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AN ANALYSIS OF THE UAE COMMERCIAL BANK MANAGERS PERCEPTION OF THE IMPLEMENTATION OF GATS PROVISIONS

Key Words

GATS; GATS Support; GATS Benefits; GATS Timing; Empirical Study.

Abstract

In this paper an attempt is made to find out what the UAE commercial bank managers think about the benefits attributed to the implementation or adoption of the GATS regulations. More specifically, the emphasis of this work is to obtain answers to some important questions such as: Is there any support by UAE commercial bank managers for GATS implementation? Are there any relationships between this support and other factors such as the magnitude of benefits obtained, these bank qualifications, and the timing of GATS implementation? In addition, this study investigates the differences among the UAE commercial bank managers in their support for GATS according to their bank's size, extent of their banking networks and their country of origin.

Introduction

The General Agreement on Trade in Services (GATS) is part of the Uruguay Round Accords. This Agreement on Trade and Tariffs (GATT) together with their umbrella organization, namely the World Trade Organization (WTO), provided basic rules of the road for trade in goods and services (Hufbauer, 1995). The GATS applies to all enterprises and companies providing service on a commercial basis whether there are publicly or privately owned.

The GATS aims at promoting economic growth through the expansion of trades in services. The term services

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includes a wide range of economic activities and the World Trade Organization has divided these activities into twelve sectors: the financial sector being one of them. These twelve sectors have been further divided into (155) subsectors. Financial services include insurance, reinsurance and other insurance-related services as well as banking and other financial services. The core subject of this paper is concentrated on banking services. Aguirre (1996) has stated in this regard that "the process of liberalizing trade in financial services has traditionally been particularly difficult because of its tremendous potential implications". He also mentioned that this process would face some barriers; such as foreign exchange controls, strict limits on direct cross-border trade in financial services and various barriers related to the right of establishment.

The GATS covers the following four modes of supplying services: (see for example Mukherjee, 1996; Altinger and Enders, 1995; Broadman, 1994; and Mattoo, 1997):

* **Cross border supply:** This means the possibility for non-resident service suppliers to provide services cross-border into Member's territory.

* **Consumption abroad:** This indicates the freedom for a Member's residents to purchase services in the territory of another member.

* **Commercial presence:** This denotes the opportunities for the foreign service suppliers to provide services in the Member's territory.

* **Temporary presence of natural persons:** This indicates a temporary stay in the Member's territory of foreign individuals in order to supply services.

In this connection, GATS consists of the below listed components.

A framework agreement, which defines the obligations accepted by Members of the Agreement. This framework includes the following six parts:

* **The first part** provides in one article, the scope and definition.

* **The second part** deals with the general obligations and disciplines, which includes (17) Articles covering the following topics :
  * Most Favored-Nation Treatment;
  * Transparency;
  * Disclosure of Confidential Information;
  * Increasing Participation of developing Countries;
  * Economic Integration;
  * Labor Markets Integration Agreement;
  * Domestic Regulation;
  * Recognition;
  * Monopolies and Exclusive Service;

  * Supplies, Business Practices;
  * Emergency Safeguard Measures;
  * Payment and Transfers;
  * Restrictions to safeguard the Balance of Payments;
  * Government Procurement;
  * General Exceptions;
  * Security Exceptions; and
  * Subsidies.
* **The third part** is devoted to specific commitments, which include the Market Access, National Treatment and additional commitments.
* **The fourth part** concentrates on progressive liberalization, and includes three articles covering three topics, i.e. Negotiation of Specific Commitments, Schedules of the Specific Commitments and Modification of Schedules.
* **The fifth part** deals with institutional provisions, which includes five articles covering five topics i.e. Consultation, Dispute Settlement and Enforcement, Council for Trade in Services, Technical Co-operation and Relationship with Organizations.
* **The sixth part** is devoted to final provisions, which includes three articles covering three topics, i.e. Denial of Benefits, Definitions and Annexes. One of these Annexes is devoted to financial services in which the banking and other financial service activities (excluding insurance) are defined. An example of these activities are: Acceptance of deposits; lending of all types; financial leasing; guarantees and commitments; trading for own account or for account of customers; participation in issues of all kinds of securities; money broking; assets management; settlement and clearing services for financial assets; provision and transfer of financial information, and advisory, intermediation and other auxiliary financial services. (See for example Sauve, 1997).

The commitments related to financial services assumed (see International Trade FORUM, 1996) include:

i. Improvements in the number of licenses available for the establishment of foreign financial institutions.
ii. Guaranteed levels of foreign equity participation branches, subsidiaries or affiliates of banks and insurance companies.
iii. Removal or liberalization of nationality or residence requirements for members of boards of financial institutions.
iv. The participation of foreign - owned banks in cheque - clearing and settlement systems.

As it is not possible here to provide details about all these articles, we will try to highlight very briefly the most important topics:

* **The Most - Favored - Nation Treatment (MFN):** This treatment represents one of the GATS cores. Accordingly, Members of the GATS are committed to treating services and service providers from one Member in the same way as services and service providers from any other Member. When a country cannot comply with the treatment requirements, it has the right to have a list of exemptions. These exemptions are temporary and subject to review periodically after five years and they are to be abolished after ten years (Mattoo, 1997; Altinger, 1996; Wang, 1996; International Trade FORM, 1996; Hoekman and Sauve, 1994).

* **Transparency:** The Agreement requires each Member country to provide other Member countries with information on laws and regulations affecting trade in the service sectors of interest to their industries. This can be done by establishing enquiry points for this purpose.

* **Increasing Participation of Developing Countries:** This can be done by assisting these countries in the development of their service industry.

* **Economic Integration:** This can be achieved by allowing GATS Members to liberalize trade and investment among or between themselves.

* **Market Access:** GATS defines in Article XVII's six restrictions or limitations on market access. These limitations (see Altinger and Enders, 1996) are:

- The number of service suppliers;
- The value of service transactions or assets;
- The total quantity of service output;
- The total number of natural persons that may be employed in particular sector;
- Type of legal entity;
- Foreign equity participation (i.e. maximum equity participation).

Although several theoretical papers have recently addressed the GATS, empirical literature is almost non-existent. This study is the only empirical investigation undertaken about the GATS implementation from the practitioner's points of view. We will try to mention some of these studies, most of which have emphasized the Agreement itself such as: Broadman (1994); Sauve (1995); Kuijper (1995); International Trade FORUM (1996); Altinger & Enders, (1996); and Sauve (1997). Other studies have covered different topics related to GATS, such as Comparing Regional Agreements to the GATS by Hoekman & Sauve, (1994); the Most-Favored-Nation Treatment under the General Agreement on Trade in Services and Its Application in Financial Services, by Wang (1996); and the National Treatment in the GATS by Mattoo (1997).

Research Objective and Hypotheses

The main objective of this study is to investigate UAE bank managers' perceptions of the impact of implementing GATS provisions on the UAE banking industry . In this regard, this inquiry attempts to obtain answers to the following questions:

* What is the relationship between GATS implementation support by UAE commercial bank managers and the benefits, which can be obtained from such implementation? The benefits associated with GATS implementation considered in this study are: improving banking industry, improving banking information system, and spreading the UAE bank services internationally.

* What is the relationship between GATS implementation support by UAE commercial bank managers and UAE commercial banks qualifications?

* What is the relationship between GATS implementation support by UAE commercial bank managers and the timing of implementing GATS provisions?

* Is there any difference between the Emirates bank managers and the non-Emirates bank managers with regard to GATS implementation support?

* Is there any difference between large and small banks with regard to GATS implementation support?

* Is there any difference between those banks, which have an extensive branch network, and those that do not have such extensive networks with regard to GATS implementation support?.

This study intends to provide the decision makers of UAE commercial banks with information about GATS implementation in terms of the benefits which can be obtained, timing of implementation and how far these banks are qualified to meet this implementation.

Based on the stated purpose and the questions mentioned above, the following hypotheses are formulated:

* There is a significant positive relationship between GATS support by UAE commercial bank managers and the benefits, which can be obtained from GATS implementation.

* There is a significant positive relationship between GATS support by UAE commercial bank managers and the UAE commercial banks unique attributes.

* There is a significant positive relationship between GATS support by UAE commercial bank managers and the timing of implementing GATS provisions.

* There is a significant difference between the Emirate bank managers and the non-Emirate managers in

their support for the GATS implementation.

* There is a significant difference between large and small banks in their support for the GATS implementation.

* There is a significant difference between UAE commercial banks, which are distributed widely, and those which are thinly distributed with regard to GATS implementation.

In order to examine the respondents' points of view about the GATS implementation, we will analyze the respondents' answers on the (21) question questionnaire, in which the six hypotheses will be statistically tested by using Pearson r, the mean, the variance, standard deviation, and the one-way ANOVA.

The Data

The aim of this paper is to analyze the perception of the UAE commercial bank managers regarding the benefits associated with the implementation of GATS. Thus, the present study covers all of the UAE commercial bank branch managers. The UAE banking sector consists of (47) banks, (20) of them are national banks and the remaining (27) are foreign banks. Although the number of foreign banks are more than the number of national banks, the branch networks for the national banks are higher than those of the foreign banks. The national banks have (212) branches, whereas the foreign banks have only (110) branches. The population constitutes the branch managers, both national and foreign, which amounts to a total of (322) managers.

Questionnaires were distributed in two different ways. Some of the questionnaires were distributed through the bank headquarters; while others were distributed by mail. The questionnaire itself is divided into two parts, the first one is devoted to key issues of the study questions, which consist of (21) close-ended questions about GATS support, GATS benefits for the UAE banks, GATS timing of implementation, and the UAE commercial banks qualifications. The second part is devoted to some demographic sample attributes, such as the respondent's country of origin, their bank size, and the number of their bank branch networks.

From the population of (322) we received (119) responses. The data and firm characteristics provided were then examined. The screening process resulted in excluding (13) responses from the study because of lack of data items. The remaining responses (106) represent an effective response rate of 32.9% of the population. These responses were classified according to three characteristics; manager's country of origin, bank size, and depth of the bank's network of branches.

The reasons for this classification are as follows:

* It is expected that responses will differ among UAE bank managers and expatriates; where GATS itself takes this reality into account (i.e. Article XVII is covered the national treatment).
* It is expected that responses will differ between managers of large banks and those of small banks. The first group may support the GATS implementation more than the second group.
* It is expected that the respondents' responses will differ according to the spread of their bank branch networks. They may support the GATS implementation if their banks have a widespread branch networks and vice-versa.

Table 1 provides information on the profiles of the study respondents, firstly according to their countries of origin. Accordingly, the sample size is divided into 43.4% nationals and 56.6% foreigners. The second classification is according to their bank's size (in terms of their total assets, i.e. a bank with Dh.10 billion or more is considered a large bank). Table 1 also shows that there were (45) respondents representing large banks, namely (42.5%) of total responses, and (61) respondents affiliated with small banks, namely (57.5%) of total responses.

The third classification is accordinding to the bank's network spread, wherein a bank having (10) or more branches within the country is considered wide-spread. Accordingly, there were (52) participating respondents; (49%) who were affiliated with an extensive bank network of branches, and (54) respondents (51%) who belong to banks with fewer numbers of branches.

Table 1
Respondents Characteristics

Characters	No.	Percentage
Nationals	46	43.4%
Expatriates	60	56.6%
Bank Size-Large Size	45	42.5%
Bank Size -Small Size	61	57.5%
Bank Networks-Spread	52	49%
Bank Networks-Not Spread	54	51%

Empirical Evidence

GATS Implementation Support by UAE Commercial Bank Managers

The questionnaire contained four questions about respondents' degrees of support for GATS implementation. Table 2 summarizes the respondents' answers to these questions.

It can be seen from Table 2 that the overall average positive scores (i.e. the first three levels of Likert scale) on the four statements relating to GATS support is 73.6%. The mean for the answers on these four statements is 5.12, and the variance is 0.7321. Undoubtedly, the average positive answers, and the mean and variance indicate that the respondents are supportive of implementing GATS provisions. However, this conclusion is true when the answers to questions 1 and 2 are considered; wherein the mean for the answers on these two questions is 5.75 and 5.13 respectively. The story is slightly different when the respondents' answers to the other two questions (i.e. questions 3 and 4) are considered; wherein the mean for the answers on these two questions is 4.74 and 4.87 respectively. These answers indicate that UAE commercial banks are somewhat supportive of implementing GATS provisions.

The GATS Implementation Benefits for the UAE Commercial Banks

The questionnaire includes five questions about the benefits which may be obtained by UAE commercial banks when the GATS is implemented. Table 3 summarizes the respondents' answers to these questions.

Table 3 indicates that statement No. 8 obtained the highest positive score, namely 92 of the 106 respondents or 86.8% of the total. The mean value is 5.63 and the variance is 0.9, which reflects that the answers to this question are less dispersed compared with the other four statements. These results reveal that UAE commercial banks managers do believe that the GATS implementation will achieve benefits for their banks in connection with the resulting improvement in information exchanged. Almost the same can be said with regards to the other four statements, where there is somehow an agreement in general among the respondents about the benefits which can be achieved with GATS implementation. This is true when we consider the respondents' answers to questions 5, 6, 7, 9, wherein the mean for these questions are 4.61, 5.38, 4.79 and 4.78 respectively. Table 3 also indicates that the average positive score on these four questions is 69.4% of the total respondents.

Table 2
The Extent of GATS Adoption by UAE Commercial Banks Managers

Questions	N Missing	N Valid	7*	6	5	4	3	2	1	Mean	S. D.	Variance
1. Freeing bank services is becoming an unavoidable necessity since UAE has joined the World Trade Organization	2	104	30	39	26	1	5	2	1	5.75	1.23	1.51
2. Some banking executives think that globalization of banking services is the right thing to do nowadays.	2	104	14	36	26	13	8	6	1	5.13	1.41	1.99
3. Some think that the implementation of the GATS agreement provides a balance between " protecting local services" and "the flow of international financial services".	1	105	5	22	39	24	10	5	0	4.74	1.18	1.39
4. GATS claims that it is not possible to improve banking services without removing trade service barriers.	0	106	8	35	28	13	14	8	0	4.87	1.40	1.96
Total **	**0**	**106**								**5.119**	**0.856**	**0.732**

* These represent Likert Scale, which is as follows: -

1 = Strongly Disagree, 2 = Disagree, 3 = Somewhat Disagree, 4 = Neutral,

5 = Somewhate Agree, 6 = Agree, 7 = Strongly Agree.

** 1 + 2 + 3 + 4

Table 3
The Benefits Associated with GATS Implementation as Expressed by UAE Commercial Bank Managers

Questions	N Missing	N Valid	7	6	5	4	3	2	1	Mean	S. D.	Variance
5. Advocates of GATS believe that the UAE banks will benefit from joining and implementing the agreement.	1	105	10	20	28	22	17	7	1	4.61	1.43	2.05
6. GATS indicates that implementing of the agreement will contribute in improving the banking services both locally and internationally.	0	106	11	44	31	14	6	0	0	5.38	1.03	1.06
7. Some think that the sustainable competitive advantage of foreign banks reduces the chances for UAE banks to benefit from the GATS implementation.	0	106	14	23	29	18	13	7	2	4.79	1.51	2.26
8. GATS indicates that implementing the agreement will improve the banking information network.	0	106	17	51	24	10	4	0	0	5.63	0.99	0.98
9. GATS indicatesthat implementing the agreement enhances the possibility of spreading UAE bank services internationally.	1	105	5	37	25	16	13	8	1	4.78	1.41	2.00
Total *	**0**	**106**								**5.039**	**0.644**	**0.415**

* 5+6+7+8+9

Based on the respondents' responses to the statements related to GATS implementation benefits (B) summarized in Table 3, and their answers to the questions related to GATS implementation support (S) which are summarized in Table 2, we calculate the correlation (Pearson r) between these two variables, the results of this calculations are shown in Table 4.

Table 4
Correlation between UAE Bank Managers Perception of the Benefits Associated with GATS Adoption and their Level of Support to its Provisions

Variables		S	B
Pearson Correlation	S	1.000	0.438*
	B	0.438*	1.000
Sig. (2-tailed)	S	-	0.000
	B	0.000	-
N	S	106	106
	B	106	106

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

The results provided in Table 4 support the study first hypothesis, which states: "there is a significant positive relationship between the GATS support by UAE commercial bank managers and the benefits which can be obtained from the GATS implementation". The positive (Pearson r) which is significant at 1% level (P valu = 0.000) leads us to conclude that this hypothesis is confirmed. It can be said here that the respondents somehow advocate the GATS implementation because they believe that such implementation would achieve benefits for their own banks.

The UAE Commercial Banks Unique Operating Attributes and the GATS Implementation.

There are six questions (i.e. Questions 10, 11, 12, 13, 14, 15) in the questionnaire devoted to the attributes of UAE commercial banks. The objective is to find out whether these banks are ready to meet GATS implementation requirements. Table 5 provides a detailed account of both the questions and their associated answers.

Table 5 indicates that the average positive answers are 64.2% of the total responses. The mean for the answers on the six questions is 4.772, and the variance is 1.162. These figures reveal that the respondents do believe somehow that UAE commercial banks are qualified to meet GATS implementation requirements. The mean for the answers on the first four questions (i.e. questions 10, 11, 12 and 13) is 4.56, 4.57, 4.47 and 4.49 respectively, whereas the mean for the answers on questions 14 and 15 is 5.38 and 5.16

Table 5
Profiles of the UAE Commercial Banks in Terms of Their Unique Operating Attributes

Questions	N Missing	N Valid	7	6	5	4	3	2	1	Mean	S. D.	Variance
10. Some UAE bank managers think that the level of bank services qualifies them to compete with giant foreign banks.	1	105	10	18	36	14	12	14	1	4.56	1.52	2.33
11. It is believed that UAE banks have experienced and qualified bankers, which qualifies them to enter world's market and compete internationally.	0	106	9	19	34	19	13	10	2	4.57	1.47	2.17
12. It is believed that UAE banks have an advanced information network which enables them to compete internationally.	1	105	9	24	23	16	19	12	2	4.47	1.59	2.52
13. Some banking executives think that UAE banks have a variety of financial instruments, which qualify them to compete internationally.	0	106	8	21	34	12	17	11	3	4.49	1.55	2.40
14. Some banking executives think that most UAE banks are spread out over the country, which qualifies them to compete with foreign banks.	0	106	23	36	26	8	6	6	1	5.38	1.43	2.05
15. Some banking executives think that UAE banks have achieved an excellent reputation inside local markets, which gives them a relative advantage to continue to be competitive at the local scene.	0	106	17	29	31	16	10	2	1	5.16	1.32	1.75
Total *	**0**	**106**								**4.77**	**1.08**	**1.16**

* 10 + 11 + 12 + 13 + 14 + 15

respectively. The last two questions reflect that the UAE commercial banks are somehow spread-out over the country, and they achieved an excellent reputation inside local markets. However, this does not mean that these banks are ready now for GATS implementation as shown in the next section related to the timing of GATS implementation.

As regard hypothesis (2), in which the study assumed a significant positive relationship between GATS support by UAE commercial bank's manager's (S) and these bank qualifications (Q).

Table 6 highlights the descriptive statistics and correlations between these two variables.

Table 6
Correlation between S&Q

Variables		S	Q
Pearson Correlation	S	1.000	0.250*
	Q	0.250*	1.000
Sig.(2-tailed)	S	-	0.01
	Q	0.01	-
N	S	106	106
	Q	106	106

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

Table 6 indicates the existence of a positive Pearson r, which is significant at the 1% level. This is hypothesis No. 2 of the study. It can be concluded here that UAE commercial bank managers support GATS implementation, because they believe that their banks are qualified to meet the implementation requirements. This is true when we consider, for example, the respondents' answers to two questions, namely, questions 14 and 15, where they obtained the highest score on the positive scores (i.e. 80.2% and 72.6% respectively). These results reflect that the respondents believe that their banks are spread out all over the country in the case of question 14, and the banks have achieved an excellent reputation inside local market in the case of question 15.

The Timing of GATS Implementation from UAE Commercial Banks Managers Points of View

We asked the respondents about a suitable time to implement GATS provisions. There were three questions in this regard, namely, questions 16, 17 and 18. In addition to these three questions, we asked three additional questions, namely questions 19, 20 and 21, which indirectly dealt with the timing of GATS implementation. Table 7 summarizes the respondents' answers to these questions.

It is clear from the answers provided in Table 7 that UAE commercial bank managers believe to some extent that the timing is convenient for GATS implementation. Table 7 indicates that the respondents average positive answers on questions 16 and 17 are around 55%, which is not high enough to lead to the conclusion that the respondendents are strongly supportive of the immediate application of GATS regulations. This is true when we consider the respondents' answers to question 18, requesting their opinions about the gradual implementation of GATS. The average positive answers are 86.7% of the total responses, which is consistent with their answers to questions 16 and 17, showing no strong support for GATS implementation now. Whereas, Respondents show strong support for GATS gradual implementation as evidenced by their answers to question No. 18.

With regard to the relationship between GATS implementation support by UAE commercial bank managers (S) and the timing of implementation (T), Table 8 summarizes the descriptive statistics and Correlations between these two variables.

It is clear that the correlation between the two variables (S and T) is positive, but statistically is not significant ($r = 0.038$ and $P = 0.696$). According to these results, UAE commercial bank managers and the timing of GATS implementation do not confirm the hypothesis (3).

It should be mentioned here that the respondents' conservative position about the timing of GATS implementation could be attributed to a number of reasons. Some of these reasons can be derived from the respondents' answers on the last three questions (i.e. 19, 20 and 21) as Table 7 shows. The average positive answers to these three questions are 80.4% of the total. If we take question (19), there are (87) respondents (i.e. 82.5% of the total) who believe that it is a prerequisite for UAE banks to merge and create larger banks before they enter international markets. This represents the right way of thinking, and also reflects what is really required for the GATS implementation. The answers to question (19) are consistent with those to question (20) wherein (83) respondents (i.e. 78.3% of the total), believe that implementing the GATS agreement may threaten the existence of UAE small banks. Finally, the average positive answers to question (21) reveal that (84) respondents, namely 80.8% of the total, believe that freeing banking services is very sensitive, and therefore it should be implemented with due care and attention to detail.

Table 7
UAE Bank Managers Views on the Proper Time to Implement GATS Provisions

Questions	N Missing	N Valid	7	6	5	4	3	2	1	Mean	S. D.	Variance
16. Some think that the UAE banks are not ready now to enter international markets and compete with giant foreign banks.	1	105	5	26	22	18	21	10	3	4.37	1.53	2.35
17. Some banking executives think that now is the time for UAE to open its local bank markets in order to compete internationally and encourage the flow of funds.	0	106	7	28	28	20	15	7	1	4.69	1.40	1.95
Total *	**0**	**106**								**4.87**	**0.72**	**0.52**
18. Some believe that the UAE banks are ready now to enter international markets, but it needs to be done gradually.	0	105	22	40	29	9	4	1	0	5.61	1.09	1.18
19. Some believe that it is a prerequisite for UAE banks to merge and create larger banks before they enter international markets.	1	105	29	30	28	6	6	6	0	5.50	1.40	1.96
20. Some believe that implementing the GATS agreement may threaten the existence of UAE small banks.	0	106	30	35	18	2	10	8	3	5.35	1.70	2.90
21. Unlike other services, freeing the banking services is very sensitive; therefore, it should be implemented with due care and attention to details.	0	106	23	41	22	9	5	5	1	5.46	1.38	1.91

* 16 + 17

Profiling the Study Respondents by Person Characteristics

As we have previously mentioned, the respondents' answers to questions related to their support of GATS implementation (i.e. questions 1, 2, 3 and 4), are divided into sub-groups according to: countries of origin, bank size, and extent of wide-spread bank network. In this section we analyze the respondents' answers according to these three characteristics, in which we can test our second three hypotheses. In order to examine these hypotheses we ran a one way ANOVA. Table 9 shows the analysis of variance.

It can be seen from the results provided in Table 9, that the F value for the three cases is much less than the tabulated value (i.e. 6.90 at 1% significant level, and 3.94 at 5% significant level). Thus, hypotheses 4, 5 and 6 were not substantiated. It could be concluded from this analysis that there is no indication of any significant differences in the respondents' support for GATS implementation according to their characteristics. In other words, the UAE commercial bank managers support GATS implementation, irrespective of their characteristics analyzed herein.

Table 8
Correlation between UAE Commercial Bank Managers Expectations of support and the Proper Timing of Implementation

Variables		S	T
Pearson Correlation	S	1.000	0.038
	T	0.038	1.000
Sig.(2-tailed)	S	-	0.696
	T	0.696	-
N	S	106	106
	T	106	106

Table 9
Analysis of Variance

1. Character one: The respondents' Country of Origins

Source of Variation	Sum of Squares	DF	Mean Square	F	Sig. of F
Between Groups	0.309	1	0.309	0.420	0.519
Within Groups	76.566	104	0.736		
Total	76.875	105			

2. Character two: The respondents' bank size

Source of Variation	Sum of Squares	DF	Mean Square	F	Sig. of F
Between Groups	1.187	1	1.187	1.631	0.204
Within Groups	75.688	104	0.728		
Total	76.875	105			

3. Character three: The respondents' bank widespread networks

Source of Variation	Sum of Squares	DF	Mean Square	F	Sig. of F
Between Groups	5.005	1	5.005	0.007	0.934
Within Groups	76.870	104	0.739		
Total	76.875	105			

Summary and Conclusions

The empirical evidence indicate that the UAE commercial bank managers support GATS implementation (the mean of the answers on questions related to this topic is equal to 5.111). The respondent answers also reflect that GATS implementation would benefit their banks (mean = 5.039). Regarding the UAE commercial banks qualifications to meet GATS implementation requirements, the respondent answers indicate that their banks are somewhat qualified (mean = 4.77) to meet those requirements. Finally, the respondent answers revealed that the UAE commercial banks prefer the gradual implementation GATS provisions.

Based on the analysis we have conducted with regard to the UAE commercial bank mangers' perceptions about implementation of GATS provisions, the following conclusions can be made:

* The UAE commercial bank managers support the GATS implementation, although, they support this implementation with some caution. This is true when we consider their answers to the questions related to the timing of this implementation, where most of them prefer this process to be done gradually. The reason for this preference is attributed to the respondents' beliefs that the UAE commercial banks are not presently ready to enter international markets.

* According to the statistical analysis we have undertaken, hypotheses 1 and 2 are confirmed. A significant positive relationship has been found between the GATS support by the UAE commercial bank managers and the benefits which can be obtained from its implementation. In the case of hypothesis 1, the same result we have obtained with hypothesis 2, namely, a significant positive relationship between GATS support by UAE commercial bank managers and these banks' qualifications.

* As the UAE commercial bank managers are not enthusiastic toward immediate implementation of GATS, a non-significant relationship is shown between the GATS support by the UAE commercial bank managers and the timing of GATS implementation. Thus, the statistical results indicate that hypothesis 3 is not confirmed.

* Based on the results of variance analysis, it is found that there were no differences in the respondents' support for the GATS implementation in accordance with their individual characteristics.

* The findings we have reached in this paper support the necessity of one of the most important international agreements (i.e. GATS), and also reflect that this agreement becomes a real and unavoidable practice by countries throughout the world.

* We think it is of crucial importance to the UAE commercial banks to consider seriously the merger decision. As we have mentioned before there are (20) local commercial banks, which could be combined or consolidated to form one or two giant banks. Undoubtedly the merger would help the UAE commercial banks compete internationally and achieve operating effectiveness and economic of scale.

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الملخص

تحليل لوجهة نظر مدراء البنوك التجارية في دولة الإمارات العربية المتحدة حول تطبيق الاتفاقية العامة لتجارة الخدمات

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في هذه الدراسة تمت محاولة التعرف على مدى الفائدة من تطبيق الاتفاقية العامة لتجارة الخدمات من وجهة نظر مدراء البنوك التجارية في دولة الإمارات العربية المتحدة. وقد تم التركيز على محاولة الحصول على إجابة على بعض التساؤلات المهمة مثل: هل هناك دعم للاتفاقية المذكورة من قبل هؤلاء المدراء؟، وهل هناك علاقة بين هذا الدعم وعوامل أخرى مثل مقدار المنافع التي يمكن تحقيقها، ومدى تأهل البنوك للتكيف لتطبيق الاتفاقية، وتوقيت عملية التطبيق؟ إضافة إلى ذلك تمت محاولة تعرف مدى الاختلاف بين المدراء في مجال دعمهم للاتفاقية وحسب حجم البنك وجنسية هؤلاء المدراء (مواطنين ووافدين)، ومدى انتشار هذه البنوك.

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