

THE ECONOMY OF DUBAI

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The economy of Dubai is one of the most unique and unusual in the world. Dubai has changed dramatically over the last three decades, becoming a major business centre with a more dynamic and diversified economy. Dubai enjoys a strategic location and serves as the biggest re-exporting centre in the Middle East.

Its low logistical and operational costs and excellent infrastructure, international outlook and liberal government policies are attracting investors in a big way. Activities such as trade, transport, tourism, industry and finance have shown steady growth and helped the economy to achieve a high degree of expansion and diversification.

The Dubai economy enjoys a competitive combination of cost, market and environmental advantages that create an ideal and attractive investment climate for local and expatriate businesses alike.

As an entrepot, (or *free port* or *porto franco*) duties and taxes are not imposed on imported goods. Dubai has numerous free zones including Jebel Ali free zone, Dubai Maritime City, Dubai Internet City, and Dubai Media City.

The free zones in Dubai have attracted considerable foreign direct investment (FDI). Combined, the internet and media free zones are called TECOM (Dubai Technology, Electronic Commerce and Media Free Zone Authority). Within them are large multi-national firms such as Microsoft, Oracle Corporation, IBM, and EMC Corporation; BBC, CNN, Reuters, Sky News, and the Associated Press are in the media free zone.

This Emirate, or political territory, specifically in the country of the United Arab Emirates, has grown from relative obscurity in the past half-century to one of the largest and most powerful in the Middle East. Originally built on the oil and gas industry, the city's rapid expansion in the 90s brought the construction industry to the forefront of the state's economy.

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