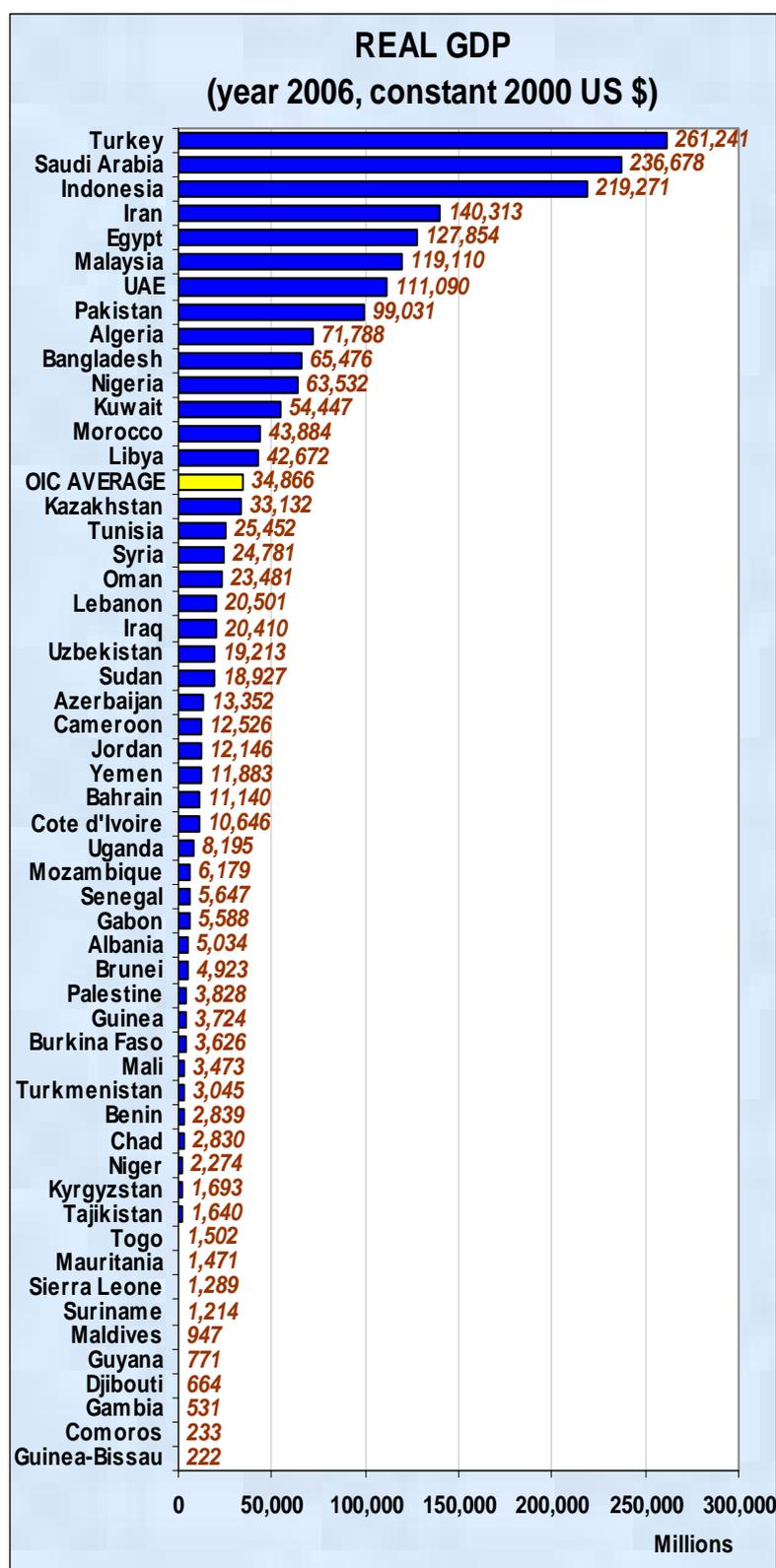
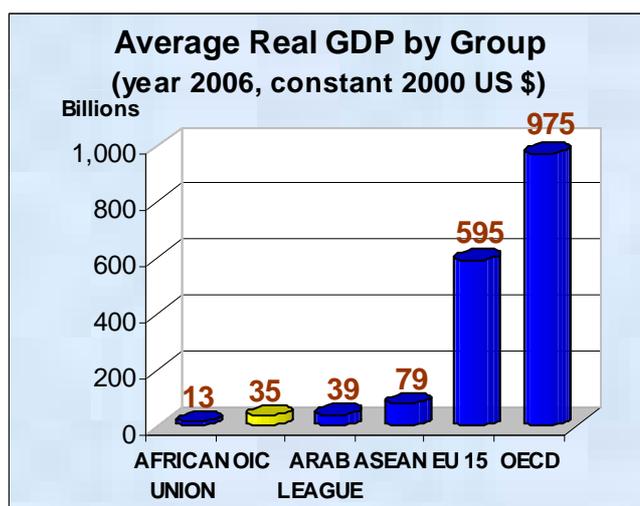


## THE SIZE of the ECONOMY in OIC MEMBER COUNTRIES

**G**ross Domestic Product (GDP), despite many caveats, is generally accepted as an indicator measuring the total size of the economy in a given year. Taking this into consideration, it is obvious that there are huge size differences among the economies of the OIC member countries. While six, out of the 57 OIC member countries (Maldives, Guyana, Djibouti, Gambia, Comoros, and Guinea Bissau) produced less than one billion in 2006, Turkey, Saudi Arabia and Indonesia recorded real GDP figures of over \$200 billion<sup>1</sup>. In the same year, only 14 countries realised real GDP figures over the OIC group average of \$34,866 million.

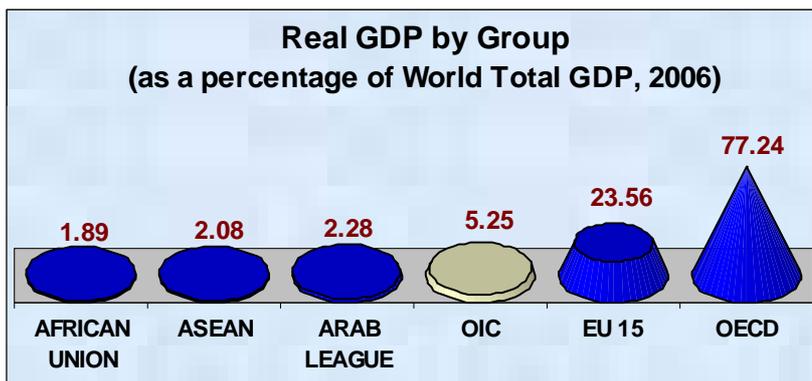
In terms of the group performance, the *OIC group average* is far below the averages of the OECD (\$975 billion), the EU15 (\$595 billion) and the ASEAN (\$79 billion). Yet, it is higher than the African Union average (\$13 billion), and is close to that of the Arab League (\$39 billion).



<sup>1</sup> The real GDP data for year 2006 is not recorded for Afghanistan, Bahrain, Brunei Darussalam, Iraq, Kuwait, Oman, Qatar, Somalia, Turkmenistan, Saudi Arabia, United Arab Emirates in World Bank's website:

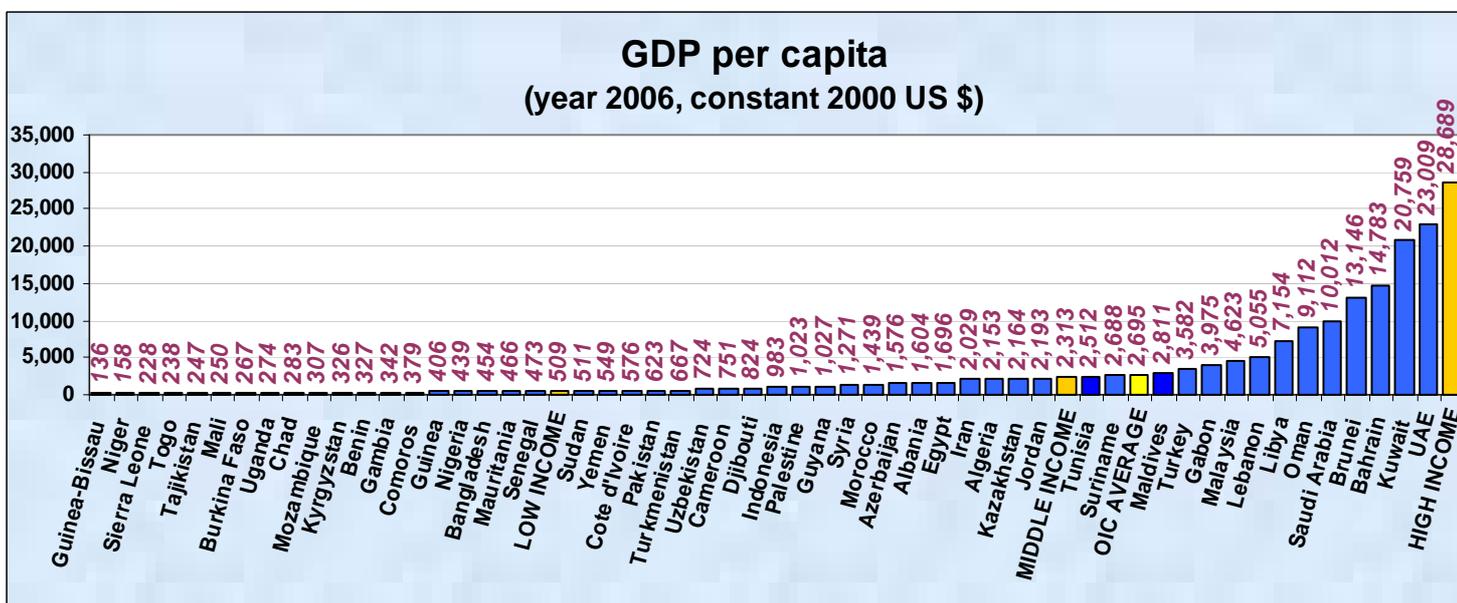
<http://ddp-ext.worldbank.org:80/ext/DDPOQ/member.do?method=getMembers&userid=1&queryId=6>

Hence, 2006 values are calculated through projecting the last available real GDP to date, except for Afghanistan, Qatar and Somalia for which no real GDP figures are recorded for the past 5 years. The missing GDP values can also be found from other sources for these countries, but projection method is preferred for the sake of internal data consistency



The total real GDP of the OIC member countries amounted to \$1,987 billion in 2006, corresponding to only 5.25 percent share of the World total GDP<sup>2</sup>. Although this share was higher than the shares of the African Union, ASEAN and the Arab League in the same year, it approximately accounted for only one-fourth of that of the EU15.

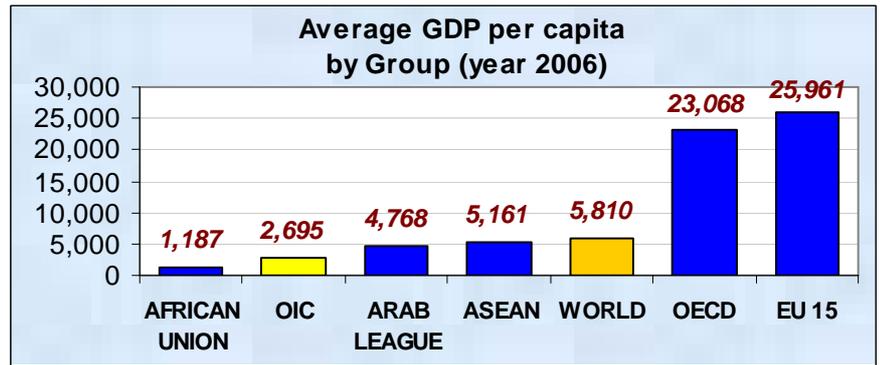
On the other hand, *real GDP per capita* is often used as a proxy for standard of living in an economy. In this context, only six OIC member countries, namely Libya, Oman, Saudi Arabia, Bahrain, Kuwait and UAE are found to have higher living standards than that of the world average in terms of their real GDP per capita which were higher than the World average real GDP per capita of \$5810 in 2006. Though they were not able to maintain the same level of living standards of the World average, Maldives, Turkey, Gabon, Malaysia and Lebanon were above the OIC average level of \$2,695 real GDP per capita in 2006. Moreover, one-third (19) of the OIC member countries were below the average real GDP per capita level (\$509) of the low income economies group<sup>3</sup>.



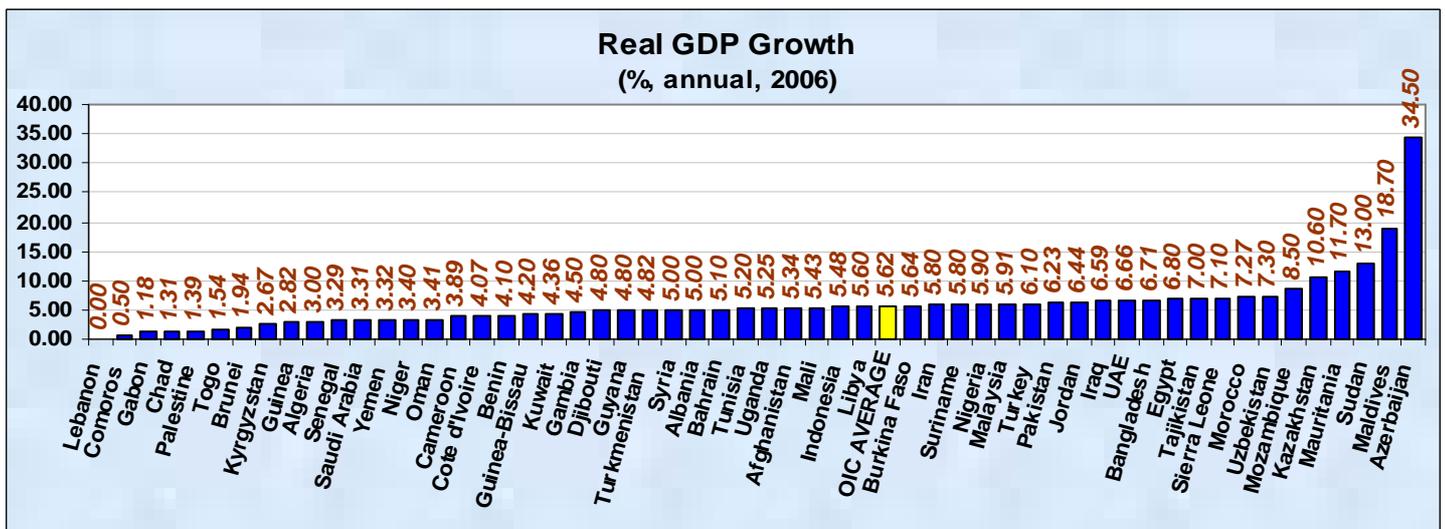
<sup>2</sup> World total GDP for 2006 is \$37,866 billion.

<sup>3</sup> Income classifications are based on World Bank criteria.

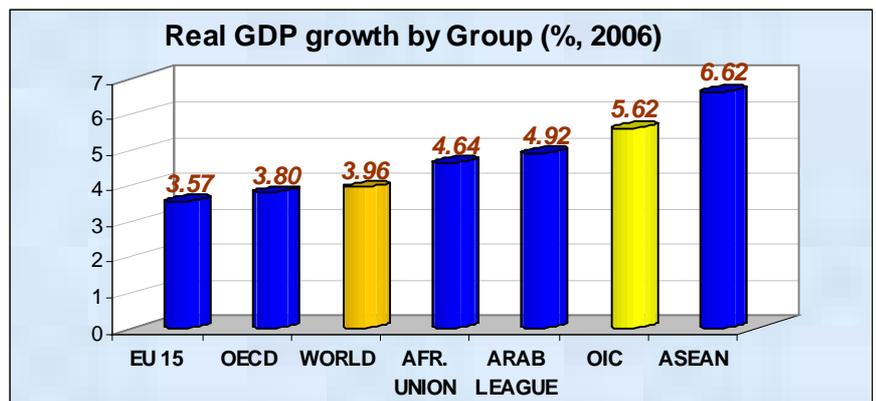
When the real GDP per capita is considered in terms of the average group performance, it is observed that the average of the OIC group in 2006 was lower than that of the other groups, except the African Union. It is clear that, on average, the household in the OECD or the EU15 member countries produces nearly 10 times higher than that in the OIC member countries.



**Real GDP growth** basically shows the change in the value of goods and services produced in a given year. It is calculated as the percentage rate of change in the real GDP. In 2006, while the real GDP growth rate of Lebanon remained constant, the Azerbaijan economy recorded a rapid growth by approximately 35%. Most of the countries surpassed the average growth rates<sup>4</sup> of their respective groups. For example; Sudan, Maldives, Mauritania, Kazakhstan and Mozambique recorded real GDP growth rates of more than %7.99.



As a group, the OIC countries in 2006 promisingly grew much faster than the group of the Arab League, the African Union, the OECD and the EU15. Overall, only 15 OIC member countries recorded real GDP growth rates lower than the World average of 3.96% in the same year.



<sup>4</sup> The global growth rates for low income, middle income and high income economies are 7.99%, 7.30% and 3.03 respectively.