

THE ROLE OF INTERNATIONAL TRANSPORTATION CORRIDORS IN THE CENTRAL ASIAN COUNTRIES' ECONOMIC GLOBALIZATION PROCESS

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<https://doi.org/10.5281/zenodo.11177570>

Abstract. *The paper investigates the function and significance of international transport corridors in the globalization and integration of Central Asian economies. The importance of Central Asian countries' international transport corridors is explored in order to promote integration into the world transport and logistics system. Particular emphasis is placed on the possibility for the development of international transport corridors as Central Asian economies are integrated into the regional and worldwide space.*

Keywords: *economy, integration, globalization, transport, transport and logistics system, international transport.*

The expansion of transport connections between states has always been one of the essential conditions for the unification of peoples, the development of the economy, the mutual enrichment of cultures and, ultimately, had a great influence on the peaceful and harmonious development of humanity and its movement forward.

The countries of Central Asia are geographically well located and historically connected by rail, road and air routes for the delivery of various goods both within and across the region. This circumstance emphasizes the relevance and timeliness of studying the role of international transport corridors in the process of globalization of the economies of the countries of this region. Currently, there are several overlapping but non-consensually agreed strategic international transport corridors (ITCs) passing through the territory of the Eurasian continent and concentrated in Central Asia (Pic.1).

Three projects are working in this direction: from the European Union; China and the Asian Development Bank; Eurasian Economic Union (EAEU). However, it should be noted that these projects do not provide economies of scale, which are crucial to the competitiveness of the region's overall transport and logistics infrastructure. The development of the ITC is a priority direction of the transport policy of the Central Asian countries towards greater integration into the international transport and logistics system. The geographical location of the states under consideration creates the conditions for attracting significant investments and support from countries interested in the development of transit transport corridors, which will certainly contribute to increasing efficiency in the management of international transport. This in turn requires the mandatory introduction of the latest transport technologies and the use of modern vehicles in international transport.

Due to the growing economic importance of the states of East Asia (China, Japan, South Korea, etc.) and the countries of South Asia (India, etc.), trade turnover between West and East, North and South parts of Eurasia is growing. As a result, the countries of Central Asia face a number of prospects regarding the opening of new transport routes, including transit routes. Taking into account the above, questions about the role, position and significance of the ITC in the process of globalization and integration of the economies of the Central Asian countries are of scientific and practical interest. ITCs are designed for export-import transportation and international transit

[1]. This determines their influence on the state of industrial, food, demographic, military and technological security of the countries through which they travel.

Pic. 1. European Parliamentary Research Service

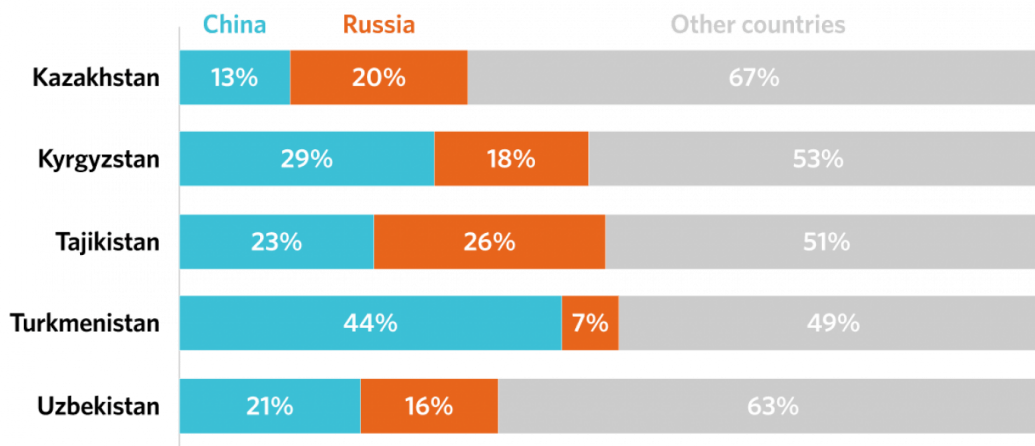


Central Asia is becoming increasingly important as a transit region for Europe-China traffic

Let's consider the directions of this influence in more detail.

1. ITC, as an element of the globalization process of trade and transport markets, contributes to the development of international cooperation and deepening industrial cooperation of the countries of Central Asia. The process of integrating the regional economy into the world economic system leads to a greater involvement of the Central Asian countries in the international distribution of labor and, accordingly, an increase in their mutual trade with the main trading partners: the EU, China and Russia. In 2014, the share of the EU in the total trade turnover of the Central Asian countries was 33.52%, China - 24.57%, Russia - 19.13% [2]. The main export goods of the countries of the region are energy resources and other minerals. Access to new deposits therefore requires the expansion of transport infrastructure. At the same time, it should be noted that intraregional trade is poorly developed, which accounts for no more than 7% of the total trade turnover of the Central Asian countries (Pic. 2).

Pic. 2. Central Asia trade with main trade partners. Trademap 2023



One of the reasons for the low trade turnover between Central Asian countries is the poor development of infrastructure, especially railways and roads. In other words, there is potential for the development of intra-regional trade and the regional economy as a whole through the elimination of physical barriers in Central Asia, namely through the construction of the necessary transport infrastructure and the intensive involvement of countries in the ITC.

2. The development of the ITC requires the creation of transport logistics centers with appropriate facilities and cargo processing infrastructure, including mobile vehicles, train stations, ports, terminals, etc. For example, the reconstruction of the “Western Europe - West China” ITC, the length of which across the territory of Kazakhstan is 2,787 kilometers, will allow the reconstruction and transfer to a higher technical category of roads connecting hub cities of the region depending on the forecast increase in average daily traffic intensity fund. At the same time, this project will help reduce travel time [3]. The project covers 260 service facilities in accordance with the approved requirements at the expense of the republican budget and with the involvement of private investors.

The measures taken are expected to significantly increase the volume of both domestic and international transportation. ITCs are part of the system for ensuring the road safety of states, which in turn is part of the system for ensuring the national security of each individual country. The main task of the state at the international level is to gain authority. There is no doubt that successful projects to create international transport complexes in the countries of Central Asia will significantly strengthen their authority on the international stage. [4] Therefore, the direction of international transit is of exceptional importance for the foreign policy security of the Central Asian countries. In addition, the creation of ITCs and the conclusion of agreements on their use is a matter of international policy. The stable functioning of the ITC has a direct impact on the creation of favorable foreign policy conditions for the country's progressive economic and social development.

3. ITCs serve as a prerequisite for sustainable economic growth and increasing the competitiveness of the national economy. Their development undoubtedly improves the investment climate and increases the efficiency of investment processes, stimulates the development of knowledge-intensive high-tech industries and accelerates other progressive structural and institutional changes in economies.

4. The development of the ITC will contribute to the increased participation of Central Asian countries in international economic and financial organizations, increasing their export potential, deepening integration into the world economic system, etc. Thus, the role of the ITC in the process of globalization and integration of the economies of the Central Asian countries can be clearly seen on the example of the exports of these countries to important markets outside the region, which grew simultaneously with the development and expansion of the ITC.

In addition, it should be noted that ITCs contribute to the expansion of cooperation with international financial organizations, since the international community thus provides assistance aimed at expanding regional economic cooperation and diversifying the economies of Central Asian countries beyond the extraction and export of natural resources.

4. ITCs make it possible to create favorable conditions for attracting international transit flows to the services of national transport communications, improving transport connections within the country and creating a network of transport and logistics centers.

5. Nowadays, the transport of goods from Asia to Europe takes an average of 35-40 days, by rail it is 17 days. If a single trans-Eurasian transport corridor is created, this problem can be solved. The ITC will thus make it possible to redirect the main sea freight flows to rail and create a unified system for managing the freight wagon fleet in the countries of Central Asia. Under these conditions, it is predicted that the share of rail traffic between Europe and Asia will increase to 7-8% of total traffic by 2020 and exceed 10% by 2030 [5].

It cannot be overlooked the role of ITCs in deepening trade relations by removing barriers and conducting free trade, accelerating the delivery time of goods, increasing cash flow, expanding the practice of using payments in national currencies and intensifying human use Contacts and support in creating a new algorithm for collaboration in the region.

ITCs open up a wide range of opportunities for Central Asian countries in the process of globalization and integration of their economies to streamline interaction between different modes of transport based on logistical principles and improved information support [6].

Thanks to the ITC, the transportation process is optimized to improve the quality of transportation both regionally and nationally and also reduce transportation costs in the final cost of goods.

ITCs create favorable conditions for reducing tariffs for the carriage of passengers and goods in domestic transport by increasing the load on national transport systems and making better use of existing reserves.

10. ITCs promote the development of new territories and the development of cross-border cooperation, position countries in international markets, increase population mobility and improve the transport connectivity of regions.

If we summarize the role of the ITC in the process of globalization and integration of the economies of the Central Asian countries, we come to the following conclusions.

Due to the geographical location of the region Central Asian states are actively participating in the process of formation of the ITCs in the region and attempting to optimally use the transit potential, desiring to diversify and strengthen the economies, as well as promoting the development of the transport sector within a single country [7]. Creating new facilities and effectively managing the routes make the region accessible to world markets and become a hub that consolidates the flow of goods from China to Europe [8].

Therefore, formalizing in more detail the importance of the ITC in deepening the integration of the economic systems of the Central Asian countries into the regional and international space, it can be noted that it is mainly manifested in the following:

- Promoting the development of international cooperation and deepening industrial cooperation between Central Asian countries;
- Creation of transport logistics centers with appropriate facilities and freight processing infrastructure at the level of each individual country;
- Ensuring the transport security of states, which in turn is part of the national security system of each individual country;
- Creating favorable conditions for sustainable economic growth and increasing the competitiveness of national economies;
- Intensifying the participation of Central Asian countries in international economic and financial organizations, increasing their export potential;

- Attractiveness and intensification of the use of national transport connections to serve international transit flows;
- Improving transport connections within the country and developing a transport network and logistics centers, etc.

In summary, it can be said that the countries of Central Asia have diverse opportunities and prospects for the successful integration of their transport infrastructure into the global transport and logistics system.

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