

## THE ESSENCE OF INTERNATIONAL ECONOMIC INTEGRATION, ITS TYPES AND OBJECTIVE FOUNDATIONS

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**Abstract.** This scientific article discusses the theoretical foundations of international economic integration, its essence, formation factors, main types, and objective economic foundations. The strengthening of globalization processes in the world economy is bringing economic cooperation between countries to a new stage. The article analyzes such forms of international economic integration as free trade areas, customs unions, common markets, and economic and monetary unions. In addition, the impact of integration processes on the development of the world economy, as well as their positive and negative aspects and the activities of modern integration associations, are scientifically examined. Furthermore, the participation and prospects of Uzbekistan in international economic integration processes are also analyzed.

**Keywords:** International economic integration, globalization, international division of labor, economic cooperation, free trade area, customs union, common market, economic union, international trade, investment.

International economic integration is considered one of the most important and relevant processes of the modern world economy. Under the conditions of globalization, economic relations between countries are becoming increasingly stronger. The rapid development of science and technology, improvements in transport and communication systems, and the deepening of the international division of labor encourage countries to expand economic cooperation. As a result, international economic integration has become one of the main directions of world economic development. International economic integration refers to the process of economic rapprochement between countries and the deepening of trade, investment, production, and financial relations among them. As a result of integration, economic barriers between countries decrease, a single economic space is formed, and certain areas of economic policy are coordinated. This contributes to increasing economic efficiency, reducing production costs, and strengthening competitiveness in the international market. The essence of international economic integration is reflected in the harmony of economic interests among countries and their need for mutual cooperation. In the modern era, no country can develop independently in isolation from the world economy. Therefore, countries participate in various integration associations in order to develop their economies, increase export potential, and attract investment.

Integration processes are closely connected with the deepening of the international division of labor. Each country specializes in the production of certain goods or services according to its natural resources, production capabilities, technological level, and labor potential. As a result, economic interdependence between countries increases. Integration serves to further develop this interdependence and improve economic efficiency. The main purpose of international economic integration is to accelerate economic growth, increase production efficiency, improve living standards, and strengthen competitiveness in the international market. Integration creates a large market, which opens new opportunities for enterprises. A broader market helps increase production volumes, reduce production costs, and improve product quality.

International economic integration takes place in several forms. The initial stage of integration is the free trade area. In this form, countries abolish customs duties and restrictions in mutual trade while maintaining independent trade policies toward third countries. This form contributes to increasing international trade and developing economic relations. The next form of integration is the customs union, in which member countries not only eliminate customs barriers among themselves but also apply a common customs policy toward third countries. This makes it possible to coordinate foreign trade policy and create a unified economic territory. The common market is considered a more advanced form of integration. At this stage, the free movement of goods, services, capital, and labor is ensured. As a result, opportunities for the efficient use of production factors expand. An economic union is one of the most complex and advanced forms of integration. In this case, countries strive to conduct a common economic policy. Tax, financial, monetary, and investment policies are coordinated. In some cases, a single currency system is introduced. The European Union is one of the clearest examples of this type of integration.

Several objective factors play an important role in the formation of international economic integration. First of all, the development of productive forces accelerates integration processes. Modern production requires large markets; therefore, countries seek economic unification. Scientific and technological progress is also one of the key factors of integration. Modern information technologies, the internet, transport, and logistics systems have significantly facilitated international economic relations. As a result, economic cooperation between countries has become even stronger. The activities of transnational corporations also greatly influence the development of integration. Large companies organize production in different countries and create global production chains. This further strengthens the interdependence of national economies. International economic integration creates many positive opportunities for countries. As a result of integration, markets expand, investment flows increase, modern technologies enter national economies, and new jobs are created. In addition, the development of competition leads to improvements in product quality and reductions in prices.

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