

NEUTRALITY IS THE BASIS OF TURKMENISTAN'S FOREIGN ECONOMIC RELATIONS

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Abstract

The scientific paper details the positive impact of the legal status of Permanent Neutrality of Turkmenistan on the development of the national economy. The relevant resolutions of the United Nations, which shape the legal framework of the Permanent Neutrality status, as well as legal regulations that are an integral component of the current national legislation are described. Arguments are presented confirming that the country's foreign economic relations are based on economic principles arising from the legal status of Permanent Neutrality. It is highlighted that foreign economic activity, which is one of the most important indicators of the economic power and Socio-Economic Development of the state, is assessed by foreign trade turnover, especially by export figures. In turn, the country's export figures is accepted as a manifestation of the competitiveness of national products in the world market. One of the important conditions for achieving a high level of this indicator is the active integration of the state into the world economic space. The opinion is expressed that the main priorities of Turkmenistan's foreign economic policy come from the legal status of Permanent Neutrality of the country, and its essence is based on stronger principles of humanism and creation.

Key words: Permanent Neutrality, foreign economic relations, foreign economic policy, economic principles, world economic space, diversification, digital economy, innovative economy, export, foreign trade.

During the Revival of the New Epoch of the Powerful State, the constructive state policy of

President of Turkmenistan Serdar Berdimuhamedov is based on the Permanent Neutrality status of our country. At the same time, the foreign policy of the Esteemed President, who consistently promotes the initiatives of National Leader of the Turkmen people, Hero Arkadag Gurbanguly Berdimuhamedov to further strengthen international peace and trust at the regional, continental and global levels, is broadly supported by foreign states and reputable international organizations. A clear evidence in this respect is the adoption by consensus of the Resolution "Permanent Neutrality of Turkmenistan", initiated by the Turkmen state, at the 61st plenary meeting of the 79th session of the United Nations General Assembly in New York (United States of America) on March 21, 2025. The celebration of the 30th anniversary of the legal Neutrality status of Turkmenistan in 2025, declared in our country the "International Year of Peace and Trust" is also of particular importance.

The main legal documents that determine the foreign policy of our country include the Constitution of Turkmenistan, the Constitutional Law of Turkmenistan "On the Permanent Neutrality of Turkmenistan", "Revival of the New Epoch of the Powerful State: The National Program for the Socio-Economic Development of Turkmenistan in 2022-2052", the Program for the Socio-Economic Development of the Country in 2022-2028, and the Concept of the Foreign Policy Course of Neutral Turkmenistan for 2022-2028. These fundamental legal documents recognize the inextricable link between the foreign and domestic policies of our country, define the objectives, goals and priority areas of the state foreign economic policy.

The principles arising from the legal permanent Neutrality status of our country clearly demonstrate the creative and positive nature of the foreign economic policy of our state. These principles are

enshrined in Article 7 of the Constitutional Law of Turkmenistan “On the Permanent Neutrality of Turkmenistan”, and include:

- equality in international economic cooperation;
- mutual benefit and consideration of the interests of all parties involved in this process;
- consideration of economic cooperation as the most important tool for strengthening trust between countries and regions, maintaining peace and stability.

These principles form the basis of our country’s foreign economic relations with the states in the region and around the world. The harmonious integration of Turkmenistan into the world economic space is ensured through the “open door” policy. Priority is attached to cooperation with all countries, international economic and financial institutions, providing support to the world community’s efforts in finding solutions to emerging economic problems [1].

In the Concept of the Foreign Policy Course of Neutral Turkmenistan for 2022-2028, which ensures the program-based and comprehensive implementation of the legal framework of the foreign policy of the President of Turkmenistan, the United Nations is recognized as our strategic partner. Our country’s cooperation with this most authoritative Organization that has key international powers in maintaining international peace and wellbeing was established in the first years after gaining Independence by Turkmenistan. The results achieved by our country over the years of fruitful cooperation with the Organization are of great importance and contributed to the implementation of grandiose measures aimed at strengthening and promoting peace and mutual trust on the planet.

Independent Neutral Turkmenistan, which has embarked on the path of large-scale reforms and progress in the period of the Revival of the New Epoch of the Powerful State and which is making efforts to further strengthen peace and mutual understanding on the planet, promotes the principles of positive neutrality, peacefulness and good neighborliness for universal progress, wellbeing and prosperity. Being recognized in the world as a country demonstrating sustainable economic growth based on a scientifically grounded development model, Turkmenistan is currently embarking on new stages of development of the national economy through diversification,

digitalization and industrialization focused on innovations [3].

Turkmenistan attaches particular importance to the expansion of foreign economic relations, and further improvement of political, economic, institutional and legal framework thereof is considered one of the priority objectives. Under the leadership of the Esteemed President, the scale of our country’s foreign economic relations is steadily expanding, which legal framework is modernized and the institutional structure is improved. About 40 intergovernmental commissions have been set up in Turkmenistan, which are carrying out constant work to establish and diversify effective economic, business, cultural and humanitarian cooperation. This, in turn, opens up extensive opportunities for the diversification of foreign economic relations. Currently, having the status of an “acceding country” to the World Trade Organization, our country takes a creative approach to targeted measures and comprehensively performs activities to protect national interests on the most favorable terms.

We consider it appropriate to highlight a number of priority areas for the development of Turkmenistan’s foreign economic activity, namely:

- consistent improvement of the tariff policy of competitive transport corridors in the region in order to significantly increase revenues from transit cargo transportation within our country’s export-import operations;
- establishment of trading houses and representative offices of ministries, institutions and organizations of Turkmenistan abroad, as well as increasing the efficiency of existing structures and developing a set of measures related to the operation of newly created agencies;
- identification of promising areas for the mutually beneficial development by investors of licensed blocks in the Turkmen sector of the Caspian Sea as part of oil and gas industry projects in Turkmenistan;
- actively informing foreign investors and foreign trade partners about the economic capacity of our country, organization of specialized economic events, including international conferences, forums and multilateral meetings, to discuss and implement mutually beneficial economic agreements;

– further expansion of contacts with business communities of foreign countries, organization and holding of investment and business forums in the world's leading financial centers (London, New York, Frankfurt am Main, Paris, Tokyo, Singapore, etc.) with the aim of introducing advanced technologies and attracting foreign investments;

– intensification of the activities of bilateral intergovernmental commissions set up between Turkmenistan and foreign countries and covering such areas as economy, trade, investment, science and technology, education, culture and others, by establishing a reporting system for the heads of these commissions and ensuring regular work of their members to implement key targets specified in the protocols of the intergovernmental commissions [2].

Foreign economic activity is one of the most important indicators of the economic potential and Socio-Economic Development of the state. The effectiveness of the state foreign economic activity is assessed on the basis of its foreign trade turnover, where particular importance is attached to export indicators. The country's export indicator is considered as a reflection of the competitiveness of national products in the world market. The key condition to achieve high values of this indicator is the active integration of the state into the world economic space.

Ensuring the country's integration into the world economy on favorable terms gives it the opportunity to gain competitive advantages in global markets, which in turn is a significant advantage for a developing country in the context of achieving and maintaining Sustainable Economic Growth.

In addition, the state is able to take a deserved high position in the world economy, in particular in foreign trade, relying on a developed national market and stimulating competition. This, first of all, involves transforming the institutional structure of the national economy in order to increase the competitiveness of the national market. At the same time, state regulation of the economy, based on market principles, is one of the necessary conditions.

The priorities of Turkmenistan's foreign economic policy are acquiring new significance, the scope of analysis of the country's foreign trade over the years of independence is expanding, and measures are

taken to increase volumes and determine prospects for further development.

In modern conditions, each state to one degree or another regulates foreign economic relations, applying restrictive and stimulating measures in all areas of international economic relations. State regulation widely apply to foreign trade, and also covers such important aspects as the movement of international capital, monetary and credit relations, scientific and technical exchange, international movement of labor and property management abroad.

The main regulatory measures to be applied in international cooperation are the methods and instruments of government influence such as customs tariffs, taxes, duties and excise duties, restrictive conditions, interstate treaties and agreements, as well as measures to stimulate export and import. At the same time, the list of goods not subject to customs duties and not limited in quantity, as a rule, includes goods imported by the state.

During the implementation of the "Revival of the New Epoch of the Powerful State: The National Program for the Socio-Economic Development of Turkmenistan in 2022-2052" and the Program for the Development of Foreign Economic Activity of Turkmenistan for 2020-2025, the areas of the country's international cooperation are specified and updated in accordance with the requirements of the time. These areas, which contribute to accelerated development in the process of implementing the strategic program, are the priorities in the foreign economic relations of Turkmenistan, which seeks to establish long-term cooperation with other states.

During the Revival of the New Epoch of the Powerful State, the competitive advantages of our country in traditional industries are expanding and strengthening, Sustainable Development is achieved through the introduction of innovative technologies and the supply of energy resources to large consumers. At the same time, new opportunities are created to expand the geography and increase the efficiency of energy exports. In addition, a modern energy infrastructure is developing at an accelerated pace in the territory of Turkmenistan based on the use of the cutting-edge innovative energy-saving technologies.

Priority attention in the foreign economic policy of President of Turkmenistan Serdar

Berdimuhamedov is paid to promoting the development of the national economy in line with global economic trends and scientific advances, as well as compliance with international economic obligations following from the Neutrality Policy of our state. The implementation of these priorities, in turn, will have a positive impact on the innovative development of the country, improving the living standard of the population, further strengthening the national economy and enhancing the international prestige of Turkmenistan.

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