



## THE ROLE OF ECONOMIC DIPLOMACY AT THE FOREIGN POLICY OF UZBEKISTAN

(As an example of economic cooperation between Uzbekistan and Kyrgyzstan)

*Nikolay Gennadievich Pyatin*

*Lecturer*

*General secondary school 169, Shaikhontohur district, Tashkent city  
Tashkent, Uzbekistan*

### ABOUT ARTICLE

**Key words:** two countries, trade, relations, economic diplomacy, trade, transport and logistics.

**Received:** 27.05.24

**Accepted:** 29.05.24

**Published:** 31.05.24

**Abstract:** in this article, using current sources and published literature, the author reveals important issues of economic cooperation between the countries of Uzbekistan and Kyrgyzstan, transport-logistics, joint ventures, and the importance of trade relations between the countries.

## O‘ZBEKISTON TASHQI SIYOSATIDA IQTISODIY DIPLOMATIYANING O‘RNI (O‘zbekiston va Qirg‘iziston o‘rtasidagi iqtisodiy hamkorlik misolida)

*Nikolay Gennadiyevich Pyatin*

*o‘qituvchi*

*Toshkent shahar Shayxontohur tumani 169-umumiy o‘rta maktab  
Toshkent, O‘zbekiston*

### MAQOLA HAQIDA

**Kalit so‘zlar:** ikki mamlakat, savdo, munosabat, iqtisodiy diplomatiyasi, Tovar ayirboshlash, transport-logistika.

**Annotatsiya:** ushbu maqolada muallif tomonidan joriy manbalardan va nashr etilgan adabiyotlardan foydalangan holda O‘zbekiston va Qirg‘iziston davlatlari o‘rtasida iqtisodiy hamkorlikning muhim masalalari, transport-logistika, qo‘shma korxonalar faoliyati hamda davlatlar o‘rtasidagi savdo aloqalarining ahamiyati ochib berilgan.

## РОЛЬ ЭКОНОМИЧЕСКОЙ ДИПЛОМАТИИ ВО ВНЕШНЕЙ ПОЛИТИКЕ УЗБЕКИСТАНА

(На примере экономического сотрудничества Узбекистана и Кыргызстана)

**Николай Геннадьевич Пятин**

преподаватель

Общая средняя школа 169 Шайхонтохурского района города Ташкента

Ташкент, Узбекистан

### О СТАТЬЕ

<p><b>Ключевые слова:</b> две страны, торговля, отношения, экономическая дипломатия, торговля, транспорт и логистика.</p>	<p><b>Аннотация:</b> в данной статье, используя современные источники и опубликованную литературу, автор раскрывает важные вопросы экономического сотрудничества между странами Узбекистана и Кыргызстана, транспортно-логистического характера, создания совместных предприятий, а также значение торговых отношений между странами.</p>
---	---

### INTRODUCTION

At the present stage of development of the world economy, in the context of the globalization of world economic relations, economic diplomacy (ED) seems to be an integral element of international economic relations. In the global dimension, this practice has a significant impact on the dynamics of bilateral and multilateral foreign economic relations, and in the local dimension, it helps to optimize the foreign economic activity of specific market entities. In any state of the current situation in the international and national markets, ED tools are increasingly used by both state and non-state actors on the world stage.

Economic diplomacy is a form of diplomacy that uses the full spectrum of economic tools of a state to achieve its national interests. The scope of economic diplomacy can encompass all of the international economic activities of a state, including, but not limited to, policy decisions designed to influence exports, imports, investments, lending, aid, free trade agreements, etc.

### THE MAIN RESULTS AND FINDINGS

Economic diplomacy is concerned with economic policy issues, e.g. work of delegations at standard setting organizations such as World Trade Organization (WTO). Economic diplomats also monitor and report on economic policies in foreign countries and give the home government advice on how to best influence them. Economic diplomacy employs economic resources, either as rewards or sanctions, in pursuit of a particular foreign policy objective. This is sometimes called “economic statecraft”.

In recent years, at the initiative of our President, large-scale reforms have been carried out to increase the economic potential of our country.

The Address of President Shavkat Mirziyoyev to the Oliy Majlis of December 22, 2017 and the meeting of the Ministry of Foreign Affairs and embassies of our country abroad on January 12, 2018 identified three important tasks for the development of economic diplomacy. These are to increase exports of products produced in the country, to intensify efforts to attract foreign investment in the economy of our country and to steadily increase the flow of foreign tourists by developing tourism.

The Decree of the President of the Republic of Uzbekistan dated April 5, 2018 "On measures to radically improve the system of the Ministry of Foreign Affairs of the Republic of Uzbekistan and strengthen its responsibility in implementing foreign policy and foreign economic priorities" marked a new era in Uzbekistan's foreign policy. It highlights the 9 most important areas of reform of the Ministry of Foreign Affairs.

The main essence of this document is that it adapts the organizational structure of the Ministry of Foreign Affairs to the main principles and directions of the current foreign policy of the republic.

Therefore, the main task of Uzbekistan's foreign policy is to ensure the smooth and complete implementation of reforms in these areas. At the same time, "economic diplomacy" has become our priority today.

The main task of economic diplomacy is to attract investment and technology, expand domestic exports, promote the brand of national companies in foreign markets, strengthen the competitiveness of the economy, develop tourism.

In recent years, in accordance with the instructions and instructions of President Shavkat Mirziyoyev, the interaction of the Ministry of Foreign Affairs with the Ministry of Investment and Foreign Trade has been strengthened in the implementation of a single foreign policy and foreign economic activity. Appropriate structures have been set up to coordinate the joint efforts of the two ministries. In order to diversify exports of goods and services, attract investment and advanced technologies to the country, increase the flow of tourists, new approaches are being introduced to the working methods and system of the ministry and diplomatic missions of Uzbekistan abroad[1].

The Department of Economic Diplomacy has been established in the Ministry of Foreign Affairs, which is directly involved in promoting the country's foreign economic interests, attracting foreign investment and financial and technical assistance, and developing international cooperation in the field of tourism.

Strengthening ties with the international business community, accelerating cooperation with the International Monetary Fund, the World Bank, the European Bank for Reconstruction

and Development, the Asian Development Bank, the Islamic Development Bank and other major international organizations have become important areas of economic diplomacy.

Goal 95 of the New Uzbekistan Development Strategy for 2022-2026, approved by the Decree of the President of the Republic of Uzbekistan No. PF-60 of January 28, 2022, states: Article 361 of the State Program for the Year of Human Dignity and Active Neighborhood 2022 states that "the main task is to increase and intensify the effectiveness of economic diplomacy in the promotion and protection of national interests."

In the first half of 2020 alone, official delegations of the government and companies of Uzbekistan visited 48 countries. More than 250 meetings and business forums were held with heads and representatives of trade and economic agencies of foreign countries. Presentations on the economic potential of Uzbekistan were held.

In the first half of 2020, the country attracted and disbursed \$ 3.154 billion in investments and loans in agriculture, industry, construction, medicine, pharmaceuticals, education, culture and other sectors.

To reduce the negative consequences of the pandemic, \$ 11.6 million in humanitarian aid, financial and technical assistance and grants were attracted from foreign countries.

On February 16, 30 years have passed since the establishment of diplomatic relations between the Republic of Uzbekistan and the Republic of Kyrgyzstan. During this past period, the relations between the two countries have passed through various stages of development, have been polished, and have reached a new level in terms of quality, enriched with concrete practical content.

Constructive, lively and mutually beneficial dialogue based on the principles of good neighborliness and strategic partnership relations with the Kyrgyz Republic is one of the priorities of Uzbekistan's foreign policy. Currently, the Uzbek-Kyrgyz cooperation has a significant contractual and legal basis, which consists of more than 200 agreements and contracts. These documents cover trade, economy, science, tourism, transport, culture and other areas.

Among them, important documents such as the "Treaty on Eternal Friendship between the Republic of Uzbekistan and the Republic of Kyrgyzstan", the Declaration "On Strategic Partnership, Friendship, Friendly Neighborhood and Strengthening of Trust between the Republic of Uzbekistan and the Republic of Kyrgyzstan" are normative for the development of bilateral relations at a high level. creating legal conditions.

Uzbekistan and Kyrgyzstan focus on the activation of cultural and humanitarian exchanges in order to develop the leading sectors of the economy, to effectively use the transit potential

between the two countries, to establish cooperation in the fields of water use and energy, as well as to strengthen friendly relations between the peoples [2].

the countries will focus on the development of leading sectors of the economy, effective use of transit potential, establishment of cooperation in the fields of water use and energy, as well as activation of cultural and humanitarian relations.

It is becoming an increasingly important direction of cooperation between Uzbekistan and Kyrgyzstan.

The economic potential of the region can be used to the maximum extent only by strengthening the economic relations between the two countries.

In addition, the trade and economic relations between Uzbekistan and Kyrgyzstan are developing steadily, and the increase in the volume of trade shows that the importance of this area of cooperation is increasing.

Uzbekistan and Kyrgyzstan attach special importance to cooperation between leading enterprises and business representatives, as this is one of the promising areas of economic cooperation.

Attention will also be paid to increasing the efficiency of using the transit potential that serves to develop the transport corridors connecting the two countries.

In addition, cooperation in the fields of water use and energy, in particular, through the establishment of joint hydroelectric power plants and the development of interregional energy systems, will become an important direction.

Uzbekistan and Kyrgyzstan also activate cultural and humanitarian exchanges, as this serves to strengthen friendly relations between the peoples of the two countries[2].

In bilateral relations, special attention is focused on the development of economic cooperation, and relations in this direction have reached a new level in the last 5 years. In particular, in 2019, the volume of trade between the countries amounted to 818 million dollars (export - 668 million dollars, import - 150 million dollars). This indicator has increased by 80% compared to 2016.

It is noteworthy that even in the conditions of a severe pandemic, the growth process of trade relations was preserved. In particular, during the past year, the volume of trade between the countries increased by 903 million dollars, including export - 756.6 million dollars, import - 146.5 million dollars[3].

In the development of trade relations between the countries, it is necessary to highlight the Council of Heads of Border Regions established in 2018 and the work on the development of cooperation in the field of investment, tourism and trade carried out within its framework. At the

same time, in order to further accelerate the relations between the regions, agreements on mutual trade-economic and cultural-humanitarian cooperation were signed between the cities of Tashkent and Bishkek, Andijan and Osh, Namangan and Jalalabad, Fergana and Botken regions.

Special attention is paid to the development of investment cooperation between the two countries. In particular, the authorized capital between the governments of Uzbekistan and Kyrgyzstan

50 mln. practical efforts are being made to establish a Kyrgyz-Uzbek investment fund equal to USD.

Undoubtedly, such measures are important for improving the socio-economic status of the population, opening new jobs, developing the economy, and stabilizing security in the border areas[4].

Currently, 187 enterprises with the participation of Kyrgyz capital are operating in Uzbekistan, 98 of them are joint ventures, 89 are operating on the basis of foreign capital. However, in 2016, the total number of such enterprises was 49.

It should be said that Uzbekistan has a sufficient level of food and industrial sectors that can arouse interest in the Kyrgyz economy, and in the future it is possible to implement mutually beneficial projects in pharmaceuticals, agriculture, transport and other sectors of the economy.

Instead, from January 1, 2021, Uzbekistan canceled the import excise tax on 73 types of goods to Kyrgyzstan. This decision will undoubtedly take bilateral trade relations to a new level.

"Uzbekistan - Kyrgyzstan - China" transport corridor is one of the promising projects. The potential of the "China-Kyrgyzstan-Uzbekistan" transport corridor is very high. To find out, it is enough to remember that on June 5, 2020, the first multimodal transit along the route "Lanchzhou - Koshgar - Erkeshtom - Osh - Andijan - Tashkent - Marv" was launched. The launch of cargo transportation along this route is the result of effective use of the opportunities of the "China-Kyrgyzstan-Uzbekistan" corridor. For the transportation of goods, railways and automobiles are used[5].

An interdepartmental commission is working in Kyrgyzstan to prepare and implement the "China-Kyrgyzstan-Uzbekistan" railway project. In addition to other work, the inter-agency commission is also involved in the development of a road map for negotiations between the Chinese and Uzbek sides on the implementation of the railway construction project.

In addition, the transport corridor project "Tashkent - Andijan - Osha - Erkeshtom - Koshgar" is not the only one for Uzbekistan. It is known that in 2021, the implementation of the Trans-Afghan project came into focus. This route provides the shortest route to Pakistan, a

market of over 200 million people, and more importantly, to the world ocean, which is more attractive than other alternative projects.

Summarizing the new 30-year history of cooperation between Uzbekistan and Kyrgyzstan, it should be noted that our countries support equal dialogue based on mutual respect, openness and sincerity of the parties[6].

### CONCLUSION

Undoubtedly, today's relations between Uzbekistan and Kyrgyzstan are developing at a historically unprecedented level. It is very important not only to maintain good neighborliness and friendly, strategic partnership relations between the two countries, but also to further develop and strengthen them. Without exaggeration, on the basis of mutual efforts and common aspirations, Uzbekistan and Kyrgyzstan can achieve further development and improvement of comprehensive cooperation for the welfare of the Uzbek and Kyrgyz peoples.

### REFERENCES

1. Алмардонов О.Қ. Халқ дипломатияси – Ўзбекистоннинг Хитой билан ҳамкорлик алоқалари // Ўзбекистон Миллий университети хабарлари. – 2017 йил 5-сон. Тарих туркуми.–Б. 24-26. (07.00.00. №22).
2. Алмардонов О.Қ. Некоторые аспекты народной дипломатии между Узбекистаном и Турцией // Ўзбекистон Миллий университети хабарлари. 2020 йил 1/4-сон. Тарих туркуми. –Б. 6-10. (07.00.00. №22).
3. Алмардонов О.Қ. Public diplomacy relations of Uzbekistan with Malaysia during the years of independence. Look to the past. 2020, vol.11, issue 3, pp.17-25. (07.00.00. №48).
4. Asuka Ogawa SISTER CITY AS A PRESERVATION STRATEGY Submitted in partial fulfillment of the requirement for the degree Master of Science in Historic Preservation Graduate School of Architecture, Planning and Preservation Columbia University May 2012 C.11.
5. Бекмуродов М., Куронбоев Қ., Тангриев Л. Ҳаракатлар стратегияси асосида жадал тараққиёт ва янгилашни сари. – Т.: Ғофур Ғулом номидаги нашриёт-матбаа ижодий уйи, 2017.
6. “Миллатлараро муносабатлар ва хорижий мамлакатлар билан дўстлик алоқаларини янада такомиллаштириш чора-тадбирлари тўғрисида”ги Ўзбекистон Республикаси Президентининг фармони. // “Халқ сўзи” газетаси, 2017, 23 май.