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ROLE AND FUNCTION OF REGIONAL BLOCS AND ARRANGEMENTS IN THE FORMATION OF THE ISLAMIC COMMON MARKET

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The present study aims to examine the role and function of regional blocs and trade arrangements in the formation of the Islamic Common Market. For this purpose, it provides, first of all, a conceptual background on regional economic groupings. Then, it evaluates the regional economic groupings and trade arrangements formed amongst the member countries of the OIC. Based on this framework, the paper discusses, in detail, the possible role and function of regional economic groupings and trade arrangements in the formation of the Islamic Common Market or any other form of economic integration. At the end, it gives concluding remarks on the topic.

1. INTRODUCTION

In the 1990s, regionalisation efforts increased considerably at the global scale. This new wave of regionalisation was mostly affected by the achievements of the European countries in creating first a common market and then a monetary and economic union amongst themselves.

Since its establishment, the European Union (EU) has grown greatly in terms of its membership, its economic and political influence, and its organisational infrastructure. Starting with only six member states, its membership has now reached fifteen. Furthermore, more countries are waiting at the doorstep of the Union.

On the other hand, the Maastricht Summit (9-10 December 1991) was a very important turning point in the history of the EU. The member countries agreed on the Treaty on the European Union aiming to develop the European Community into an Economic and Monetary Union (EMU) and to introduce a single European currency by 1999 at the latest. The whole process was, of course, much more than a simple implementation

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of the programmed activity. The economies and the economic policies of the member countries had to be converged and co-ordinated.

In accordance with the decisions of the Maastricht Summit, the Single Market, establishing the free movement of goods, services, capital and labour, was completed at the beginning of 1993. Then, on 1st November 1993, the Treaty on the European Union signed at the Maastricht Summit entered into force.

The success story of the EU and the enlargement of the Union towards central and eastern European countries attracted the interest of the third parties. First of all, it was a successful example for achieving higher rates of economic growth and higher shares in the world trade and production. Secondly, the establishment of the Single European Market for goods, services, capital and labour especially caused serious doubts about the intentions of the EU members and worries about the impact of these developments on the world economy in general, and on the individual economies of the non-member countries in particular.

Immediate reaction came from the other giant economies, namely the United States (US) and Japan. Traditionally, the US was aiming to achieve global trade liberalisation through multilateral negotiations. But, in the 1990s, the US changed its negative position against regionalisation and signed the North American Free Trade Agreement (NAFTA) together with Canada and Mexico on 17 December 1992. The Agreement entered into force on 1st January 1994.

Furthermore, the shift in US policy continued with the launching of negotiations for the establishment of the Free Trade Area of the Americas (FTAA) in April 1998 in the Western Hemisphere. The NAFTA members made a commitment to reach an agreement in this regard by the year 2005.

Additionally, the US also turned to the Asia-Pacific region where there was an organisation already established as a forum for regular discussion of regional trade and economic co-operation issues. The Asia-Pacific Economic Co-operation (APEC) was established in Canberra on 7 November 1989. Originally, APEC was envisaged only as a forum with a very loose administrative structure. However, especially after the first meeting of the APEC leaders, held in Seattle, USA in 1993, it has become an active organ for promoting free trade, investments and economic co-operation in the region.

APEC presently comprises 21 members, including countries like the US, Japan, Australia, Canada, Russia, China and Korea. Some OIC countries, namely Brunei, Indonesia and Malaysia are also amongst its members. The APEC countries have a considerable share in the world production and trade. They accounted for 46.8 per cent of the world exports and 48.4 per cent of the world imports in 1997. Furthermore, the region has a population of about 2.5 billion, which accounts for 43 per cent of the world total.

On the other hand, multilateral trade liberalisation efforts at the global level are continuing on a regular basis within the framework of the World Trade Organisation (WTO). In this framework, the most important principle is the idea of non-discrimination. That principle is better known as the most favoured nation (MFN) clause and requires that any trade concession extended to a country must be automatically and immediately applied to all other WTO members. Exceptions to this principle are, first, the case of regional economic groupings (REG) and second the special status of the developing countries.

A distinction should be made between the recent trends of globalisation and liberalisation. Although they are two different phenomena observed in the 1990s, they are being, in general, used interchangeably as if they reflect the same events. However, globalisation is a phenomenon that happened as a result of the technological developments. Thus, the world economy has become more integrated and interdependent than ever before. It is a very important phenomenon because it governs the world economy and the international division of labour, i.e., articulation of all economies to the global economy. However, it is not a goal and it has never been a target or objective. Shortly, it is an outcome of the recent technological boom.

On the other hand, liberalisation is an objective or an aimed policy. It may be a goal at different levels: unilaterally at a single country, bilaterally between two countries, or multilaterally at the regional or global levels. Actually, regionalisation means liberalisation of economic activities in various fields such as trade, investment, etc., amongst the participating countries at the regional level. Furthermore, the multilateral trade talks conducted under the auspices of the WTO aim to liberalise trade of goods, services, etc., on a world scale.

In today's world, while multilateral trade liberalisation goes on within the WTO framework, regionalisation is also gaining momentum as an indispensable form of increasing trade amongst the countries, developed or developing. These are not conflicting or mutually exclusive phenomena. In the recent years, particularly the developed countries further intensified their regionalisation efforts in parallel to their involvement in multilateral trade negotiations. Especially the change in US policy is quite interesting. Although the US was previously against the idea of regionalisation, now it has become a member in both of the huge regional economic blocs, namely NAFTA and APEC. It is not satisfied with being a member in only one of them. Of course, in this way, it aims to secure its access to these regional markets in order to protect its economic and commercial interests.

Within this framework, the present study aims to examine the role and function of regional blocs and trade arrangements in the formation of the Islamic Common Market. After this introductory section, it provides a conceptual background for regional economic groupings. In the third section, it evaluates the regional economic groupings and trade arrangements formed amongst the member countries of the OIC. Then, the paper discusses the role and function of regional economic groupings and trade arrangements in the formation of the Islamic Common Market or any other form of economic integration. At the end, it gives concluding remarks on the topic.

2. CONCEPTUAL BACKGROUND FOR REGIONAL ECONOMIC GROUPINGS

Regional economic integration basically relies on the idea of creating a larger economic unit from smaller national economies. For this purpose, it removes trade barriers and establishes closer commercial, monetary, financial and economic co-ordination and co-operation amongst the countries involved. By doing so, regional economic groupings aim to accelerate economic growth and development of the participating countries.

When two or more countries come together to form a regional integration, two types of effect may arise. The first is the **trade creating**

effect, which will induce economic activity in the region and give an impetus to income creation. The second will be the **trade diversion effect**, meaning a resulting shift in the direction of trade activities in favour of the member countries and against the non-members. This actually implies disadvantages and losses on the part of the non-member countries. For this reason, the formation of a trade bloc is a very important issue not only for the signatory countries but also for the non-member countries.

Formation of a regional integration will, first of all, create **broader markets.** In other words, it enlarges the volume of demand for commodities produced in the region. As a result, when any investment decision is to be taken, entrepreneurs will consider the whole region and invest in large-scale production units.

This fact will have two effects. First, it may increase efficiency and competitiveness through making use of the advantages of **economies of scale** in production of goods already being produced in the region. In this way, it provides an intermediary stage for regional companies and industries to prepare themselves for tougher competitive conditions prevailing at the global market. Secondly, it may also make possible the **production of new commodities** within the region. These will bring about more income creation within the region.

Participating countries in a regional integration scheme also benefit from **regional specialisation** and **'learning by doing'**. Furthermore, the creation of a larger economic entity or a regional market attracts **foreign investment**.

In general, implementation of austere measures and **domestic policy reforms** to streamline the economies may cause social and political unrest and may be problematic. However, when these structural reforms are made within the framework of forming a regional economic grouping or for the purpose of harmonising commercial and economic policies, people may tolerate them better. Furthermore, integration schemes enhance the credibility and sustainability of economic reforms since they are designed to attain common objectives for the benefit of the region.

On the other hand, once an integration is realised in a region, the **opportunity cost of remaining outside** this scheme becomes higher for the neighbouring countries because of the benefits summarised above and concentrated relations amongst the participating countries. Furthermore, regional integration also contributes to the promotion of **regional stability**, **solidarity and security**.

In summary, due to the expansion of the market, trade and income creation will result in increased exports, increased trade exchanges, more investment, more output, higher rate of employment, new business opportunities, and new goods produced in the region. Foreign trade structure and production possibilities will change. Expanded exports will improve the balance of payments and that, in turn, will decrease the debt burden on the economies. A greater market may induce foreign investment from third parties. Structural changes will improve the quality and quantity of the products in the region. Specialisation and better division of labour would increase production, productivity and economic growth. Larger markets for commodities and factors of production will give an impetus to technological changes. The overall benefits will be reflected as increased output, income and welfare of the people.

2.1. Forms of Regional Economic Groupings

Depending upon the level of integration, regional economic groupings may be classified into six major groups as follows:

1. Preferential trade areas;
2. Free trade areas;
3. Customs unions;
4. Common markets;
5. Monetary unions;
6. Economic unions.

A **preferential trade area** is the weakest form of economic groupings. Member countries reduce customs tariffs in some product categories. They apply a preferential treatment to some groups of goods from the member countries as compared to the rest of the world. Higher tariffs would remain in place for all remaining product categories.

In **free trade areas**, participants aim mainly to expand trade activities among themselves. For this purpose, they eliminate customs tariffs on the products they produce themselves. However, they maintain their own external tariff on imports from third parties. For this reason, free trade areas are criticised on the ground that import products from third countries may penetrate into the grouping through the customs of the Member State with the lowest tariff and may then be re-exported to the other participants. In order to prevent such trade, free trade areas generally develop very elaborate rules of origin.

A **customs union**, on the other hand, is a higher form of free trade areas, and eliminates the deficiency mentioned above. In a customs union, the participants not only agree to abolish or reduce tariffs between themselves, they also set a common external tariff policy against third parties. In this manner, member countries secure the free or privileged flow of tradable goods amongst themselves on the one hand, and form a discriminatory trade bloc against non-member countries on the other. In this case, the main concern becomes the co-ordination of the trade policies amongst the member countries instead of developing elaborate rules of origin.

A **common market** allows a free flow of not only goods but also services and factors of production such as capital, labour, entrepreneurship, etc., across countries. It also establishes a common external tariff policy against third parties. However, such a scheme necessitates the co-ordination of commercial and industrial policies. Citizens of a common market can work and invest in any member country without any restriction.

A **monetary union** establishes a central monetary authority which will determine monetary policies for all the participating countries. That authority issues a common currency to be circulated among the member countries. The EU members have concentrated their efforts on reaching that stage of integration. In this context, they introduced the single European currency (the Euro) on 1st January 1999. At this stage, the Euro is being used as a unit of account in bank operations. The Euro notes and coins will be circulated together with the national currencies starting from 1st January 2002. The Euro will completely replace the national currencies after 1st July 2002.

In an **economic union**, the participants will maintain free trade in goods and services, set common external tariffs among members, allow the free mobility of capital and labour. Additionally, they also agree to harmonise their national economic policies and act as a single economic unit. The European Union (EU) is a very good example of such an integration scheme. In the EU, integration efforts extended even to the harmonisation of social policies.

3. REGIONAL ECONOMIC GROUPINGS AND TRADE ARRANGEMENTS AMONG ISLAMIC COUNTRIES

In this section, the regional economic groupings of the OIC countries will be evaluated very briefly. First of all, multiple membership is a common practice amongst the OIC members.

Now, we will make a distinction between the major regional integration schemes comprising only the OIC countries, and other groupings composed of other developing countries and the OIC countries as well. In the former group, we can refer to four regional groupings: the Arab Maghreb Union (AMU), the Council of Arab Economic Unity (CAEU), the Gulf Co-operation Council (GCC), and the Economic Co-operation Organisation (ECO).

The latter group includes regional integration schemes in Africa such as the African Economic Community (AEC), the Central African Customs and Economic Union (UDEAC), the Common Market for Eastern and Southern Africa (COMESA), the Cross-Border Initiative (CBI), the Economic Community of Central African States (ECCAS), the Economic Community of West African States (ECOWAS), the Indian Ocean Commission (IOC), the Mano River Union (MRU), and the West African Economic and Monetary Union (WAEMU). The second group also includes similar formations in Euro-Asia like the Association of South East Asian Nations (ASEAN), the Black Sea Economic Co-operation (BSEC), the Commonwealth of Independent States (CIS), the East Asian Economic Caucus (EAEC), and the South Asian Association for Regional Co-operation (SAARC). The participating countries in these groupings are listed in Annex 1.

3.1. Major Regional Integration Schemes Comprising Only the OIC Countries

Some regional integration schemes in this group, namely the Arab Maghreb Union (AMU), the Council of Arab Economic Unity (CAEU), and the Gulf Co-operation Council (GCC) aim to establish customs unions at the first stage and to establish a common market amongst the member countries later on (Table 1). The ECO, on the other hand, is a preferential trade arrangement in which the participating countries apply a preferential treatment to some selected products from the member countries.

Table 1
Major Regional Integration Schemes Comprising Only the OIC Countries

Name of the organisation	Number of members	Form of regional integration
Arab Maghreb Union (AMU)	5	Stage 1: Customs union. Stage 2: Common market.
Council of Arab Economic Unity (CAEU)	12	Stage 1: Customs union Stage 2: Common market.
Gulf Co-operation Council (GCC)	6	Stage 1: Customs union. Stage 2: Common market.
Economic Co-operation Organisation (ECO)	10	Preferential trade area.

In the case of the Arab Maghreb Union, the common market is called the Maghreb Economic Space in which the free movement of citizens, goods, services and energy products within the region is foreseen. The AMU aims, at the outset, to strengthen economic and cultural relations, ensure regional stability and increase trade exchanges amongst the countries in the region. On the other hand, the Governors of the Central Banks of the AMU signed a multilateral payments agreement to facilitate inter-bank operations within the region. The agreement sets unified modalities of payments between the central banks and provides for monthly settlement of balances between the countries without interest. The AMU allows bilateral arrangements between the participating countries. It also provides for the possibility for other Arab and African countries to join the Union at a later stage.

In the case of the Council of Arab Economic Unity, the ultimate aim is to establish an Arab Common Market in stages. It first aims to establish a customs union. All restrictions on trade between the member countries, including quotas and the restrictions on residence, employment and transport, are to be abolished. The CAEU provides a flexible framework for economic co-operation.

The Gulf Co-operation Council also aims to establish ultimately a common market amongst its members by realising free movement of goods, services and factors of production. In order to achieve this objective, the GCC tries to formulate and consolidate similar regulations in various fields including, inter alia, economic and financial affairs, agriculture, industry, commerce, customs and communications, education and culture, social and health affairs, information and tourism, and legislative and administrative affairs. It further aims to secure stability in the region through economic and political co-operation and co-ordination of commercial, monetary, financial, and economic policies.

On the other hand, the ECO aims to take measures towards progressive removal of barriers within the region and expansion of intra- and inter-regional trade. In this sense, it does not aim to set up a conventional integration form like a free trade area, a customs union, a common market or a monetary and economic union. Rather, it is a preferential trade area in which member countries try to reduce customs tariffs and similar barriers in some product categories.

3.2. Major Regional Integration Schemes of OIC Member Countries with Other Countries

In this group, we have studied 9 integration groupings amongst the African OIC countries and 5 others amongst the OIC members in the Euro-Asian region (Table 2). Actually, the African OIC countries are very active in establishing and developing regional economic groupings. Furthermore, the regional integration schemes of the African OIC members, in general, aim to attain higher forms of regional integration, like common markets or economic and monetary unions. For example, the African Economic Community (AEC), the Central African Customs and Economic Union (UDEAC), the Common Market for Eastern and Southern Africa (COMESA), the Economic Community of Central African States (ECCAS), the Economic Community of West African States (ECOWAS) and the West African Economic and Monetary Union (WAEMU) are designed to establish such higher integration schemes.

Table 2
Major Regional Integration Schemes of OIC Member Countries with Other Countries

In Africa			
Name of the organisation	**Number of members**	**Number of OIC members**	**Form of regional integration**
African Economic Community (AEC)	52	25	Stage 1: Free trade area. Stage 2: Customs union. Stage 3: Common market. Stage 4: Economic and monetary union.
Central African Customs and Economic Union (UDEAC)	6	3	Stage 1: Customs union. Stage 2: Common market. Stage 3: Economic and monetary union.
Common Market for Eastern and Southern Africa (COMESA)	21	5	Stage 1: Customs union. Stage 2: Common market. Stage 3: Monetary union.
Cross-Border Initiative (CBI)	14	2	Free trade area.
Economic Community of Central African States (ECCAS)	11	3	Stage 1: Customs union. Stage 2: Common market.
Economic Community of West African States (ECOWAS)	15	12	Stage 1: Common market. Stage 2: Monetary union.
Indian Ocean Commission (IOC)	5	1	Preferential trade area.
Mano River Union (MRU)	3	2	Customs union.
West African Economic and Monetary Union (WAEMU)	7	6	Stage 1: Common market. Stage 2: Economic and monetary union.

In the case of the Mano River Union (MRU), the main objective is to set up a customs union amongst participants. The Indian Ocean Commission (IOC) aims to establish just a preferential trade area, and the Cross-Border Initiative (CBI) a free trade area (Table 2).

In Euro-Asia, the number of regional economic groupings of the OIC countries and others is less compared to the African OIC members. Furthermore, these groupings do not intend to establish higher forms of regional economic integration. Amongst them, the ASEAN and the Commonwealth of Independent States (CIS) aim to enhance economic integration up to the level of a customs union. The rest is either a preferential trade area or only a simple regional co-operation agreement.

In Euro-Asia			
Association of South East Asian Nations (ASEAN)	7	3	Stage 1: Free trade area. Stage 2: Customs union.
Black Sea Economic Co-operation (BSEC)	11	3	Preferential trade area.
Commonwealth of Independent States (CIS)	12	6	Stage 1: Free trade area. Stage 2: Customs union.
East Asian Economic Caucus (EAEC)	10	3	Regional co-operation.
South Asian Association for Regional Co-operation (SAARC)	7	3	Preferential trade area.

4. ROLE AND FUNCTION OF REGIONAL ECONOMIC GROUPINGS IN THE FORMATION OF THE ISLAMIC COMMON MARKET

The Organisation of the Islamic Conference (OIC) had initially started as a political forum. It was founded in September 1969 when the Heads of State and Government of Islamic Countries assembled in Rabat, Kingdom of Morocco, to condemn the act of arson in the Holy Al-Aqsa Mosque. However, it was subsequently realised that effective political action should be based upon improved economic co-operation amongst the member countries. In fact, the Charter of the OIC, approved by the Third Islamic Conference of Foreign Ministers in February 1972, set, inter alia, its objective as “to consolidate co-operation among member states in the economic, social, cultural, scientific and other vital fields of activity, and to carry out consultations among member states in international organisations”.

In this manner, the OIC created the necessary basic environment to consolidate co-operation among member states in various fields including economic issues. As a result, economic co-operation activities have become major agenda items of the OIC fora. In this regard, various decisions have been taken to strengthen economic and commercial co-operation amongst member countries. Many activities were carried out within the framework of these decisions. A basic institutional structure was created to provide technical support in order to contribute to the co-operation activities in various fields. All these efforts and achievements within the framework of the OIC may be evaluated in a separate study. However, without going into details, we will try to summarise the most important developments and achievements in the field of economic co-operation in a chronological order as follows:

- In December 1973, the First Conference of Finance Ministers of the OIC issued the Declaration of Intent to establish the **Islamic Development Bank** (IDB) to foster the economic development and social progress of member countries.

- In August 1974, the Second Conference of Finance Ministers of the OIC approved and adopted the **Articles of Agreement of IDB**. The Agreement became operational in April 1975.

- In May 1977, the Eighth Islamic Conference of Foreign Ministers (ICFM) approved the **General Agreement on Economic, Technical and Commercial Co-operation**. The Agreement aims to encourage capital transfers and investment, exchange of data, experience, technical and technological skills among the member countries. The Agreement came into force in April 1981.

- In January 1981, the Third Islamic Summit approved the ten-sector OIC **Plan of Action to Strengthen Economic Co-operation** among Member States which included Food and Agriculture, Trade, Industry, Transport, Communication and Tourism, Financial and Monetary Questions, Energy, Science and Technology, Manpower and Social Affairs, Population and Health, and Technical Co-operation.

- The Third Islamic Summit also decided to establish three **Standing Committees** in the areas of Economic and Trade Co-operation, Scientific and Technological Co-operation, and Information and Cultural Affairs.

- In June 1981, the Twelfth ICFM adopted the **Agreement for Promotion, Protection and Guarantee of Investments**. The Agreement sets the basic principles for the promotion of capital transfers among Member States of the OIC and protects investments against commercial risks while guaranteeing the transfer of capital abroad. The Agreement entered into force in February 1988.

- In January 1984, the Fourth Islamic Summit accorded a higher priority to the following **six sectors**: Agricultural Development and Food Security, Industry, Science and Technology, Trade, Transport and Communications and Energy.

- In November 1984, the First Session of the Standing Committee for Economic and Commercial Co-operation (COMCEC) of the OIC adopted the **Implementation of the Short Term Programme for the Promotion of Trade among OIC Member States**.

- The First COMCEC also approved the proposals to establish multilateral financial schemes in order to promote intra-OIC trade among the member states:

  - The first project out of three, **Longer Term Trade Financing Scheme** better known as **Export Financing Scheme** (EFS) became operational in 1988 under the IDB. It aims to promote intra-OIC trade of non-conventional goods.

  - The second one, **Islamic Corporation for the Insurance of Investment and Export Credit** (ICIEC) became operational in October 1991 within the framework of the IDB Group.

  - The third one, the **Agreement on the Multilateral Islamic Clearing Union**, was prepared by the IDB and approved at the Seventh Session of the COMCEC in October 1991. The Eighth COMCEC Session invited the OIC Member Countries to consider working out clearing arrangements among themselves. Yet, these arrangements should be flexible in their coverage of goods and their membership should be on a voluntary basis. Furthermore, given the differences in economic and trading systems, as well as in monetary rules and regulations among Member States, clearing arrangements should be concluded between sub-groups of Member States wishing to participate, keeping the establishment of a comprehensive multilateral Islamic Clearing Union as an ultimate objective.

- In October 1990, the Sixth Session of the COMCEC adopted the **Framework Agreement for the Establishment of a Trade Preferential System** among the Member States of OIC (TPSOIC), and its Annex on the Rules of Origin. The Framework Agreement, establishing a Trade Preferential System, was signed by twenty-two OIC countries and ratified by seven of them. It needs to be ratified by 10 member countries in order to be enforced.

- In December 1994, the Seventh Islamic Summit endorsed the **Strategy and the Plan of Action to Strengthen Economic and Commercial Co-operation** among Member States of the OIC adopted at the Tenth Session of the COMCEC. The latter determined the sectoral objectives and programmes of action in the fields of Food, Agriculture and Rural Development, Industry, Energy and Mining, Foreign Trade, Transport and Communications, Tourism, Money, Banking and Capital Flows, Technology and Technical Co-operation, Human Resources Development, and Environment.

- In December 1997, the Eighth Session of the Islamic Summit Conference adopted a resolution on the **Islamic Common Market** emphasising, inter alia, the importance of implementation of the Strategy and Plan of Action to Strengthen Economic and Commercial Co-operation and various agreements concluded within the framework of the OIC.

- The Eighth Islamic Summit also invited Member States to formulate concrete proposals for co-operation and co-ordination in setting up centres of excellence in areas which they are able to unfold potentials for expansion to trade and investment among themselves to develop co-operation in various necessary areas which could facilitate the realisation of an **Islamic Common Market** among Member States.

The above list of activities carried out under the OIC umbrella shows that since its inception, OIC member countries have already created a basic legal and institutional environment amongst themselves. However, the present stage reached in the process of economic and commercial co-operation has not yet produced its tangible results measured for example in terms of intra-OIC trade. In other words, against the basic intention of establishing a more integrated OIC community, the level of intra-OIC trade is still very far from being satisfactory (around 10 per cent of the total trade of the member countries).

In order to improve this situation, the Eighth Islamic Summit Conference, held in Tehran in December 1997, asked the IDB to formulate and develop qualitative and quantitative objectives as well as the means to increase intra-OIC trade. Presently, the IDB is implementing a project aimed to increase the intra-OIC trade from 10 per cent to 13 per cent of the total OIC trade over three years starting from 1999 (1420H). Actually, this one-per cent annual increase is equal to around US$ 4 billion of additional intra-OIC trade.

This initiative clearly shows that the OIC member countries are not satisfied with the present level of economic and commercial activities amongst themselves. Actually, the *Strategy and Plan of Action to Strengthen Economic and Commercial Co-operation* among the Member States of the OIC clearly put forward the objective of "promoting and expanding economic co-operation among the member countries in such a way as to realise a gradual integration of the economies of the OIC countries with a view to setting up an **Islamic Common Market** or **any other form of economic integration**, on a step-by-step and initially regional basis. This approach would not only help overcome the possible negative impacts on the OIC countries of the accelerating pace in the formation of global economic groupings, but also support the aspirations of the OIC community for a larger share in world economic activity and a more equitable division of labour vis-à-vis the rest of World." (OIC, 1997, p.2).

4.1. A Programme for Gradual Integration of the OIC Economies

Although the OIC member countries have created a basic legal, organisational and institutional environment to increase co-operation and co-ordination amongst themselves, they have not yet established any form of regional integration. As it was mentioned earlier, the OIC countries have concluded some agreements such as the *General Agreement on Economic, Technical and Commercial Co-operation,* the *Agreement for Promotion, Protection and Guarantee of Investments* and the *Framework Agreement for the Establishment of a Trade Preferential System*. But, none of these aimed to establish a formal integration modality such as a free trade area, a customs union or a common market.

In fact, it may not be very realistic to try to bring together 56 OIC member countries, dispersed over four continents from Latin America to Africa, Europe and Asia, in a single inter-regional integration form. Their combined population is well above 1.2 billion. The OIC group includes countries like Indonesia with a population of 208.3 million and Bangladesh, Pakistan and Nigeria with more than 100 million people each and like Maldives with only 280,000 people in 1999 (Table A.1 in Annex 2). The magnitude of their economies is also very heterogeneous varying from US$ 191 billion in the case of Turkey to only US$ 193 million in the case of Comoros in 1999 (Table A.2 in Annex 2). The combined share of major five countries (Turkey, Indonesia, Saudi Arabia, Iran and Egypt) is equal to 52.3 per cent of the total OIC income. The OIC community includes 21 least developed countries as designated by the United Nations[1]. The major economic activity is agriculture in nine OIC countries, industry in 13 and services in 30 countries out of 52 for which data is available (Table A.3 in Annex 2).

Furthermore, production structures of almost all OIC countries with a few exceptions are not diversified and their domestic production and exports depend upon a limited variety of primary commodities. In the case of the Least Developed OIC countries, exportable products are only a few.

When one considers the above-summarised overall picture of the OIC community, the approach of the *Strategy and Plan of Action to Strengthen Economic and Commercial Co-operation* can be better understood. First of all, its basic objective is to promote and expand economic co-operation among the member countries. Secondly, it aims

[1] Afghanistan, Bangladesh, Benin, Burkina Faso, Chad, Comoros, Djibouti, Gambia, Guinea, Guinea-Bissau, Maldives, Mali, Mauritania, Mozambique, Niger, Sierra Leone, Somalia, Sudan, Togo, Uganda and Yemen.

to realise a gradual integration of the economies of the OIC countries with a view to setting up an **Islamic Common Market** or **any other form of economic integration**, on a step-by-step and initially regional basis. According to this document, integration amongst the OIC countries will be realised 'gradually', 'step-by-step' and 'on a regional basis'.

Furthermore, the *Strategy* part of the document states that the OIC economic co-operation will:

a. "benefit from the *experience of regional and inter-regional co-operation* involving the OIC member countries…;

b. aim at facilitating the diversification of trade and production of goods and services in member countries, through *an enhanced role by the private sector* and *more efficient and rational operation of public enterprises*…;

c. be based on *a realistic and gradual approach, taking into account the existing programmes and projects* within OIC and in member countries…;

d. aim at augmenting and diversifying industrial production, especially through *joint venture projects by giving priority to private sector projects*…;

e. aim at promoting, expanding and creating trade among the member countries through appropriate action that would be conducive to the realisation of greater *integration in stages and over time, taking into account the existing OIC schemes and programmes*…;

f. aim at encouraging member countries to focus on development of infrastructure by benefiting from the services of international and regional financial institutions, which will lead to a more integrated infrastructure among OIC Member Countries…".

This approach obviously aims to establish OIC integration, an **Islamic Common Market or any other form of economic integration**, through existing regional and inter-regional co-operation.

In this connection, a **core forum** will be established amongst regional integration schemes like the Arab Maghreb Union (AMU), the Council of Arab Economic Unity (CAEU), the Gulf Co-operation Council (GCC), and the Economic Co-operation Organisation (ECO) which comprise only the OIC countries as their members. The AMU has 5 members, CAEU 12, GCC 6 and ECO 10 members (Table 1). All together, these four schemes include 29 OIC member countries, excluding multiple memberships. Later on, this forum will be enlarged in order to include other regional economic groupings of OIC member countries with other developing countries.

The idea of establishing the **core forum** is quite realistic. First of all, these groupings mentioned above include only the OIC countries. Their members are quite familiar with the on-going economic co-operation activities within the framework of the OIC. Furthermore, some of these regional groupings have already observer status at various OIC fora.

There are also close similarities between the aims and objectives of these groupings. Three of them, namely the Arab Maghreb Union, the Council of Arab Economic Unity, and the Gulf Co-operation Council aim to establish common markets amongst their member countries. The ECO is a rather loose integration scheme, but it also aims to expand mutual trade, remove barriers within the ECO region, and accelerate development of transport and communications infrastructures linking the Member States with each other and with the outside world.

The **core forum,** at the beginning, should emphasise commercial and economic co-operation more in terms of project-oriented arrangements rather than focusing on more structured and conventional integration schemes like free trade areas, customs unions or common markets. The participants may regularly discuss regional trade issues, problems of sub-regional economic co-operation schemes, investment opportunities and remedies for encouraging the flow of goods, services, capital and labour amongst themselves. In this way, they may enhance consultation and co-operation amongst themselves. In this connection, a framework agreement for establishing such a forum amongst the participating regional integration schemes must be concluded.

At this stage, the priority should be assigned to those profitable joint investment projects amongst the OIC countries which would produce tangible results within the short and medium terms. Accomplishment of these joint venture projects will significantly increase the Forum's credibility and reliability for its future efforts for trade liberalisation. Additionally, importance will be given to the development of transport and communications infrastructures linking the OIC member countries with each other. The forum may develop a set of criteria for selection of joint investment projects. The IDB and other regional financial institutions may be invited to help finance these projects. These projects or arrangements should be allowed to be negotiated amongst the interested partners.

The Forum should also invite eminent businessmen and private sector organisations from the OIC member countries to take part in the identification of investment opportunities and projects in the member states. Business communities should directly participate even at the expert group meetings, ad-hoc working groups, specialised committees and the like to be formed under the umbrella of the Forum.

At the second stage, the Forum should deepen and broaden the integration process among its sub-regional integration schemes through the adoption of more comprehensive trade liberalisation measures like elimination of tariff and non-tariff barriers in order to establish a Free Trade Area, liberalisation of the investment activities throughout the region without any restriction, harmonisation of the customs procedures and documents, etc. At this stage, binding agreements will be developed and concluded amongst the participating countries with their built-in mechanisms for settlement of the disputes that are likely to occur. These agreements may set out many specific actions that the participating countries should take to open their markets and reduce the cost of doing business. In this respect, some sectors will be identified for early trade facilitation and liberalisation.

At a later stage, the Forum should aim to co-ordinate the basic commercial, monetary, financial and economic projects, programmes and policies of the sub-regional integration schemes of the OIC countries and to increase economic co-operation between these groupings with the ultimate objective of establishing an Islamic Common Market or any other form of economic integration. At this stage, a common external tariff policy will be set against third parties. Effective discriminatory trade policies will be adopted.

At the later stages, it may further aim to secure free movement of capital, labour, and other factors of production through the elimination of control over the movement of goods and individuals. It may harmonise tax laws, including value added tax and excise duties, etc., and conditions regarding industrial co-operation, particularly on company laws, intellectual property rights and investment laws in order to create a more favourable investment climate for the entire OIC region.

Since the OIC comprises members from a wide range of social and economic development levels, the different stages of economic development and priorities of member countries are to be recognised and respected in developing collective and individual commitments at all these stages.

5. CONCLUSION

At the first section of the present paper, we reviewed the developments within the framework of regionalisation efforts of the major developed countries. We also pointed out the shift in the policy position of the US towards regional integration, showing that it has become a member of huge trade blocs such as NAFTA and APEC. The *OIC Strategy and Plan of Action* also put an emphasis on the accelerating pace in the formation of global economic groupings and its possible negative impacts on the OIC countries.

Technological advances due to intensified research and development activities, which take place in developed countries, have substantially reduced the cost of the products, services and transactions. Even the production in conventional industries has become an international process, mainly controlled by multinational corporations (MNC). Assembly lines of the goods are started in one country, continued in another and ended in yet another. People involved in these processes never even see the end products or understand what these products are for.

Furthermore, rapid advances in computer and communications technologies are erasing the limitations of time, distance and borders. Electronic commerce through the Internet is creating a borderless economy; particularly in key services sectors such as banking, finance and telecommunications. The Internet use and electronic commerce through it are rapidly increasing: “Respected sources such as Forrester Research expect worldwide electronic commerce revenues to surpass $300 billion by 2002 and accelerate to $1.3 trillion in 2003. Currently an overwhelming share (close to 85%) of electronic commerce is concentrated in the United States, but diffusion into Europe and Asia, followed by Latin America and Africa will be rapid.” (Mann, 2000, p.5). The dimensions of the worldwide electronic commerce revenues may be visualised better if we consider that the amount of total trade of the OIC countries was around US$ 377 billion in 1997.

Obviously, regional integration increases the efficiency and competitiveness of companies and industries in the region. Additionally, by doing so, it prepares and strengthens these firms and industries for a tougher competition at the international level. When one also adds to this picture the efforts to liberalise world trade in goods, services, investment, etc., within the framework of the WTO through multilateral trade talks, the situation becomes much more critical and alarming.

Although liberalisation of world trade within the framework of the WTO and accelerating pace of regionalisation efforts amongst the developed countries seem to be conflicting developments, both of them serve to support the industries of the developed countries by forcing them to improve their competitiveness. The impetus to improve competitiveness through finding ways and means to lower the cost of production of goods and services results in increasing the research and development activities and new technological advances.

In such a regionally divided global economy amongst the major economic powers such as the US, the EU, and Japan, OIC countries must also follow suit. While they take part in multilateral trade talks within the framework of the WTO, they should also intensify their efforts to strengthen economic and commercial co-operation among themselves for the realisation of the ultimate objective of establishing an Islamic Common Market.

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ANNEX 1

REGIONAL ECONOMIC GROUPINGS OF THE OIC COUNTRIES

Major Regional Integration Schemes Comprising Only the OIC Countries

Arab Maghreb Union (AMU)	Algeria, Libyan A. J., Mauritania, Morocco and Tunisia.
Council of Arab Economic Unity (CAEU)	Egypt, Iraq, Jordan, Kuwait, Libyan A. J., Mauritania, Palestine, Somalia, Sudan, Syria, the U.A.E., and Yemen.
Gulf Co-operation Council (GCC)	Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates.
Economic Co-operation Organisation (ECO)	Afghanistan, Azerbaijan, Iran, Kazakhstan, the Kyrgyz Republic, Pakistan, Tajikistan, Turkey, Turkmenistan, and Uzbekistan.

Major Regional Integration Schemes of OIC Member Countries with Other Countries

In Africa	
African Economic Community (AEC)	**Algeria**, Angola, **Benin**, Botswana, **Burkina Faso**, Burundi, **Cameroon**, Cape Verde, Central Africa Republic, **Chad**, **Comoros**, Congo, Cote d'Ivoire, **Djibouti**, **Egypt**, Equatorial Guinea, Eritrea, Ethiopia, **Gabon**, **Gambia**, Ghana, **Guinea**, **Guinea-Bissau**, Kenya, Lesotho, Liberia, **Libya**, Madagascar, Malawi, **Mali**, **Mauritania**, Mauritius, **Mozambique**, Namibia, **Niger**, **Nigeria**, Rwanda, Sao Tome and Principe, **Senegal**, Seychelles, **Sierra Leone**, **Somalia**, South Africa, **Sudan**, Swaziland, **Togo**, **Tunisia**, **Uganda**, Tanzania, Zaire, Zambia, Zimbabwe.
Central African Customs and Economic Union (UDEAC)	**Cameroon**, Central African Republic, **Chad**, Congo, Equatorial Guinea, and **Gabon.**

Common Market for Eastern and Southern Africa (COMESA)	Angola, Burundi, **Comoros**, **Djibouti,** Eritrea, Ethiopia, Kenya, Lesotho, Madagascar, Malawi, Mauritius, **Mozambique**, Namibia, Rwanda, **Sudan**, Swaziland, Tanzania, **Uganda**, Zaire, Zambia, and Zimbabwe.
Cross-Border Initiative (CBI)	Burundi, **Comoros**, Kenya, Madagascar, Malawi, Mauritius, Namibia, Rwanda, Seychelles, Swaziland, Tanzania, **Uganda**, Zambia, and Zimbabwe.
Economic Community of Central African States (ECCAS)	Angola, Burundi, **Cameroon**, Central African Republic, **Chad**, Congo, Equatorial Guinea, **Gabon**, Rwanda, Sao Tome and Principe, and Zaire.
Economic Community of West African States (ECOWAS)	**Benin, Burkina Faso**, **Gambia**, Ghana, **Guinea, Guinea-Bissau**, Ivory Coast, Liberia, **Mali, Mauritania, Niger, Nigeria, Senegal, Sierra Leone**, and **Togo**.
Indian Ocean Commission (IOC)	**Comoros,** France, Madagascar, Mauritius, and Seychelles.
Mano River Union (MRU)	**Guinea,** Liberia, and **Sierra Leone.**
West African Economic and Monetary Union (WAEMU)	**Benin**, **Burkina Faso**, Ivory Coast, **Mali**, **Niger**, **Senegal**, and **Togo.**
In Euro-Asia	
Association of South East Asian Nations (ASEAN)	**Brunei Darussalam, Indonesia, Malaysia,** Philippines, Singapore, Thailand, and Vietnam.
Black Sea Economic Co-operation (BSEC)	**Albania**, Armenia, **Azerbaijan**, Bulgaria, Georgia, Greece, Moldova, Romania, Russian Federation, **Turkey**, and Ukraine.
Commonwealth of Independent States (CIS)	Armenia, **Azerbaijan**, Belarus, Georgia, **Kazakhstan**, **the Kyrgyz Republic**, Moldova, Russian Federation, **Tajikistan**, **Turkmenistan**, Ukraine, and **Uzbekistan.**
East Asian Economic Caucus (EAEC)	**Brunei Darussalam**, China (inc. Hong Kong), **Indonesia**, Japan, Republic of Korea, **Malaysia**, Philippines, Singapore, Taiwan, and Thailand.
South Asian Association for Regional Co-operation (SAARC)	**Bangladesh**, Bhutan, India, **Maldives**, Nepal, **Pakistan**, and Sri Lanka.

Note: OIC Countries are in bold.

ANNEX 2

Table A.1. Total Population (In millions)

	1995	1996	1997	1998	1999
Indonesia	194.73	196.83	199.95	204.24	208.28
Bangladesh	118.51	120.40	122.24	124.45	134.49
Pakistan	128.23	132.10	135.85	128.49	132.17
Nigeria	111.10	114.61	117.72	121.32	124.66
Turkey	62.13	62.98	64.07	65.05	66.11
Iran	71.29	63.76	63.29	64.27	65.28
Egypt	58.91	60.28	61.67	62.87	64.07
Morocco	26.93	27.41	27.86	28.36	28.86
Sudan	25.17	25.69	26.29	26.84	27.35
Algeria	28.42	28.92	30.49	30.51	27.08
Uzbekistan	22.40	22.82	23.38	23.87	24.26
Iraq(*)	20.09	20.61	21.18	21.80	22.50
Uganda	19.77	20.43	21.00	21.61	22.19
Afghanistan(*)	19.66	20.88	20.89	21.60	21.87
Malaysia	19.98	20.42	20.86	21.25	21.67
Saudi Arabia	18.42	19.01	19.67	20.38	21.10
Yemen	17.77	18.39	19.03	19.75	20.45
Mozambique	15.84	16.19	16.53	16.93	17.28
Kazakhstan	16.48	16.32	17.26	17.20	17.15
Syria	14.24	14.67	15.01	15.39	15.79
Cameroon	13.34	13.72	14.11	14.51	14.91
Burkina Faso	10.75	11.03	11.31	11.60	11.97
Mali	9.79	10.11	10.40	10.66	10.88
Niger	9.22	9.51	9.84	10.14	10.51
Somalia(*)	8.20	8.47	8.82	9.24	9.82
Senegal	8.53	8.76	9.01	9.25	9.48
Tunisia	8.78	8.91	9.04	9.15	9.27
Azerbaijan	7.43	4.51	7.57	7.58	7.61
Guinea	6.55	6.74	6.94	7.15	7.34
Chad	6.35	6.52	6.68	6.83	6.98
Libya	6.22	6.42	6.64	6.81	6.97
Tajikistan	5.86	5.95	6.05	6.07	6.16
Benin	5.47	5.63	5.79	5.96	6.12
Jordan	4.58	4.70	4.86	5.00	5.14
Sierra Leone	4.51	4.64	4.75	4.87	4.97
Kyrgyz Republic	4.57	4.63	4.70	4.72	4.75
Togo	4.12	4.24	4.38	4.52	4.66
Turkmenistan	4.04	4.11	3.81	4.37	4.45
Albania	3.53	3.59	3.65	3.70	3.70
Lebanon	3.13	3.20	3.27	3.32	3.36
Mauritania	2.57	2.65	2.70	2.77	2.85
U.A.E	2.29	2.42	2.56	2.70	2.75
Oman	2.14	2.31	2.41	2.49	2.57
Kuwait	1.73	1.81	1.90	1.95	2.04
Gambia	1.11	1.15	1.18	1.23	1.27
Gabon	1.08	1.11	1.14	1.19	1.22
Guinea Bissau	1.09	1.11	1.13	1.16	1.17
Guyana	0.75	0.76	0.77	0.78	0.78
Djibouti	0.63	0.65	0.66	0.67	0.67
Bahrain	0.59	0.61	0.63	0.64	0.66
Comoros	0.50	0.51	0.53	0.54	0.55
Qatar	0.46	0.46	0.47	0.44	0.55
Surinam	0.41	0.43	0.44	0.44	0.45
Brunei(*)	0.29	0.30	0.31	0.31	0.32
Maldives	0.25	0.26	0.27	0.28	0.28
Total OIC countries	**1160.93**	**1174.65**	**1202.96**	**1219.22**	**1249.79**
World total	**5673.0**	**5754.0**	**5820.0**	**5849.0**	**5897.0**
OIC as % of World	**20.5**	**20.4**	**20.7**	**20.8**	**21.2**

Source: IMF, Web site, WEO Database.
(*) UN, *Monthly Bulletin of Statistics*, February, 2000.

Table A.2. GDP at Current Prices (Million US dollars)

	1995	1996	1997	1998	1999
Turkey	173525	176414	190664	200804	191055
Indonesia	202132	226941	215749	94156	151837
Saudi Arabia	127811	141322	146494	128385	141367
Iran	88324	105014	112597	116708	122273
Egypt	59145	66305	74745	81541	89179
Malaysia	88833	100812	100170	72488	78864
Pakistan	61166	63936	63172	63605	59871
U.A.E	42807	47994	50394	47367	51886
Algeria	41261	46845	47869	47355	47907
Bangladesh	38989	40694	41685	42810	47206
Morocco	32986	36672	33514	36126	35991
Libya	32616	36623	37277	34597	35778
Nigeria	28108	35299	35788	32999	34780
Kuwait	26512	29118	31230	25438	30373
Tunisia	17987	19592	18899	19946	21370
Lebanon	11119	12997	14862	16166	16740
Syria	16617	17237	16298	16270	16498
Kazakhstan	16593	20891	22398	21812	15911
Oman	13803	15278	15800	14193	15727
Uzbekistan	10168	13923	14705	14343	15548
Qatar	8138	9059	11298	10897	13260
Sudan	10293	9017	8913	9715	9436
Cameroon	7963	9108	9115	8703	9186
Jordan	6511	6644	6976	7386	7697
Yemen	11056	5739	5728	6181	6421
Uganda	5279	5495	5692	6180	5791
Bahrain	5054	5361	5508	5351	5723
Senegal	4476	4651	4379	4692	4807
Albania	2386	2496	2956	3937	4435
Gabon	4959	5732	5327	4568	4415
Mozambique	2392	2881	3438	3893	4147
Azerbaijan	2416	3334	3949	4095	3834
Guinea	3729	3959	3895	3795	3753
Turkmenistan	275	2450	2761	2788	3397
Mali	2466	2619	2475	2632	2731
Burkina Faso	2355	2536	2387	2599	2586
Benin	2009	2208	2141	2306	2381
Brunei	2009	2081	2166	2188	2243
Niger	1881	1988	1859	2048	2080
Chad	1435	1623	1522	1694	1514
Togo	1310	1473	1501	1414	1407
Kyrgyz Republic	1494	1813	1764	1628	1155
Tajikistan	527	1042	1131	1304	1122
Surinam	947	523	664	818	1105
Mauritania	1011	1054	990	915	939
Guyana	629	703	740	741	782
Sierra Leone	866	942	850	672	671
Djibouti	491	485	500	513	531
Maldives	266	299	360	400	434
Gambia	368	393	403	416	419
Guinea Bissau	254	270	269	206	223
Comoros	215	213	194	193	193
OIC total	**1314001**	**1442518**	**1467266**	**1322815**	**1328979**
World	**28983800**	**29775240**	**29653680**	**29443600**	**30574830**
OIC as % of World	**4.5**	**4.8**	**4.9**	**4.5**	**4.3**

Source: IMF, Web site, WEO Database.
(*) Ankara Centre (SESRTCIC) Data Base.

Table A.3. Structure of Output (Value added as % of GDP, average 1994-98)

	Agriculture	Industry	Manufacture	Services
Albania	56.8	20.6		22.2
Algeria	12.4	47.4	9.1	40.2
Azerbaijan	23.6	29.0	18.0	47.2
Bahrain(1)	0.6	41.7	16.6	57.7
Bangladesh	28.8	17.8	9.8	51.6
Benin	36.6	13.2	8.8	50.5
Brunei(1)	5.0	73.0	8.0	14.0
Burkina Faso	34.0	26.4	18.3	39.8
Cameroon	38.8	23.0	10.8	39.0
Chad	42.4	18.0	13.5	40.0
Comoros(1)	38.6	12.8	4.3	48.5
Djibouti(1)	2.9	20.6	4.5	76.5
Egypt	18.0	27.8	20.2	54.4
Gabon	7.2	53.6	5.7	39.0
Gambia	27.7	14.8	7.0	58.8
Guinea	24.4	33.8	5.5	41.8
Guinea Bissau	52.5	15.4	6.3	32.4
Indonesia	16.4	42.2	23.8	41.5
Iran(1)	23.4	33.9	14.3	42.6
Iraq(2)	19.5	37.0	7.5	43.5
Jordan	6.0	27.8	14.5	66.2
Kazakhstan	12.0	29.3	6.0	58.5
Kuwait	0.5	53.5	10.5	46.0
Kyrgyz Republic	46.2	23.2	8.0	30.6
Lebanon	10.7	26.3	17.0	63.0
Libya(2)	8.0	50.0	8.0	42.0
Malaysia	13.0	45.7	33.2	41.6
Maldives	22.0	16.0	6.0	61.6
Mali	46.0	17.4	7.0	36.4
Mauritania	25.6	30.2	11.0	44.2
Morocco	18.2	31.3	17.0	50.8
Mozambique	35.4	17.8		46.8
Niger	39.2	17.8	6.5	43.5
Nigeria	41.6	29.8	8.0	29.2
Oman(1)	3.4	52.6	4.0	44.0
Pakistan	25.7	24.8	17.0	50.0
Qatar(1)	1.0	50.0	11.0	48.8
Saudi Arabia(1)	4.6	54.0	7.0	41.0
Senegal	18.0	19.2	11.5	62.2
Sierra Leone	44.8	23.4	6.1	32.4
Somalia(1)	65.0	8.5	5.0	26.0
Sudan(1)	37.0	16.2	9.2	46.2
Syria(1)	30.0	22.0	5.0	48.0
Tajikistan(3)	33.0	35.0		32.0
Togo	38.5	21.4	9.8	39.8
Tunisia	14.0	29.8	18.0	57.2
Turkey	16.0	29.2	19.4	54.4
Turkmenistan(3)	32.0	31.0	27.0	37.0
U.A.E(1)	2.0	56.4	7.9	40.6
Uganda	46.4	15.8	6.0	37.6
Uzbekistan	29.2	31.2	15.5	40.0
Yemen	19.0	43.5	11.0	38.3
OIC average	**16.6**	**37.9**	**15.7**	**45.4**

Source: World Bank, World Development Report 1995 to 1999/2000.
(1) 1991-95; (2) 1990; (3) 1993-96.