

Central Asia Sans Soviet Union

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The *Book under review is an eye-opener and more on the Central Asian phenomenon, the newly independent among the Commonwealth of Independent States (CIS) following the breakdown of the erstwhile Union of Soviet Socialist Republics—USSR. It is a collection of essays. Not one of the five central Asian states (Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan) existed as a sovereign entity in modern history and independence came here suddenly somewhat unexpectedly and without asking! These countries did not undergo a prolonged anti-colonial anti-imperial struggle to prepare themselves for independence. On the contrary the nomenklatura (party elites) of Central Asia actually resisted the breakup of the USSR and by implication, independence! The dissolution of the USSR by the Slavic republics (Russia, Belarus, Ukraine, Azerbaijan and Georgia) was brought about by economic political struggles of the peoples there. However Russia's decision to issue its own currency forced the central Asian states to undertake fundamental economic reform with an eye to economic independence.

It must be acknowledged that these countries have inherited a well developed economic base. For all the structural asymmetry of their economics, these five states cannot be compared to third world countries. When these countries acquired independence, all had a relatively complex economic and social infrastructure and a rather well developed industry and agriculture. Nor can these countries be compared to the Muslim East in terms of educational level and intellectual potential. These positive elements are part of the legacy of the Soviet era.

The major problem that these countries faced in the initial years of independence was that of economic stabilisation. For example, in the USSR era, Kazakhstan was a "raw material colony" and Uzbekistan, a "cotton plantation". But it will be unfair to see only the negative side of Moscow's role in USSR era. In fact, the Soviet Union created enormous capacities in Kazakhstan and Uzbekistan. The plants in Kazakhstan to produce iron ore, steel, non-ferrous and rare metals including gold, uranium and so forth were all in developed stages of operation when independence came. Moscow also constructed a complete system for the use of atomic energy from research centres to the production of atomic fuel, the cosmodrome of Baikonour worth billions of dollars, an agricultural sector that produces huge quantity of food grains, large plants to produce agricultural and mining machinery, a construction industry, a network of research centres and so on and so forth in Kazakhstan. Similarly, whereas the critics of the Soviet system turning Uzbekistan into a specialised cotton plantation zone cried hoarse about central planning, one cannot ignore the fact that post-Soviet Uzbekistan has reaped colossal revenues from its cotton exports. It is therefore hardly feasible to argue that the cotton complex is an inordinate burden; on the contrary Uzbekistan gained much more than it lost from specialising cotton-farming. No wonder therefore the independent Uzbekistan follows the old practice because it corresponds to the interests of the republic in these days of globalised free trade. For the moment, cotton is Uzbekistan's major foreign currency (US \$) earner followed by gold and uranium. It is the basic source of financing for all round development of Uzbekistan.

Turkmenistan and Tajikistan are, as it were, "outsiders" with respect to regional economic integration of central Asia. Turkmenistan is rich in oil and natural gas. Natural gas is its main item of export. But the pipeline systems that deliver natural gas

to Russia and Europe pass through Uzbekistan, Kazakhstan and Russia making Turkmenistan totally dependent on Russia. An exceptional situation prevails in Tajikistan which currently is not even a unified state, but rather consists of several zones; only some of these zones are under the control of the central government sustained primarily by economic and military assistance from Russia. Other states—including such unlikely bedfellows as the US and Iran—are also helping the Tajik central government to stay afloat. Kyrgyzstan, locked between Tajikistan, Uzbekistan and Kazakhstan, lost just half of its GDP between 1990-95 following independence from USSR but between 1995-96 the crisis bottomed out and in 1996-97 found GDP and industrial production increasing. Even in the worst year 1995 Kyrgyzstan's GDP, according to official exchange rate, was US \$ 1.4 billion far above that of Tajikistan's US \$ 0.6 billion.

The *Washington Post* editorial, dated 14 October, 1997, made this bold statement : “The broad Western strategy must be to take the political steps necessary to exploit the immense energy resources of the Caspian Sea area. In this way, the West can diminish dependence on the oil and gas of the uncertain states of the Persian Gulf”. Came into the area the United Nations, the conference on security and co-operation in Europe, the IMF–World Bank and other political and financial economic organisations to take the fragments of the former USSR in tow and to propose concrete strategies for economic and political integration with the West. Significantly, from the very outset, the external financial assistance was quite substantial. And all the while despite its own difficulties Russia conducts a constructive policy toward its central Asian partners in the CIS. Thus, foreign assistance has played an important role in bolstering relative stability in central Asia and helped avert a catastrophe—economic, social and political.

The book is rich in wealth of experience, facts and figures, emanating from the first six years of independent development in central Asia . The book brings to attention special questions such as regional co-operation, the politics of attracting foreign investment and the choice of development strategy. The location of oil and natural gas at great depths, high pressure and shelfzone plus its quality necessitated the use of the most advanced technology and huge financial assistance that are available from American, West European and Japanese corporations. None of these states is endowed with democratic system of law, political parties and free economy based on the rule of law. Strong authoritarian regimes prevail but that does not mean that a strong state order has emerged. Corruption rules. "It is possible to ... plan for privatisation and market transformation, but this will come to naught if those who implement these plans are not thinking about transformation, but only about stealing something ." Is this phenomenon somewhat Indian? No, says Dmitrii Furman. This is similar to Asian regimes of the Singapore, Malaysian or Indonesian type whence comes the Left Front Govt. of West Bengal's favourite Salim Group. And the editors agree. Why? Because, although starved, paralysed and terrorised by the Executive legislature combine, the Indian judiciary is not in deep sleep but sometimes gives wake-up calls, which is totally absent in the authoritarian far east Asian regimes and which the central Asian region is fast emulating.

One question that agitated the minds of the contributors to this volume is : What was behind the stability of the region? One factor indeed is the consolidation of authoritarian regimes inherited from the Soviet era that took decisive measures to prevent inter-ethnic conflicts. But that is not all. The second factor is economic. The book contains details thereof which averted a full-blown economic collapse. A third factor is the sobering effect of the secular past that bore the brunt of attack in Tajikistan—a fratricidal conflict that has wrought much hardship and suffering on the Tajiks. A fourth factor is the threat of radical Islamic movements which the vast

majority of the people there refused to entertain and which the ruling elites did not pamper. Last but not the least is the obvious desire of the two most powerful neighbours, Russia and China, to maintain status quo and avoid destabilisation in the region.

Thus stabilised these five newly independent states are following different models of growth. Uzbekistan, for example, more or less retains the old Soviet model that has so far accelerated economic growth yet that has created concern among the free trade advocates. Kazakhstan and Kyrgyzstan rely mainly on international assistance and credits. Especially Kazakhstan counts more on direct foreign investment (FDI) in some industries. This model is creating "islands" of capital intensive projects that employ very few labour—a few areas of growth coexistent with intensification of backwardness, poverty and unemployment outside the "island of development"- a phenomenon never witnessed there. Again, only two states, Kazakhstan and Kyrgyzstan joined with Russian and Belarus to form "Customs Union". Three countries Kazakhstan, Kyrgyzstan and Uzbekistan have joined to form the "Central Asian Union". Besides these three, Iran, Turkey, Pakistan, Afghanistan and Azarbaijan together form the "Economic Co-operation Organization". Moreover, each state in the region has its own bilateral relations with Russia and other republics of the former USSR and each is expanding ties with countries and financial institutions outside the CIS. The ties with industrially developed countries are growing along with the dependency on foreign direct investment. Besides economics per se the book contains regional as well as international political issues centering on central Asia such as the question of emerging regional superpower, Kazakhstan or Uzbekistan(?) and the question of two gravitational poles, Russia or China(?) in fine details of absorbing analysis. The book is worth reading many times over and grasping. Sasakawa Peace Foundation, Japan, made possible the preparation of this collection of essays. The editors acknowledged the SPF contribution. The book contains 10 essays divided into 4 parts. The first part containing two essays deals on central Asia on the eve of the 21st century. The second part with four essays dwells on economic performance. Parts three and four each containing two essays bear the titles, External Dynamic and Critical Economic Issues respectively. All these essays are backed up by facts and figures in the form of tables. There are 31 tables altogether. The book is recommended as worth preserving in libraries in higher study centres. *RRR*

***CENTRAL ASIA—The Challenge of Independence**

Edited by Boris Rumer and Stanislav Zhukov. Publisher : Aakar Books, 28E, Pocket IV, Mayur Vihar, Phase I, Delhi 110091. Price : Rs. 650.00. Pages 307. Hardbound.