On The Level Of Compliance Of OIC Countries With Internasional Trade Law From An Islamic Economic Perspective 2015-2024

**Radita Safitri[1], Asriani[2], & Taufiqur Rahman[3]**
[1-3]Universitas Islam Negeri Raden Intan Lampung, Indonesia.

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**Abstract**

**Purpose:** This study aims to examine the impact of trade wars and protectionist policies on the compliance of OIC countries with international trade law from an Islamic economic perspective during the period 2015–2024, specifically focusing on Indonesia, Malaysia, Turkey, and Saudi Arabia as sample countries. **Methodology:** This study uses a quantitative method by utilizing panel data analysis derived from secondary data sourced from the World Bank, WTO, and IMF. This analysis uses panel data regression and individual and joint hypothesis testing to explain the impact of independent variables on compliance with international trade law. **Findings:** The results show that trade wars and protectionist measures do not substantially affect the level of compliance of OIC countries. The low coefficient of determination indicates that the model's ability to explain changes in compliance is still limited. In an Islamic economic perspective, international trade compliance is shaped by the principles of respecting agreements (wafa bi al-ahd), justice (al-adl), and public benefit (al-mashlahah al-amanah) in trade relations between countries in a sustainable and consistent manner. This research is expected to be a consideration for OIC countries in formulating international trade policies that are more stable, fair, and in line with Islamic economic principles amidst the dynamics of global trade.



***Corresponding Author:***
Radita Safitri
Universitas Islam Negeri Raden Intan Lampung, Indonesia.
E-mail: raditasafitri05@gmail.com

## A. Introduction

International trade is a crucial element in the global economy because it plays a role in driving economic growth, expanding market access, and strengthening economic relations between countries (Jackson, 1997). Through international trade activities, countries can increase investment, expand technology transfer, and accelerate global economic integration. Furthermore, international trade allows each country to gain advantages through production specialization and efficient resource utilization, thereby optimally improving economic welfare (Krugman et al., 2018). Therefore, international trade has become an important indicator in assessing a country's economic stability and development. With the development of globalization, international trade is no longer understood merely as the exchange of goods and services, but also as a system regulated by international institutions to maintain the stability of world trade.

In this regard, the World Trade Organization (WTO) serves as the primary institution in the multilateral trading system through the application of the principles of non-discrimination, transparency, trade liberalization, and a rules-based dispute resolution system. Thus, the WTO not only functions to maintain global trade stability but also serves as a crucial instrument in ensuring state compliance with international trade regulations through a rules-based multilateral trading system (Matsushita et al., 2015). However, the international trade system has faced increasingly complex challenges in recent years due to escalating trade conflicts and protectionist policies in various countries. The trade war between the United States and China is one of the largest trade conflicts with a significant impact on the global economy. This conflict is characterized by increased import tariffs, trade restrictions, and retaliatory policies between countries. These conditions have led to a slowdown in international trade and disruption of global supply chains (Bown, 2020). From an International Political Economy perspective, Gilpin explains that trade conflicts arise as a form of competition for economic and political interests between countries in the international system (Gilpin, 1987).

These conditions have increased global economic uncertainty and slowed global trade growth (WTO, 2023). Thus, global trade conflicts not only impact international trade activities but also have the potential to impact countries' commitments to implementing international trade regulations. Pressure on global trade has intensified since the emergence of the COVID-19 pandemic in 2020, which disrupted global economic activity and reduced international trade (Baldwin & Evenett, 2020). The COVID-19 pandemic disrupted global supply chains, reduced international demand, and increased global economic uncertainty (World Bank, 2024). These conditions demonstrate that global economic and political dynamics have a significant impact on international trade stability and increased global trade uncertainty.

These global trade pressures have prompted many countries to implement protectionist policies to protect domestic industries from international competition. Carbaugh explains that protectionism can be used as a form of temporary protection for domestic industries unable to compete in the international market (Carbaugh, 2019). However, excessive protectionism can reduce the efficiency of international trade and disrupt the stability of the multilateral trading system (Dominick Salvatore, 2013). In line with this, Hoekman & Kostecki state that increasing global protectionism also increases the risk of global economic uncertainty (Hoekman & Kostecki, 2009). Thus, protectionist policies have complex impacts because, on the one hand, they can protect domestic interests, but on the other hand, they have the potential to hinder the effectiveness of international trade.

In addition to economic factors, a country's level of compliance with international trade law is also influenced by institutional factors, national interests, and domestic capacity. Chayes & Chayes explain that non-compliance with international law is

generally influenced by limited domestic capacity, changing external conditions, and the complexity of international rules (Chayes & Chayes, 1995). Furthermore, the weakening of the WTO dispute resolution mechanism has reduced the effectiveness of the multilateral trading system, which can affect the level of compliance of countries with international trade rules (Drabek, 2024). These conditions indicate that the dynamics of global trade and national interests can influence the implementation of a country's commitment to international trade law.

These global trade dynamics also impact member countries of the Organization of Islamic Cooperation (OIC), which have a high level of dependence on international trade. Developing countries tend to be more vulnerable to changes in global trade policy because their economic structures still rely on exports and imports (Todaro & Smith, 2015). Indonesia, Malaysia, Turkey, and Saudi Arabia are among the OIC member countries with significant involvement in international trade, making them vulnerable to global trade fluctuations. According to World Bank data, trade among OIC member countries during the 2015–2024 period exhibited a fluctuating pattern. A trade slowdown began in 2018–2019 due to the United States–China trade war and worsened in 2020 due to the COVID-19 pandemic. During this period, all sample countries experienced export and import contractions. Turkey experienced a -16.41% export contraction, while Indonesia experienced a -17.60% decline in imports in 2020. After that, trade increased again in the 2021–2022 period in line with the global economic recovery but slowed again in the 2023–2024 period due to global economic instability and declining demand for international trade.

Furthermore, the share of services trade in GDP declined in most sample countries during the pandemic. This situation suggests that changes in international trade activity not only impact economic stability but also encourage countries to adopt more protective trade policies to safeguard domestic interests (Rodrik, 2018). Under certain circumstances, these policies have the potential to create a dilemma between maintaining national economic stability and upholding commitments to international trade rules agreed upon within the WTO system. Therefore, global trade dynamics have the potential to influence countries' levels of compliance with international trade law during the study period.

From an Islamic economic perspective, international trade is not only oriented towards economic profit, but must also be based on the principles of justice (al-adl), balance (al-mizan), responsibility (mas'uliyyah), and the public good (al-maṣlaḥah al-ammah) (Chapra, 2000). Beekun explains that Islamic business ethics emphasizes the values of honesty, responsibility, and justice in economic activities (Beekun, 1997). Therefore, compliance with international trade law from an Islamic economic perspective is not only seen as a legal obligation but also as a form of moral responsibility in maintaining the stability and fairness of international trade. Previous research has shown that trade wars and protectionist policies have an impact on the stability of international trade and global economic conditions. He explain that trade wars disrupt international trade networks and increase global economic uncertainty, thus affecting a country's trade stability (He et al, 2024). In line with this research, Wang et al. state that excessive protectionist policies can reduce the efficiency of international trade and disrupt the stability of the multilateral trading system (Wang et al, 2022).

In the context of global trade, Zahoor et al. found that rising protectionism has led to changes in global value chains and prompted countries to adjust their international trade policies (Zahoor et al, 2023). Meanwhile, Musfala et al. explained that a country's level of compliance with international trade law is influenced by institutional factors, national interests, and domestic capacity (Musfala et al, 2022). In contrast to this research, Rastuti and Khoirudin showed that the United States-China trade war prompted Indonesia to adjust its trade policies to maintain a balance between national interests and WTO commitments (Rastuti & Khoirudin, 2025). However, previous research generally

discusses trade wars, protectionism, and international trade compliance separately. Furthermore, most studies still use a conventional economic approach and focus on a single country, thus failing to describe the broader conditions of OIC member countries.

Thus, there are still limitations in research linking trade wars, protectionist policies, and the level of compliance with international trade law in OIC member countries from an Islamic economic perspective using cross-country panel data analysis. Unlike previous research, this study not only analyzes the impact of trade wars and protectionist policies on international trade but also links them to the level of compliance with international trade law in OIC member countries. This study uses an Islamic economic perspective, which is still relatively rare in international trade studies, particularly in discussions of international trade compliance in OIC member countries. In addition, this study uses cross-country panel data analysis in Indonesia, Malaysia, Turkey, and Saudi Arabia during the period 2015–2024, thus providing a more comprehensive picture of the dynamics of international trade in OIC member countries.

His study uses the Managerial Theory of Chayes and chayes as the main supporting theory (Chayes & Chayes, 1995). This theory explains that state non-compliance with international law is generally influenced by limited domestic capacity, changing external conditions, and the complexity of international regulations. In the context of this study, trade wars and protectionist policies are seen as external pressures that can affect a state's ability to maintain compliance with international trade law. Therefore, this study aims to analyze the influence of trade wars and protectionist policies on the level of compliance of member countries of the Organization of Islamic Cooperation (OIC) with international trade law from an Islamic economic perspective during the period 2015–2024. In addition, this study also aims to explain how global trade dynamics can influence a state's commitment to implementing international trade rules amidst increasing trade conflicts and global protectionist policies.

## B. Method

This study uses a quantitative methodology that utilizes statistical analysis to examine the effect of trade wars and protectionist policies on the level of compliance of OIC member countries with international trade law. The study population consists of all member countries of the Organization of Islamic Cooperation (OIC), with samples specifically selected using purposive sampling techniques, namely Indonesia, Malaysia, Turkey, and Saudi Arabia during the period 2015–2024. The data used consists of secondary panel data sourced from the World Trade Organization (WTO), the World Bank, the International Monetary Fund (IMF), and several other official publications. Data analysis was carried out using panel data regression techniques in several stages, namely descriptive statistical analysis, classical assumption tests, selection of optimal regression models through the Chow test, the Hausman test, and the Lagrange Multiplier test, culminating in hypothesis testing through the t-test, the F-test, and the coefficient of determination ($R^2$). Data processing was carried out using EViews software.

Table 1. Operational Definition of Variables

| Variable | Operational Definition | Indicator/Proxy | Unit |
|---|---|---|---|
| Trade War | A trade conflict characterized by increased trade barriers. | Annual growth in exports of goods and services. | Percentage (%) |
| Protectionism Policy | Domestic economic protection policies reflected in restrictions or controls on international trade flows | Annual growth in imports of goods and services. | Percentage (%) |

| | | | |
|---|---|---|---|
| Compliance Level | The country's level of compliance with trade laws is reflected in the openness and activity of trade in services. | Service trade to Gross Domestic Product (GDP) | Percentage (%) |

Based on the table of operational definitions of the variables above, the determination of indicators in this study considers the suitability of concepts between variables and the availability of research data. Sekaran and Bougie explain that variable operationalization is carried out by selecting indicators that are able to represent the concepts being studied and are supported by adequate data availability (Sekaran & Bougie, 2016). In this study, the trade war variable is proxied by the annual growth of exports of goods and services because trade conflicts can affect export performance through various international trade barriers. The protectionist policy variable is proxied by the annual growth of imports of goods and services because this policy is related to controlling the flow of imports to protect domestic industries. The level of compliance is proxied using trade in services to Gross Domestic Product (GDP) because this indicator can reflect the level of openness of a country to the international trade system.

### Panel Data Regression Model

The analysis in this study uses a panel data regression model with a Random Effects Model (REM) approach. The regression model equation in this study is as follows:

$$TK_{it} = a + \beta_1 PDG_{it} + \beta_2 KBP_{it} + \varepsilon_{it}$$

Description:

| | | |
|---|---|---|
| TK | : | Compliance level |
| PDG | : | Trade war |
| KBP | : | Protectionist policy |
| α | : | Constant |
| $\beta_1$ $\beta_2$ | : | Regression coefficient |
| ε | : | Error term |
| i | : | Country |
| t | : | Time period |

The panel data regression model in this study is used to analyze the effect of trade wars and protectionist policies on the level of compliance of member countries of the Organization of Islamic Cooperation (OIC) with international trade law during the period 2015–2024. The selection of the Random Effect Model (REM) was carried out based on the results of the Chow test, the Hausman test, and the Lagrange Multiplier test, which indicated that the REM model was the most appropriate model for use in this study. Furthermore, hypothesis testing was carried out through partial tests (t-test), simultaneous tests (F-test), and the coefficient of determination ($R^2$) test to determine the level of influence of the independent variables on the dependent variable.

## C. Results and Discussion

### 1. Results

### Descriptive Analysis Test

Descriptive analysis was used in this study to describe the characteristics of each variable studied. This analysis aims to provide an initial overview of the condition and pattern of the data before further testing. According to Gujarati and Porter, descriptive analysis serves to explain data characteristics through measures of central tendency and

dispersion, thus providing general information regarding the distribution of research data (Gujarati & Porter, 2009). Therefore, this analysis presents the average (mean), minimum, maximum, and standard deviation values as a basis for conducting subsequent analyses.

Table 2. Results of Descriptive Analysis Test

| | PDG | KBP | TK |
|---|---|---|---|
| Mean | 3.523750 | 2.807250 | 13.02100 |
| Median | 1.865000 | 2.395000 | 12.42000 |
| Maximum | 25.09000 | 24.86000 | 26.00000 |
| Minimum | -16.41000 | -19.93000 | 3.580000 |
| Std.Dev. | 8.923589 | 9.950779 | 6.502363 |
| Skewness | 0.281817 | -0.249293 | 0.609550 |
| Kurtosis | 2.892743 | 3.024414 | 2.411091 |
| Jarque-Bera | 0.548644 | 0.415306 | 3.055032 |
| Probability | 0.760087 | 0.812489 | 0.217074 |
| Sum | 140.9500 | 112.2900 | 520.8400 |
| Sum.Sq.Dev. | 3105.587 | 3861.702 | 1648.948 |
| Observations | 40 | 40 | 40 |

Based on the descriptive analysis results presented in Table 1, the mean (average), minimum (minimum), maximum (maximum), and standard deviation values can be identified, indicating a general overview and level of variation in the data in this study. The results of this descriptive analysis can be explained as follows:

a) The mean (average) value of 13.02100 indicates the average level of compliance across all observations during the study period. This value provides a general overview of the level of compliance in the study sample observed over 10 years.
b) The median value of 12.42000 indicates that 50% of the data falls below this value, and 50% falls above it.
c) The maximum value of 26.00000 indicates the highest level of compliance recorded during the study period. This value indicates that relatively high levels of compliance were observed in some observation periods in the study data.
d) The minimum value of 3.580000 indicates the lowest level of compliance recorded during the study period. This indicates that during a certain period, compliance levels were at their lowest in the research observation data.
e) The Std.Dev value of 6.502363 indicates the level of data dispersion from the mean. Because the standard deviation is smaller than the mean, it can be concluded that the data variation in this study is relatively small, so the data dispersion tends to be stable, although there are still differences between observations.

## Classical Assumption Test

The classical assumption test is used to ensure that the panel data regression model used to analyze the impact of trade wars (PDG) and protectionist policies (KBP) on compliance levels meets the basic regression assumptions. Thus, the obtained estimation results can be interpreted accurately and reliably. (Widarjono, 2018).

a) Multicollinearity Test

Table 3. Multicollinearity Test Results

| No | Variable | PDG | KBP |
|---|---|---|---|
| 1 | PDG | 1.0000000 | -0.0542935 |
| 2 | KBP | -0.0542935 | 1.00000000 |

The multicollinearity test, using a correlation matrix, showed a correlation value of -0.0542935 between the PDG and KBP variables. This result indicates a minimal correlation level, well below the standard criterion for multicollinearity, which is 0.80. Therefore, it can be concluded that the independent variables in the regression model do not show any indication of multicollinearity. Therefore, the model used meets the classical assumptions of multicollinearity and is appropriate for further research.

b) Heteroscedasticity Test

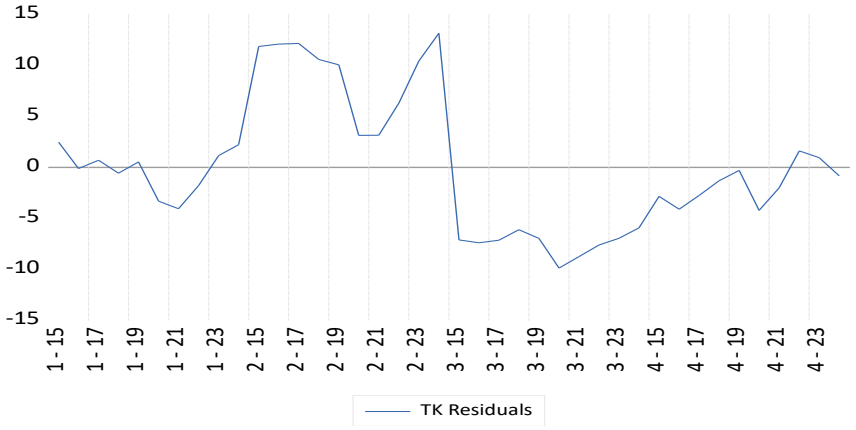


Figure 1. Results of Heteroscedasticity Test

Based on the heteroscedasticity test graph, the residual distribution does not appear to form a regular or systematic pattern, such as a tapered, wide, or wavy pattern. The residual points are randomly distributed around the zero line, both at positive and negative values. Therefore, the regression model in this study can be said to not experience symptoms of heteroscedasticity. This indicates that the error variance is constant or homogeneous (homoscedasticity), thus one of the classical assumptions of regression has been met and the model can be used for further analysis.

### Chow, Hausman, and Lagrange multiplier Tests

To determine the most appropriate panel data regression model for use in this study, several model selection tests were conducted, namely the Chow Test, the Hausman Test, and the Lagrange Multiplier (LM) Test. These three tests were used to compare the Common Effects Model (CEM), the Fixed Effects Model (FEM), and the Random Effects Model (REM) to determine the most appropriate panel regression model for use in this study's analysis. The results of these model selection tests are presented in Table below.

Table 4. Regression Model Feasibility Test Results

| No | Test Results | Probability |
|---|---|---|
| 1 | Chow Test | 0.0000 |
| 2 | Hausman Test | 0.3003 |
| 3 | LM Test | 0.0000 |

Based on the test results in Table 4, the following explanation can be provided:

a) The Chow test obtained a probability value (p-value) of 0.0000 (<0.05), thus H0 is rejected and H1 is accepted. Therefore, the Fixed Effects Model (FEM) is more appropriate than the Common Effects Model (CEM). These results indicate that each OIC member country has different characteristics in responding to trade wars and protectionist policies, so their influence on compliance with international trade law cannot be generalized across countries.

b) The Hausman test obtained a probability value (p-value) of 0.3003 (>0.05), thus H0 is accepted and H1 is rejected. Therefore, the Random Effects Model (REM) is more appropriate than the Fixed Effects Model (FEM). This condition indicates that

differences in characteristics between OIC member countries are random and do not directly correlate with the trade war or protectionist policies in influencing compliance with international trade law.

c) The Lagrange Multiplier (LM) test obtained a Breusch-Pagan probability value of 0.0000 (<0.05), thus rejecting H0 and accepting H1. Therefore, the more appropriate model to use is the Random Effects Model (REM) rather than the Common Effects Model (CEM). This indicates that there are individual, random effects in each OIC member country in the relationship between trade wars, protectionist policies, and compliance with international trade laws. Based on the results of the Chow Test, Hausman Test, and Lagrange Multiplier Test, it can be concluded that the most appropriate panel data regression model used in this study is the Random Effect Model (REM).

## Hypothesis Testing

Hypothesis testing is conducted to examine the influence of independent variables on the dependent variable, either partially or simultaneously. This testing uses the t-test, F-test, and coefficient of determination ($R^2$) to assess the significance of the relationship between variables and the model's ability to explain variation in the dependent variable. (Wooldridge, 2019).

Table 5. Hypothesis Testing Results

| Variable | Coefficient | t-Statistic | Prob. | Description |
|---|---|---|---|---|
| C | 13.15205 | 11.55851 | 0.0000 | $H_0$ rejected |
| PDG | -0.053456 | -0.375468 | 0.7095 | $H_0$ accepted |
| KBP | 0.020418 | 0.159921 | 0.8738 | $H_0$ accepted |
| R-squared | 0.014997 | | | Model Contribution 1.49% |
| Adjuted R-squared | -0.038247 | | | |
| F-statistic | 0.281660 | | | $H_0$ accepted |
| Prob(F-statistic) | 0.756134 | | | |

Based on the test results in Table 3, the following results were obtained:

a) The partial test (t-test) for the Trade War variable shows a t-statistic of-0.375468 with a probability of 0.7095, or >0.05. This result indicates that the trade war has a negative but insignificant effect on compliance levels. Thus, although theoretically, increasing trade war intensity tends to decrease compliance levels, this effect does not have sufficient statistical power to explain variations in compliance levels. Meanwhile, the Protectionism Policy variable has a t-statistic of 0.159921 with a probability of 0.8738, or >0.05. This indicates that protectionism policies have a positive but insignificant effect on compliance levels. This means that increased protectionism policies tend to be followed by increased compliance levels, but the relationship is not statistically significant.

b) The F-test results yield an F-statistic of 0.281660 and a probability value (F-statistic) of 0.756134, which is >0.05. This value exceeds the significance level, thus $H_0$ is accepted and $H_a$ is rejected. Therefore, the trade war and protectionist policies do not significantly influence the level of compliance, indicating that changes in the

country's compliance level are not directly influenced by the combination of trade war and protectionist policies.

c) Coefficient of Determination (R2) Test: The coefficient of determination ($R^2$) is used to determine the extent to which the independent variables explain the dependent variable in the research model. Based on the regression results, the R-squared value is 0.014997 and the Adjusted R-squared value is -0.038247. This shows that the independent variables in this study are only able to explain the variation in the dependent variable by 1.49%, while the remaining 98.51% is explained by other variables outside the research model, such as domestic economic conditions, institutional quality, and political dynamics and international relations between countries.

## 2. Discussion

### The Effect of Trade Wars on the Level of Compliance of OIC Countries with International Trade Law from an Islamic Economic Perspective

The results of the partial t-test indicate that the trade war variable does not significantly influence the level of compliance of OIC countries with international trade law. This is indicated by a probability value of 0.7095, which is greater than the 0.05 significance level. Therefore, the hypothesis stating that trade wars affect the level of compliance of countries with international trade law cannot be accepted. The results of this study indicate that the dynamics of global trade conflicts do not directly affect countries' compliance with international trade rules. Although trade wars increase economic tensions between countries, this condition does not necessarily encourage countries to ignore their obligations under international trade agreements. Countries continue to consider global economic stability, international market access, and the sustainability of trade cooperation in determining international trade policies.

These results align with research by Rastuti and Khoirudin which shows that trade wars encourage countries to adjust their trade policies to maintain a balance between national interests and international trade commitments (Rastuti & Khoirudin, 2025). The study explains that global trade conflicts do not always cause countries to violate international trade rules but rather encourage countries to adjust their economic policies to maintain the stability of international trade relations. Theoretically, the results of this study are consistent with the International Political Economy perspective put forward by Gilpin, who explains that economic competition between countries is part of the dynamics of interests in the international system (Gilpin, 1987). Although trade conflicts can increase global economic tensions, countries still consider the long-term benefits of international cooperation and therefore do not always abandon their commitments to international trade rules (Keohane, 1984). In conditions of economic interdependence, countries tend to maintain cooperative relationships to obtain mutual benefits and maintain the stability of the international trade system (Keohane & Jr., 2012). Thus, trade wars do not necessarily lead to a decrease in the level of state compliance with international trade law.

From an Islamic economic perspective, compliance with international trade law is related to the principles of respecting agreements/ *wafa bi al-ahd*), justice/ *al-adl*, and the public interest/ *al-maṣlaḥah al-ammah* in trade relations between countries. Islam emphasizes that every agreement must be fulfilled as a form of moral and ethical responsibility in transactions. Furthermore, the principle of al-adl emphasizes the importance of maintaining justice and avoiding actions that harm other parties in international trade activities. Meanwhile, the principle of al-maṣlaḥah al-ammah emphasizes that economic policies must be directed towards maintaining stability and shared prosperity. Therefore, even when facing external pressures such as trade wars,

countries are still required to maintain compliance with international trade regulations as a form of moral responsibility in creating fair, stable, and sustainable trade relations.

### The Effect of Protectionist Policies on the Level of Compliance of OIC Countries with International Trade Law from an Islamic Economic Perspective

The results of the partial t-test indicate that the protectionist policy variable does not significantly influence the level of compliance of countries with international trade law. This is indicated by a probability value of 0.8738, which is greater than the 0.05 significance level. Therefore, the hypothesis stating that protectionist policies affect the level of compliance of countries cannot be accepted. This finding indicates that protectionist policies implemented to protect domestic industries do not directly affect a country's compliance with international trade regulations. In practice, protectionist policies are implemented through the implementation of import tariffs, trade quotas, and various other trade barriers to maintain national economic stability and protect domestic industries from global competition.

The results of this study align with the research of Wang et al, which explains that protectionist policies are implemented by countries in an effort to maintain economic stability and protect domestic industries amidst global trade uncertainty (Wang et al, 2022). This research shows that protectionist policies do not always lead countries to ignore international trade regulations but rather represent a form of economic policy adjustment in response to global trade pressures. Theoretically, the results of this study align with List Infant Industry Theory, which explains that protection of domestic industries is necessary to increase the capacity and competitiveness of the national economy in the long term. Therefore, protectionist policies are not always in conflict with compliance with international trade but can be part of an economic development strategy if they are implemented in accordance with applicable international trade regulations (List, 1841).

From an Islamic economic perspective, protectionist policies can be linked to the principle of public welfare/ *al-maṣlaḥah al-ammah*, which is the state's effort to maintain public welfare and domestic economic stability. Furthermore, the principle of justice/ *al-adl* emphasizes that economic policies must be implemented fairly and without causing harm to others. Islam also teaches the importance of maintaining commitments and agreements/ *wafa bi al-ahd* in economic relations between countries. Therefore, protectionist policies can remain in line with the principle of compliance in international trade if they are implemented proportionally, non-discriminatory, and maintain balance and fairness in international trade relations.

### The Effect of Trade Wars and Protectionist Policies on the Level of Compliance of OIC Countries with International Trade Law from an Islamic Economic Perspective

The results of this study simultaneously indicate that trade wars and protectionist policies do not significantly influence the level of compliance of Organization of Islamic Cooperation (OIC) member countries with international trade law. This suggests that global trade dynamics and the implementation of protectionist policies do not directly determine a country's level of compliance with international trade rules. Although trade wars increase global economic tensions and protectionist policies are implemented to protect domestic industries, OIC member countries tend to maintain their commitment to international trade rules to maintain economic stability and the sustainability of trade relations between countries.

Furthermore, the relatively low coefficient of determination ($R^2$) indicates that the level of compliance of countries is not solely influenced by economic factors but also by factors beyond the research model, such as institutional quality, political stability,

domestic capacity, and commitment to international cooperation. This situation demonstrates that state compliance with international trade law is a complex phenomenon and is not solely determined by short-term economic pressures. The results of this study align with the Managerial Theory of Compliance proposed by which explains that state compliance with international law is more influenced by institutional capacity, clarity of rules, adaptability, and commitment to international cooperation than by temporary economic pressures. Thus, despite the trade war and increasing global protectionist policies, OIC member countries tend to maintain their commitment to international trade rules as part of an effort to maintain the stability of international trade relations.

From an Islamic economic perspective, compliance with international trade law is related to the principles of respecting agreements/ *wafa bi al-ahd*, justice/ *al-adl*, and the public interest/ *al-maṣlaḥah al-ammah* in trade relations between countries. Islam emphasizes that every agreement that has been agreed upon must be fulfilled as a form of moral and ethical responsibility in muamalah activities. Furthermore, the principle of al-adl emphasizes the importance of maintaining justice and avoiding actions that harm other parties in international trade, while the principle of al-maṣlaḥah al-ammah emphasizes that economic policies must be directed towards creating shared prosperity and stability. Therefore, even though facing global economic pressures, countries are still required to maintain compliance with international trade regulations as a form of moral responsibility in creating fair, stable, and sustainable trade relations.

## D. Conclusion

This study shows that trade wars and protectionist policies have no significant impact on the level of compliance of OIC member states with international trade law, either partially or simultaneously. These findings indicate that changes in global trade conditions do not directly affect a country's commitment to implementing international trade rules. OIC member states tend to maintain compliance with international trade rules despite facing global economic pressures and increasing protectionist policies. The results of this study also indicate that a country's level of compliance is influenced not only by economic factors but also by institutional quality, political stability, domestic capacity, and commitment to international cooperation.

These findings align with the Managerial Theory of Compliance proposed by Chayes and Chayes, which explains that a country's compliance with international law is more influenced by institutional capacity than short-term economic pressures. Furthermore, OIC member states tend to maintain stable international trade relations amidst the ever-evolving dynamics of global trade. From an Islamic economic perspective, compliance with international trade law reflects the values of trust, justice, and responsibility in upholding commitments between countries. Therefore, compliance with international trade rules is not only seen as a legal obligation, but also as a form of moral responsibility in maintaining the stability and welfare of global trade.

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## F. Author Contributions Statement

Radita Safitri conceived and designed the study, conducted the literature review, performed data collection and analysis, and prepared the original draft of the manuscript. Asriani contributed to the development of the theoretical framework, interpretation of findings, and critical revision of the manuscript for important intellectual content. Taufiqur Rahman contributed to the research methodology, validation of the analysis, and comprehensive review and editing of the manuscript. All authors actively participated in discussing the results, approved the final version of the manuscript, and agreed to be accountable for all aspects of the work, ensuring the accuracy, integrity, and scholarly quality of the research.

## G. Conflict of Interest

The authors declare that there are no financial, institutional, professional, or personal relationships that could be perceived as influencing the research process, interpretation of findings, or publication of this article. The study was conducted independently, and the authors affirm that the research outcomes were free from any undue influence, competing interests, or potential sources of bias.

## H. AI Usage Statement

The authors acknowledge the limited use of Artificial Intelligence (AI)-assisted tools during the preparation of this manuscript. AI technologies were utilized solely to support language refinement, grammar checking, and the enhancement of readability and academic writing quality. AI tools did not contribute to the formulation of research questions, conceptual development, methodological design, data collection, data analysis, interpretation of results, or the generation of scientific conclusions. All intellectual contributions, critical evaluations, arguments, and final decisions presented in this article remain entirely the responsibility of the authors. The authors carefully reviewed and verified all AI-assisted outputs to ensure the accuracy, originality, integrity, and compliance of the manuscript with internationally recognized standards of research ethics and scholarly publishing.

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