



China's Special Economic Zones, Hainan Province New Free Trade Zone: Review of Policies that Minimize the Regional Gap

Khalid Usman

School of Management, University of Science and Technology of China, Hefei City, P.R.China
isakhelva@yahoo.com

Abstract

This research article begins with the illustration of China's special economic zone and regional inequity. We concluded that the decision to make Hainan free trade zone is one of the concrete step for the country to strengthen international trade and investment. However, shorten the negative list of foreign investment, can help to facilitate and attract the overseas investment. Until the attempt of special regional policies, the catching up and transformation did succeed in achieving the purpose of increase the development of the special economic zones, for this reason the coastal area advantages disproportionately. The Western Development policy that made better prosperous environment for foreign capitals in the western provinces did not show substantial absolute impact on encourages the growth and development in this region so far. The solution to this growing problem is to increase more special economic zones in China with regard to captivate foreign direct investment and stimulate the economy.

Keywords: -Free Trade Zones, Hainan Province, Special economic zones (SEZs), China, Regional disparity, FTZ Negative List, Regional economic policy.