

CHAPTER II

**THE HISTORY OF UZBEKISTAN INDEPENDENCE AND
ITS ECONOMIC DECLINE**

According to world fact book by CIA 2008, Uzbekistan independent was in September 1st, 1991²¹. However, Uzbekistan is not a new state. Long time before the era of nation-state, Uzbekistan had existed with the existence of Uzbek ethnic. To start explaining the history of Uzbekistan as a new independence state, it is first necessary to describe about the process of its nation building. There are three phases to briefly describe the history of Uzbekistan independence. In each phase, there are many points that really important to influence the characters of Uzbekistan as a nation-state in this current condition.

The Early History of Uzbekistan

The first is European power. There are three kingdoms of European power that influenced the beginning of Uzbekistan's nation building, which were the great Alexander, the state of Selevkides, and Greece and Bactrian Kingdom. Those three kingdoms in the first very beginning had determined the ethnographical characters of Uzbekistan, as detailed mentioned from Uzbekistan official website that the power of great Alexander which influenced almost all regions in the world was decreasing after the defeating of central Asia region,

²¹ Uzbekistan, retrieved on September 15, 2008 at <https://www.cia.gov/library/publications/the-world-factbook/print/uz.html>

including Uzbekistan territory which is known as the riverside barbarians at that time²².

Since the death of Alexander the great, there were many changes upon its regional territories, and signed the collapse of Alexander the great in the riverside barbarians territory. After that, there was other European power that invaded central Asian region, which is the state of Selevkides. The state of Selevkides was a part of Alexander's army that won the war with Macedonian kingdom after the death of Alexander. This state of Selevkides determined the new era of Tashkent, which is the modern era in the sixtiest of 3rd century B.C²³. At that time there was a Selevkian mint which issued mainly large nominal gold and silver coins. This condition made a witnesses of relative autonomy for the central Asian region that make them different in economic life from the other parts of Selevkides states.

While the power of the state of Selevkides spread throughout the world, its colony in the riverside barbarians struggling to separate from it, namely Parphia, Bactria and Sogdiana. Those three states were influenced by the power of Greece. As a result, years after the three states separation, the state of Selevkides collapsed. This collapse also signed the new colonialization of the riverside of barbarians, for the Greece power also collapsed centuries after that and was changed by the new power of China Dynasti. At that time, European powers more

²² History and Sight of Uzbekistan: Alexander the Great, retrieved on September 12, 2008 at <http://www.jahonnews.uz/uzbekistan-early-history.html>

²³ History and Sight of Uzbekistan: State of Selevkides, retrieved on September 12, 2008 at <http://www.jahonnews.uz/uzbekistan-early-history.html>

focussed on the crusade war, so they forgot to maintain their colonial territories and it was used by Chinese kingdom to defeat them²⁴.

The second is Chines power. Namely, there are two kingdoms from Chinese power that really influenced the development of Uzbekistan in the beginning of centuries after christians, they are Kangyuy and Kushan kingdom. A Chinese historian, Si Ma-tsyau, in his chronicle wrote about the nomadic state of Kangyuy or Kadzyuy that occupied the entire territory to the north of Amudarya: Bukhara, Shakhrisabz, Kattakurga region, Tashkent oasis, where governors of Kangyuy were called "Chao-vu" as a transcript from the originally word "jabru"²⁵.

Similar to the era of the state of Selevkides, in the era of Kangyuy kingdom, they also held the ruling of currency system in order to make them easier in ruling their territory in running trade activities with other nations at that time. In addition to the development in the era of Kangyuy, there were also great developments in its military power, in which they had started to use military cult that was widespread largely throughout the world military strategy, not only economic and military aspects, but also the spread of religious beliefs, such as Zoroastrianism, Anahita cult, Mitra cult that embodied on the horse developed very well at Kangyuy era²⁶. There was no certain information about how the

²⁴ History and Sight of Uzbekistan: Grace and Bactrian Kingdom, retrieved on September 12, 2008 at

<http://www.jahonnews.uz/uzbekistan-early-history.html>

²⁵ History and Sight of Uzbekistan: Kushan Kingdom, retrieved on September 12, 2008 at

<http://www.jahonnews.uz/uzbekistan-early-history.html>

²⁶ History and Sight of Uzbekistan: Kangyuy, retrieved on September 12, 2008 at

<http://www.jahonnews.uz/uzbekistan-early-history.html>

Kangyuy lost its power in central Asia, but in the middle of first century AD the power of Kushan kingdom had emerged in the central Asian territory.

The era of Kushan kingdom was signed by the establishment of economic cooperation among countries. At that time they had made economic relations with China, India, and Roman empire. There was also a great development in term of architecture, in which there were many buildings that was built with the new concept of architecture. Besides that, they made a new Kushan letters that was characterized by the acute-angled, quadrate and rounded form of the letters that were wide spread. The budhism was the national religion before the end of the kingdom in the fourth century AD.

The last is Islam power. The power of Islam in central Asia, especially in Uzbekistan was started by the emerging of Arab conquest in 7 century AD²⁷. This conquest signed the era of Islam power in Uzbekistan. In the 7th century after tough inter-tribal wars, Medina town became the center of unity of Arab tribes. All of Arab tribes leaders united their power to focus on conquering of neighboring oases and cities. The victory was with them, for they can invade Syria, Palestine and Iran quickly after the tribes unity. In 674 AD, the Arab invaded Bukhara and resulted with the homeless and slaves²⁸. The other part of Uzbekistan such as Sogd, Kesh, Nasaf united to help Bukhara againts Arab, but as Narshahi wrote, Sogd soldiers were so impressed by the size and power of Arab army as to flee the battlefield. Another Arab historian Belazuri wrote that all

²⁷ History and Sight of Uzbekistan: Arab Conquest, retrieved on September 12, 2008 at <http://www.jahonnews.uz/uzbekistan-early-history.html>

²⁸ History and Sight of Uzbekistan: Samanids Dynasty, retrieved on September 12, 2008 at <http://www.jahonnews.uz/uzbekistan-early-history.html>

people who participated in resistance against Arabs and survived in Bukhara were turned to slaves. Freedomloving people of Bukhara could not resign themselves to Arab rule²⁹. In this first Islam era, the only development was the spreading of Islam into Uzbekistan.

The development of international trade became important in the era of Samanids' kingdom. At that time the great silk road was revived and many cities were reconstructed. Not only that, the new weaving centers, pottery, handcraft and carpentry centers also developed to prosper the Uzbekistanian culture. Moreover, there are many scholars that lived in the Samanids' era, namely Al-Khorezmi, Al-Ferghani, Al-Farabi, Ibn Sina, Beruni, and Narshahi. However, many majestic buildings as the cultural and religious buildings were destroyed as the spreading of Islam. As a result, inside the city there were many new Islamic buildings like Madrasah and Mosques were built.

During 714-1860 Uzbekistan was still under Islam power. This contributed many influential characters to Uzbekistan nation and state buildings. There were six kingdoms that invaded central Asian region including Uzbekistan at that time, namely the State Ephtalites, Turkic Khanate, State of Temur Dynasti I-II, Khanate of Kokand, and the the Bukhara Emirate. Among these all kingdoms there were only two kingdoms that give significant and influential role to Uzbekistan current condition. They were Khanate of Kokand and Bukhara emirate³⁰.

²⁹ History and Sight of Uzbekistan: The State of Ephtalites, retrieved on September 12, 2008 at <http://www.jahonnews.uz/uzbekistan-early-history.html>

³⁰ History and Sight of Uzbekistan: Turkic Khanate, retrieved on September 12, 2008 at <http://www.jahonnews.uz/uzbekistan-early-history.html>

In the era of Khanate of Kokand, there were significant developments of Uzbekistan's political system (at that time it was still Ferghana). This significance was the centralization of power that was supported by the forming of army's mountainous which was really significant to make sure the security of its mountaining territory. Moreover, there was an improvement of *madrasah* building and water irrigation that was the big problem of the country for so long times. As the new innovation of centralization, Omarkhan that was the king at that time, introduced himself as the "ruler of believers" (Amirul Muslimins) and put his name and face in the coins that used by all of citizens in doing trading activity³¹.

In the era of Bukhara emirates, there was changing upon the name of the king which from Khan into Emir. In the 18th century Shahmurad initiated financial reforms with coining equal-valued coins 0.7 miscals (3.36 grams) as golden coins. He also personally led a justice ministry. In addition to his changing, there was a big change to its political system, in which he changed the centralized system into centralization monarchy that led to absolutism³². The good impact of this changing was the end of any separation movement by underground movements. According to Akhmad Donish, that condition was characterized as the end of feudal wars, as he said "the rule of Emir Haydar could be characterized as a time of endless feudal wars, which were raged every three to six months".

³¹ History and Sight of Uzbekistan: Khanate of Kokand, retrieved on September 12, 2008 at <http://www.jahonnews.uz/uzbekistan-early-history.html>

³² History and Sight of Uzbekistan: Bukhara Emirates, retrieved on September 12, 2008 at <http://www.jahonnews.uz/uzbekistan-early-history.html>

To sum up the era of Uzbekistan under Islam power, there were many developments in term of political and social system that deeply determined Uzbekistan's nowadays lifes.

The Phase of Uzbekistan under USSR Power

All three big cities (Khanates), which are Ferghana, Tashkent, and Bukhara had incorporated under Russia by 1876³³. Later on these three big cities were called as Uzbekistan. At that time, they were incorporated under Russian empire and granted limited autonomy. Under Russia, in the second half of the nineteenth century, the Russian population of Uzbekistan grew and some industrialization occurred. These great developments made Uzbekistan became one of the big territories of Russian empires.

In 1924 Uzbekistan as one of the republics formarly joined the former USSR. In 1927 the first constitution of Uzbekistan was adopted³⁴. There were many priorities upon Uzbekistan developments during that period. It was resumed as final role and decision making that were the priority of inter-republican management bodies for developing national economy and the culture of Central Asian republics, for instance: Central Asian Economic Council (in 1923), Central Asian water resource management, Central Asian State Planning and etc³⁵. In a short period of time hard consequence of Civil War eliminated and the industry developed rapidly. Mostly, the great changes have been taken in

³³ History of Uzbekistan to 1876, retrieved on September 15, 2008 at <http://www.wikipedia.com/uzbekistan-histroy-1876.html>

³⁴ Uzbekistan in the 20th-40th of the XX Century, retrieved on September 12, 2008 at <http://www.jahonnews.uz/uzbekistan-20-40-xx-century.html>

³⁵ History of Uzbekistan 1876 to 1991, retrieved on September 15, 2008 at <http://www.wikipedia.com/uzbekistan-histroy-1876-1991.html>

industrial engineering, metal, and power branches. Besides, there was also development on educational sectors, of which the State university of Tashkent became the center of education in Uzbekistan that aimed to produce many scholars to develop Uzbekistan. In 1930 Tashkent was declared as the capital city of Uzbekistan SSR³⁶.

In 1937, a new UzSSR constitution was adopted. According to the constitution the elections were held to choose the leaders who have eligibility from the Russian empire (at that time was Stalin). This condition was the reflection from the USSR condition that put absolutism on Stalin as the only leader that can lead USSR. As a consequence, there were many Uzbekistan leaders that were subjected to purges. In spring of 1938 more than 60 percent party secretaries such as obkoms (regional party committee), gorkoms (city party committee) and raikoms (district party committee) were subjected as political administration criminals³⁷.

Following the death of Stalin in 1953, his first secretary Nikita S. Khrushchev initiated the relative relaxation of totalitarian control³⁸. It brought the rehabilitation of some of the Uzbek nationalists who had been purged. It also attracted more Uzbeks began to join the communist party of Uzbekistan and to assume positions in the government. Khrushchev tried to do Russification to all of USSR territories including Uzbekistan. He forced the Uzbeks to use Russian language as the language of the state, and for those who were willing to spread the

³⁶ Jeff Sahadeo and Russel Zanca, *Everyday Life in Central Asia*, Indiana University Press, Bloomington and Indianapolis, 2007, p.29

³⁷ *Ibid*, p.30

³⁸ Jeff Sahadeo and Russel Zanca, *Op. Cit*, p.31

spirit of Russification would have good position in the government or the party. However, most of Uzbeks still believed in the Uzbeks ethnics and influenced to the way the government run, in which those who did not or could not abandon their Uzbek lifestyles and identities were excluded from leading roles in official Uzbek society. Because of this conditions, Uzbekistan gained a reputation as one of the most politically conservative republic in the USSR.

In the liberalized atmosphere of USSR leader under Mikhail S. Gorbachev's policies of perestroika and glasnost, Uzbekistan continued to be smolder³⁹. With the emergence of new opportunities to express, they expressed many kind of problems as the consequences of absolutism that had been running before Gorbachev's era. The cotton scandal, the purges, and other long-unspoken resentments were the examples of these previous problems. As a result, the idea of independent Uzbekistan was initiated.

By the late 1980s, some dissenting intellectuals had formed political organizations to express their opinions. The most important of these, Birlik (Unity), initially advocated the diversification of agriculture, a program to solve the problem of Aral Sea, and the declaration of the Uzbek language as the state language of the republic⁴⁰. Those issues were chosen partly because they were real concerns and a safe way of expressing broader disaffection with the Uzbek government. In their public debate with Birlik, the government and party never

³⁹ History of Uzbekistan 1876 to 1991, retrieved on September 15, 2008 at <http://www.wikipedia.com/uzbekistan-histroy-1876-1991.htm>:

⁴⁰ History and Sight of Uzbekistan: Uzbekistan in Post World War, retrieved on September 12, 2008 at <http://www.jahonnews.uz/uzbekistan-early-history.html>

lost the upper hand. As became especially clear after the accession of Karimov as party chief, most Uzbeks, especially those outside the cities, still supported the communist party and the government. Birlik's intellectual leaders were never able to make their appeal to a broad segment of the population

The Phase of Uzbekistan in the Collapse of USSR Power and Its Economic Decline

In the 1970s, Moscow's control over Uzbekistan weakened, for the representatives of USSR in Uzbekistan Sharaf Rashidov brought many cronies and relatives into positions of power. In the mid 1980s, USSR attempted to regain its control by again purging the entire Uzbek party leaders. However, this move increased Uzbek nationalism, which had long resented USSR policies such as the imposition of cotton monoculture and the suppression of Islamic traditions. In the late 1980s, the liberalized atmosphere of the USSR under Mikhail S. Gorbachev fostered political opposition groups and open opposition to USSR policy in Uzbekistan⁴¹.

In 1989 series of violent ethnic clashes involving Uzbeks brought the appointment of ethnic Uzbek outsider Islam Karimov as Communist Party leader. When the Supreme Soviet of Uzbekistan reluctantly approved an independence from the Soviet Union in 1991, Karimov became a president of the Republic of Uzbekistan.

On August 31, 1991, the Parliament adopted the Declaration of the State Independence of the Republic of Uzbekistan. On December 29, 1991, this

⁴¹ Perestroika, retrieved on September 17, 2008 at <http://www.press-service.uz/17782929/ussr-perestroika.html>

decision was supported by referendum⁴². This was the beginning of the history of the country, the country open to the world community. However, Uzbekistan as a new independent state faced many problems dealing with its all aspects in the very beginning of its independence. At least there were six main problems that were faced by Uzbekistan that really determined its economic decline⁴³.

The demographic situation in the country was the first problem in Uzbekistan that is needed to be solved. In order to develop the country, Uzbek government needed a good human resources to build and develop Uzbekistan nation and state building. However, at that time they had a big problem in dealing with the human resources quality, for the majority of its citizen was children. The number of children constituted the largest number of Uzbekistan population of which it meant they were still in the non-productive period. Therefore, this problem of demographic might be the biggest obstacle of Uzbekistan government to develop its state.

The second problem is the distortion in economy. Actually this problem was the problem that attacked USSR and made them collapse. This problem occurred because of the unbalance between household money income and access to products and services. The spreading of money was really huge, but the lack of goods and products was also really huge, so that is why it created unbalance condition upon the cycle of the money and products.

The second problem that is caused by the lack of products was affected by the lack of technological machinery to produce those products. This was also the

⁴² Uzbekistan Independence under Referendum, retrieved on September 16, 2008 at <http://gov.uz/independence-referendum.html>

⁴³ Country Paper 10th Series, *Op.Cit*, p.4-5

third problem of Uzbekistan. No wonder as a new independent state, they were lack of technological machines. At that time as a new country they had a dilemma, whether they asked to the Russian as their previous main country or asked to other nations that they did not have any relations. Therefore, these three complicated problem were codified in one really big problem for Uzbekistan.

The forth problem was the international problem that emerged in its neighboring countries, Tajikistan and Afghanistan which experienced crisis. As a state in the border of those two countries, definitely the crises also impacted to the existence of Uzbekistan as a newly independent state and its national stability in which it also influenced to the invested market condition. In addition, there were many interested parties that tried to interfere the crises there that also might threat Uzbekistan. Moreover, at that time Uzbekistan also had no military power. Thus, Uzbekistan still had an opportunity to use the help from those interested parties.

As a Commonwealth of Independent States (CIS) of Russia, the mentality that formed in the era of USSR still with them and it was not a heavy burden, for they were accustomed to be a colonized country and protected by the super power, but not anymore. This problem shown the unreadiness of Uzbekistan to stand as an independent country. Moreover, this also become the last problem of Uzbekistan because they need an institution to regulate any policy that related to the economic policy. As a novice, Uzbekistan still had no developing personal institution to make and supervise the economic policy that determines the development of the country.

In dealing with these all problems, Presiden Karimov determined the "Uzbekistan First" that derived from the "5 Principles" which is the foundation of all Uzbekistan policies. These priorities were evident earlier on despite the fact that Uzbekistan won its independence almost inadvertently when USSR power collapsed. President Karimov in his independent speech said that "Independence is primarily a way to get out of a complex and critical economic situation"⁴⁴. Therefore, in the first very beginning all Uzbekistan policies were directed to stabilize its economic stability, as "Economic first".

⁴⁴ Ali Banuazizi and Myron Weiner, *Op.Cit*, p.136