

# STRATEGIES OF THE REPUBLIC OF KOREA ON CENTRAL ASIA DURING THE PRESIDENCIES OF LEE MYUNG-BAK AND MOON JAE-IN: INVESTMENT OPPORTUNITIES

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The term Central Asia is becoming increasingly important in international relations. Following the break-up of the former Soviet Union, five Central Asian states - Uzbekistan, Kazakhstan, Kyrgyzstan, Tajikistan and Turkmenistan - have established bilateral ties as separate states. However, these republics also have common interests, which are evident when other countries interact with the so-called Central Asian geopolitical region.

Currently, major countries such as the United States, Japan, China and Russia are focusing on expanding ties with the Central Asian republics. One such country is the Republic of South Korea. Recently, the relations between the Republic of Korea and the Central Asian countries have been developing in political, economic, cultural, educational and other fields.

The economic cooperation of the Republic of Korea with the Central Asian states is based on mutual interests. This strategic partnership has been further developed, especially under the Presidents of the Republic of Korea, Lee Myung-bak and Moon Jae-in. During these two presidents, the Republic of Korea's strategies for Central Asia were adopted. The Republic of Korea needs energy resources and new foreign markets in Central Asia for sustainable economic development. For Central Asian countries, in turn, Seoul is important as a new partner in economic development, because in countries whose industries are focused on the extraction of natural resources, the availability of large amounts of energy and mineral resources is an important aspect of development.

Among the CIS countries, Kazakhstan is the second largest in the region after Russia. There are oil and natural gas fields along the Caspian Sea, famous for Karaganda and uranium deposits. Russia has been supplied with gold, lead, copper, chromium, uranium and others since Soviet times. The basis of agricultural development is the export of crops. Turkmenistan has the third largest natural gas reserves in the world. Uzbekistan has long been fully meeting the needs of its domestic energy resources. However, once new oil fields are discovered, the country is ready to become an oil exporter. Kyrgyzstan and Tajikistan have very few energy reserves, but they have large uranium ores. At a time when Central Asia is not supplied with water resources, these countries have high hydropower export potential.

In response to the visit of the President of the Republic of Korea Lee Myung-bak in May 2009 to the leading countries of Central Asia - Uzbekistan and Kazakhstan, President of the Republic of Uzbekistan Islam Karimov in February 2010 and President of the Republic of Kazakhstan Nursultan Nazarbayev in Seoul in April this year. visited. These meetings served to intensify South Korea's economic cooperation with the CIS countries in Central Asia.

There are other goals in creating new markets for sustainable economic development in the future: the Republic of Korea - energy and resource security; Uzbekistan and Kazakhstan - the creation and development of the extractive industry to attract foreign investment, the establishment of manufacturing enterprises for the domestic market. Kazakhstan and Uzbekistan have expressed great interest in modernizing and diversifying industry using energy and mineral resources, developing rural areas, establishing small and medium enterprises, developing infrastructure, and expressed hope that Korea will take an active part in addressing these issues. These hopes are justified, as if the plan is successfully implemented by 2020, new major markets could emerge in Central Asia.

In May 2009, the Presidents of the Republic of Korea and Kazakhstan, Lee Myung-bak and Nursultan Nazarbayev, developed an "Action Plan for the Development of Cooperation between the

Two Countries." It covers culture, labor, health and more. It was also decided to expand the "strategic partnership", which will strengthen cooperation in politics, economics, human relations and other areas. To participate in the talks, the Korean delegation opened the Korea-Kazakhstan Business Forum on New Growth to develop infrastructure, jointly develop Kazakhstan's natural resources and get acquainted with the country's economic sector. The South Korea-Uzbekistan summit was held in Tashkent in May 2009, after which a 12-point joint declaration was adopted and 16 intergovernmental protocols and agreements were signed. Presidents Lee Myung-bak and Islam Karimov reaffirmed their commitment to strengthening bilateral strategic ties and approved cooperation projects in the field of natural resources. The presidents agreed to cooperate in areas such as mining, construction, information technology, automotive, textiles, agriculture and the environment, as well as increasing investment and supporting business.

In February 2010, high-level Korean-Uzbek talks were held. The talks praised the strengthening of cooperation between the two countries in oil, gas, petrochemical, construction, information, agriculture, environment and other fields. Both sides reaffirmed their readiness to work together to achieve a "strategic partnership".

Thus, in 2009, the stock exchanges in the tourism sector amounted to about 30 thousand people, in the trade sector - 1.2 billion US dollars. The investment of the Republic of Korea in Uzbekistan amounted to 1 billion 100 million dollars. Currently, Korean citizens in Uzbekistan work in about 150 companies. The common features of the exit strategy from Japan, China and Turkey to Central Asia are as follows: adoption of a roadmap and exit strategy at the government level, provision of information and bold financial resources, and so on. South Korea, on the other hand, now relies entirely on the civil sector. Therefore, it plays a key role in the decision to enter such a large region.

It is necessary to implement state plans to enter the region with the possibility of achieving the desired results in the short term. In particular, one of the most effective alternative forms of support is government loans to support new construction in Kazakhstan, Uzbekistan and other Central Asian cities. As part of the use of these loans, it would be expedient for Daewoo to enter the Uzbek market. It is a comprehensive cooperation strategy that unites all areas of access to Central Asia and is implemented by the Government of the Republic of Korea. In terms of investment volume and the risks of private enterprises, the Central Asian region incurs significant costs. Therefore, in order to create new export markets and prepare the basis for the implementation of resource security policy, the Republic of Korea should develop a comprehensive and realistic strategy for access to the Central Asian region at the level of public and private enterprises. South Korean President Moon Jae-in paid an eight-day visit to Central Asia on his way home from the United States. During the visit he visited Turkmenistan, Uzbekistan and Kazakhstan. Although Central Asia is a long way off for South Korea, the demand for its technologies in the region is growing, which in turn is improving the partnership. In recent years, the region has shifted its focus to regional cooperation and created great opportunities for countries such as South Korea.

On April 17, 2019, Moon Jae-in met with President G. Berdimuhamedov in Turkmenistan. According to South Korean media, the presidents of the two countries have developed relevant plans for the development of energy and infrastructure. The two countries signed six memorandums and announced the opening of a branch of the King Sejong Institute in Turkmenistan. King Sejong State Institute offers Korean language classes, and other branches have already been established in other Central Asian countries. The two presidents also exchanged views on the completion of the \$ 3.4 billion Kiyali petrochemical complex.

Later, Moon Jae-in visited Uzbekistan. The President of Uzbekistan Shavkat Mirziyoyev visited South Korea in November 2017, and this was Shavkat Mirziyoyev's first visit outside Central Asia. South Korean President Moon Jae-in visited Tashkent and Samarkand on November 18-21. Officials from the two countries have announced that they have moved from a 2006 strategic partnership to a special strategic partnership. During Moon Jae-in's visit to Uzbekistan, agreements

worth \$ 12 billion were signed. Cooperation between the Republic of Uzbekistan and the Republic of Korea has expanded. Seoul has invested more than \$ 7 billion in the Uzbek economy. 461 enterprises with the participation of the capital of this country operate in our country. Of these, 386 are joint ventures and 75 are wholly Korean-owned. These enterprises are successfully operating in the fields of oil and gas, petrochemistry and chemistry, mechanical engineering, electrical engineering and textiles, information and communication technologies, transport and logistics, and tourism.

Moon Jae-in's last stop in Central Asia was Kazakhstan, where he met with interim President Kasim-Jomart Tokayev, but also had a separate meeting with Nursultan Nazarbayev. The visit marked the 10th anniversary of the strategic partnership between South Korea and Kazakhstan, and Moon Jae-in noted that in 2017 and 2018, bilateral trade doubled to \$ 4 billion. The parties agreed to deepen contacts in the Kazakh media in the framework of the "Clean Wind New Economic Program", which covers infrastructure development, agriculture, health and culture.

In conclusion, the comprehensive relations between the Republic of South Korea and the Central Asian countries are developing day by day. Of course, this development will have a positive impact on the stability of relations between the countries and future projects.

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