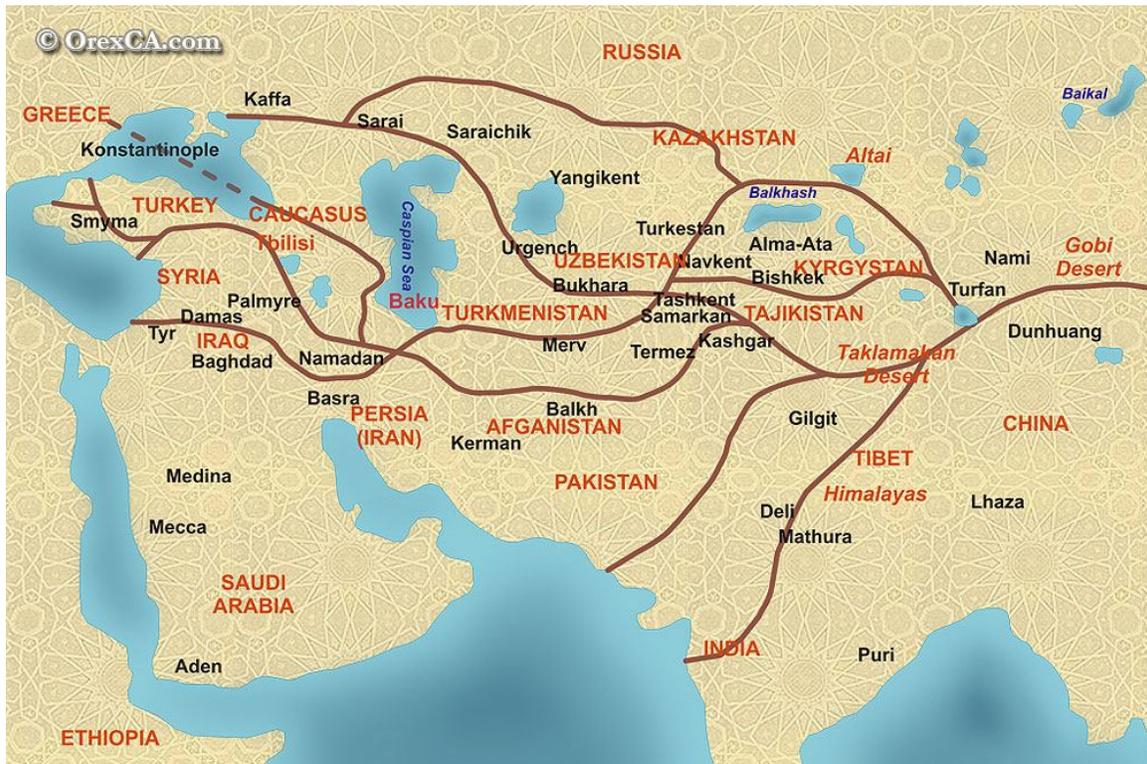


Central Asia: Of Ceremony and Substance

By

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The Silk Road – an anonym of the nineteenth century¹ was apprehended as a link between two continents of civilizations – the ‘Orient’ and the ‘Occident’. The ancient trading route – the Silk Road has for long fascinated the West. It has for more than a thousand years conjured the mysterious and the exotic East. It has been the conduit through which not only merchandise, but also ideas, pilgrims, armies, people and religions moved, casting an influence that went beyond the geographical compass of the region.



Map showing the ancient trade route – the Silk Road.²

¹ Whitfield, Susan, Sims-Williams, Ursula, British Library, *The Silk Road: Trade, Travel, War and Faith*, Serindia Publications, Inc., Chicago, 2004, p. 13.

² http://www.orexca.com/img/silk_road.jpg, accessed on May 21, 2009.

As a region, Central Asia has had a fairly coarse history internally and also as a ring for competition and conflict among empires and major powers. The region has been a “land bridge” for trade and ideas, and served as the confluence among different parts of the Eurasian landmass and its civilizations. More recently it has been the locus of fault lines between different powers as they shoved into the brink of their military and political limits. As such, since the 19th century the wider Central Asia has been fragmented – construed as a region of barriers and conflicts rather than of economic convergences and people-to-people connections.

The “new game” in the heart of Asia is not as much among the old colonial powers as among their former minions, many of whom are themselves emerging from colonial domination and seeking to define their roles in their respective regions and the world.³ The breakup of the Soviet Union and the creation of five Central Asian republics (Kazakhstan, Kyrgyzstan, Uzbekistan, Turkmenistan and Tajikistan) have complicated security relations within Asia.

The five post-Soviet states of Central Asia, like the other republics of the erstwhile Soviet Union accost the challenge of carrying out four distinct, yet related transitions. The first involves a move from the status of a cog in the wheel of a command and highly interdependent Union economy to building a national economy. The others include the evolution from a centrally planned economy to a market economy; from a semi-colony of an empire to a sovereign nation-state; and from a totalitarian society to one based on individual freedom and democracy.

The conjoint pulls and tensions emanating from the simultaneous and corresponding transitions in the CARs (Central Asian Republics) compound the process of economic reconstruction floated to facilitate a transition to market driven capitalism. It is thus, not possible to study or analyse the dynamics of change in the region without accrediting the composite fallout of the interplay of all the four progressions.

³ Rumer, Boris, in Smith, Dianne Louise, Army War College (U.S.). Strategic Studies Institute, *Central Asia: A New Great Game?*, DIANE Publishing, Pennsylvania, 1996, p.1.

The economic reconstruction in the Central Asian states is further encumbered by the fact that these newly independent states were among the least developed among the former Soviet republics, and the most isolated from the logic of market-driven economics. Consequently, their managerial, technical and institutional capacities to carry out market reforms were relatively anemic. They were also among the most interdependent economies, with a relatively greater degree of dependence on Russia. Thus the disintegration of the Union economy and the economic weaning from Russia caused them greater dislocations, complicating the task of initiating and sustaining a coherent programme of market reforms.⁴

The foremost threats to Central Asian security remained internal in character. The assiduous process of nation-building, the legitimacy crisis, rapid social and economic transformation, ethnic diversity, border disputes, and a catalogue of other issues constituted the main sources of instability and anxiety in the post-Soviet republics.

By the end of the 1990s, two distinct tendencies emerged as the dominant features of contemporary Central Asia: degradation in the social and economic spheres, and escalating tension in the relations among the states in the region. The primary cause of both the currents in the socio-political dynamics of the region remained rooted in profound economic crisis. It further became increasingly imminent that the existing regimes could neither resolve nor contain such trends that threatened not only to unleash a massive social explosion (which appeared all the more likely amidst growing importance of the 'Islam' factor), but also provoked the risk of inter-state conflicts that could spark a general "Balkanisation" of this vast region in the heart of Eurasia.

⁴ Mandelbaum, Michael, *Central Asia and the world: Kazakhstan, Uzbekistan, Tajikistan, Kyrgyzstan, and Turkmenistan*, Council on Foreign Relations, Washington D.C, 1994, pp. 147-148.

The mainstream wisdom during the first half of the 1990s believed the principal dynamics of change in the Central Asian countries dwelled in two fundamental movements:

1. the transition from the Soviet command-mobilisation economy to a market-based system, and
2. the establishment of the institutions of political democracy.

In the span of less than a decade, it became apparent (if one dispenses with ideological fantasies) that the real constellation of coordinates for Central Asia demonstrated neither the triumphant formation of a market economy nor an inexorable process of democratisation. The primary dynamics in the region instead were axiomatically different: economic degradation, a precipitous decline in the standard of living, a dismantling of the social infrastructure, and the consolidation of authoritarian regimes that were based on personal rule and bore scant resemblance to democracy. In terms of the level of development, all five Central Asian states plunged rapidly and appeared fated to join the ranks of the poorer countries of the world – with all the attendant maladies and consequences.⁵

All five republics have suffered sharp economic dislocation since independence. They were suddenly severed from the centralised command economy that administered their resource allocation, long range planning, investment funding and management. All the five republics being landlocked, goods needed to transit through a second nation via transportation networks that do not yet exist (other than through Russia). Economic reform and movement towards a market economy have been uneven, as states feared that further economic dislocation will produce massive internal unrest and political instability. The lack of modern financial systems, transportation networks, banking institutions and enforceable legal systems further dissuade foreign investment.

⁵ Rumer, Boris, *Central Asia and the New Global Economy*, Aakar Books, Delhi, 2003 pp. 3-5.

Since 1992, the five Central Asian republics initiated changes of varying intensity in their economic systems. Despite the intricate legacy of central planning, dissolution of U.S.S.R and consequent distortion of economic structures, ethnic problems, the region made some progress in market reforms. The countries in this part of the continent adjusted to the rationale of markets only since the disintegration of the command economy in erstwhile Soviet Union. In countries like China and Vietnam, that still propagandise their penchant for socialism, the mechanism of economic coordination has recalibrated to a great extent from bureaucratic manipulation to market allocation of resources.

In the land-locked Central Asian congregate however, circumstances were somewhat incomparable to the similar other units of the former Union. The endowment of natural resources, the strategic location of the region, the character of its indigenous political systems and the background of the political elite obliterated the use of routine decrees and strategies that worked for conventional transitions to market economy. The region had to adapt and appropriate the market to its own eclectic amalgam of resources and requirements.