

Analysis of the Role of Economic Diplomacy in Trade and Economic Cooperation Between Kazakhstan and Uzbekistan (2014-2024)

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Abstract:

Introduction and Objective: The destabilization of political processes and industrial-economic potentials, along with the decline in national, regional, and international security levels, has created a complex geopolitical and economic tension. Five Central Asian countries find themselves surrounded by unstable nations: the proximity of the Afghan border, the flow of Afghan narcotics, the problematic Xinjiang Uyghur Autonomous Region (XUAR), and other factors contribute to this situation.

Kazakhstan and Uzbekistan, the two largest economies in the region, possess significant natural resources, reserves of hydrocarbons (oil, gas, coal, rare earth metals), as well as industrial and agricultural potential. Security considerations and economic motives compel these two states to reconsider and restructure their foreign policy in the changing international landscape.

The goal of this study is to demonstrate the dynamics of bilateral economic diplomacy between Kazakhstan and Uzbekistan from 2014 to 2024, aimed at achieving long-term benefits and ensuring national and regional security, as well as identifying issues within the sphere of economic diplomacy.

This research is based on the theories of economic diplomacy and international relations, such as realism, neoliberalism, the regional security complex, and the concept of "Central Asia as a Corridor of Peace and Stability" (T. Aso). It also draws on empirical materials from Kazakh, Uzbek, and foreign authors. These include works on economic diplomacy by S. Woolcock and N. Bayne, M. Okano-Heijmans, as well as monographs by M. Laruelle, M. Laumulin, F. Starr, M. Levystone, T. Dadabaev, and journal articles by scholars such as N. Kassenova, E. Gallo, A. Cohen, M. Tleuberdi, and B. Ergashov. The use of statistical data (Kazakhstan Development Bank, State Statistics Committee of the Republic of Uzbekistan, IMF) revealed a positive trend in the economic diplomacy of Kazakhstan and Uzbekistan, which has evolved from diplomacy serving the economy to diplomacy that has placed the economy in service of broader national objectives.

Results: An analysis was conducted on the transformation of the economic policies of Kazakhstan and Uzbekistan, taking into account the change of state leadership and focusing on trade and economic cooperation. The two countries use various tools and methods at the official level to reach agreements on the development of economic relations, such as official and working visits by heads of government and foreign ministries, forums for interregional cooperation, consultations, and more. It was identified that the "Treaty on Allied Relations between Kazakhstan and Uzbekistan" (December 2022) plays a key role in economic interaction. This treaty is a response to specific challenges of

modern economic development and represents a restructuring of international cooperation between Kazakhstan and Uzbekistan within the framework of economic diplomacy.

Conclusion: It has been established that the economic diplomacy of Kazakhstan and Uzbekistan has undergone a significant shift towards a better understanding of processes and practices.

Key strategic initiatives such as the creation of the Supreme Interstate Council, led by the heads of both states, with coordination carried out by the Council of Foreign Ministers, the Strategic Partnership and Alliance Program for 2024-2034, and the establishment of the International Center for Trade and Economic Cooperation (ICTEC) "Central Asia" have elevated economic diplomacy to a new level. This is further supported by the functioning of the Department of Economic Diplomacy in Uzbekistan and the Investment Committee within Kazakhstan's Ministry of Foreign Affairs. The development of transport and logistics infrastructure also strengthens bilateral economic cooperation. The ability to conduct international freight transportation and transit through the "Chabahar" port will provide Kazakhstan and Uzbekistan with access to the markets of Southeast Asia, the Caucasus, Siberia, and Europe.

The analysis of dynamics shows that the economic diplomacy in trade and economic cooperation of both countries plays a crucial role in bilateral economic relations and is aimed at improving the competitiveness of their economies, addressing issues of sustainable development and security. However, identified challenges include the predominance of raw material exports, the need to diversify export-import relations, and issues with customs tariffs.