



THE ROLE OF FREE ECONOMIC ZONES IN THE MODERN WORLD ECONOMY

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<https://www.doi.org/10.5281/zenodo.10450116>

ARTICLE INFO

Received: 24th December 2023

Accepted: 30th December 2023

Online: 31th December 2023

KEY WORDS

Free economic zones, history of free economic zones, world economy, export, new jobs, the leading countries in the establishment of SEZs conclusions and proposals for the organization of free economic zones.

ABSTRACT

In this article, the origin of free economic zones (EEZs), the role and importance of the free economic zones in the history of the world economy and the present day in the world economy. In addition, the article provides conclusions and suggestions about the economy of the leading countries on the establishment of SEZs and the volume of products and services exported from SEZs, as well as the important factors of the establishment of SEZs.

Creation of new high-tech production capacities in the world of modern, competitive and export-oriented industries, more active attraction of production to production, production, engineering and communications, automotive transport, social infrastructure and logistics to ensure the rapid development of their services, attracting investment is one of the most important tasks. For now, special economic zones are critical to achieving these goals.

Because such special economic zones are the socio-economic development of the region to develop its production capacities by attracting domestic and foreign capital to the modern country, as well as the development of transport, transit and social spheres to create a market infrastructure.

Therefore, many countries of the world, in particular China, USA, France, Republic of Korea, Mexico, Hungary, Bulgaria based on the geographical and other amenities of the region, creation of special economic zones (SEZ).

Country and foreign capital for development, promising technologies through its participation in management experience, its industrial potential, transport - transit and social development, as well as modern market infrastructure creation. Special economic zones for export is one of the important organizational parts of the strategy. They expansion of exports, attraction of local and foreign capital Increasing revenue, using new technologies and payment improve the balance of the economy and, in general, the development of the national economy and its globalization, integrate into the economy.

Initially, the special economic zone is free of charge and foreign goods are imported and exported from the customs territory (major seaports, railways and airports) without customs



duties. The special economy of the zone is associated with the Kyoto Convention, which was signed in 1973. According to the convention, such zones are a special form of foreign trade was recognized as.

According to the Kyoto Convention of 1973, the definition of EIA is as follows: "The SEZ is part of a public area and goods are imported from abroad as goods, generally outside the taxation and customs territory they are not subject to customs control".

Special economic zones are currently being developed. Height multi-channel and capital, from simple to complex, cheap and quickly selling requesting options. There are about 25 free modern worlds. There are many types of economic zones, which have a large share of customs zones, zones for which payments have been made, free customs zones, free export zones, free export-oriented production zones, free production zones, economic stability regions, entrepreneurship regions, technology zones. economic development, technology parks, etc. plays an important role in the economy. As for global experience, it is necessary to increase production potential and the domestic market. Filling with products with added value, and most importantly, new sales. Free economic zones play an important role in opening up roads.

Many countries in the world currently have special economic zones, states that are moving to a market economy. Today there are about 5,000 free economic zones in more than 120 countries around the world. Thirty years ago there were 80 special economic zones in 30 countries.

In the countries of the new distribution, the first "three" leading countries are the United States - 298 SEZs; China - 197 SEZ; Indonesia - 122 SEZ. The main indicators of SEZ activity in the listed countries are given in the table below.

Table 1

Top countries with the largest number of SEZs, 2023

Country	Number of SEZs	Export, billion dollars	Employment, thousand people
USA	298	127.0	600.0
China	197	33.0	412.0
Indonesia	124	13.1	301.0

Source: Compiled by the author based on this [Electronic resource] World Association of Special Economic Zones and Export Production Zones.

The successful functioning of special economic zones in the world confirms their importance as one of the tools for integrating the national economy into the world economy. Over the past 30 years they have changed not only in quantity, but also in quality. Thus, the total exports of the world's special economic zones exceeded more than \$10 billion. Up to 720 billion dollars or 120 times. The share of SEZ exports in world exports increased to 7.1%. The number of people employed increased from 1 million to 75 million, or 75 times.

The SEZ plays an important role in the economic development of a given country. However, this depends on the type of region and its effectiveness. This purpose of the special economic zone plays an important role in the development of regional and national exports. International practice has shown that there are significant differences in the share of SEZs in the country's exports: from 62% to 1-1.7%. Thus, the Dominican Republic's exports to VET are



85%, Mauritius 79%, Philippines 70%, Costa Rica 55%, China 61%, Turkey 49%, Mexico 48% Taiwan and India 5 Brazil 1.8%, Pakistan - less than 1.4 %.

Significant exports are observed in one country in special economic zones. China is a shining example of VET operating effectively and promoting export-oriented economic growth and development. The export volume is \$58 billion. will reach \$2.9 billion in the Shenzhen OIEZ, which accounts for 17.0% of national exports. Less than 1.2% of national exports to Hainan SEZ.

In industrialized countries, as a rule, SEZs for the restoration of small and medium-sized businesses are created in areas affected by the economic crisis and are aimed at eliminating regional differences. Small and medium-sized enterprises created in them received maximum tax benefits. Thus, in developed countries, the SEZ is used as an instrument of regional policy in the areas of economic and social development.

In industrialized countries, SEZs were often created to revitalize small and medium-sized businesses in areas affected by economic depression and were aimed at leveling out interregional differences. Small and medium-sized enterprises created in them received maximum tax benefits. Thus, in developed countries, SEZs are used mainly as an instrument of regional policy, in those regions where it is necessary to increase the level of economic and social development.

The unemployment rate and the level of cash income of the population are used as criteria when choosing a territory to create a special economic zone.

Unlike industrialized countries, developing countries emphasized attracting foreign capital, technology, industrial modernization, improving the skills of the workforce, and achieving a higher level of industrialization.

Thus, the SEZ plays an important role in the economic development of the country. However, this depends on the type of region and its effectiveness. Thus, in developed countries, SEZs are used mainly as an instrument of regional policy, in those regions where it is necessary to increase the level of economic and social development. Also, by receiving benefits, small and medium-sized enterprises develop.

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