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ECONOMY XII. IN TAJIKISTAN

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Before its incorporation into the Soviet Union the territory of Tajikistan constituted the eastern part of the Bukharan emirate, with an economy based on agriculture and animal husbandry, as well as on such highly skilled local manufacturing as silk weaving, pottery, and leatherwork. The Russian imperial government had introduced cultivation of cotton on a significant scale only in the densely populated Farḡāna valley, in the northern part of Tajikistan. Rudimentary modern industry was established mainly in Ḵojand, the only significant urban center incorporated into Soviet Tajikistan (Asimov, pp. 190-92; Nurnazarov and Rahimov, pp. 46-50).

During the seventy years of centralized Soviet administration the economy of Tajikistan was modernized and integrated into the Soviet economy. As a participant in the general dynamics of Soviet economic development, the Tajik Soviet Republic exhibited comparatively remarkable growth in the agricultural and industrial sectors during successive five-year plans, beginning in 1928. Its economic development was oriented to Soviet, rather than local, needs, however. As in other southern Central Asian republics, with which Tajikistan formed a single economic unit within the Soviet Union, specialization in cotton monoculture undermined grain production and

animal husbandry. During the period before World War II Tajik agriculture was largely collectivized, and there were dramatic increases both in the area under cultivation and in irrigation. The postwar period was marked by steady growth in the industrial sector, particularly in branches supporting agriculture. In recent years production of hydroelectric energy and processing of nonferrous metals have expanded rapidly. Nevertheless, as in other Central Asian republics, the economy has remained primarily agricultural, with industrial growth lagging far behind that of European regions of the Soviet Union.

The agricultural sector. Two major economic reforms followed the establishment of the Tajik Republic. The first, nationalization of land and water resources, occurred in the second half of the 1920s. Confiscated lands were distributed among landless peasants, and progressive taxation was imposed. The organization of farmers' cooperatives made state assistance available to poor peasants. By 1930 approximately 15,500 peasant households, nearly three-quarters of the total households in the Tajik Republic, had joined such cooperatives. The economy made significant gains during that period and partially recovered from the large-scale displacement of population and destruction of irrigation networks caused by the civil war between the Soviet army and the Basmachi resistance in the early 1920s (Rywkin, pp. 45-47; Rakowska-Harmstone, pp. 29-34; see dushanbe).

The second reform, which shaped the structure of Tajikistan's rural economy for decades to follow, was the collectivization drive of the 1930s, in which villages and private farms were absorbed into collective farms (*kolkhozi*). Many peasants rebelled against forced collectivization. As a result, a significant portion of the rural economy was devastated. Losses in livestock during collectivization were not fully made up until the 1950s. Despite this resistance, however, half the agricultural land in the republic had been collectivized by 1933, and by the end of the decade only a few private farms survived, most in remote areas (Rakowska-Harmstone, pp. 38-39). Concurrent with the collectivization campaign, new land was brought under cultivation, particularly in the southern valleys of the republic. Areas already under cultivation, like the Farḡāna valley on the Jaxartes (Syr Darya) and the Zarafšān valley, were further developed. A considerable number of the inhabitants of mountain villages, particularly in the Ḡarm district, were resettled in the new collective farms along the Vaḵš and Kāfernehān (Kafirnigan) rivers, tributaries of the Oxus (Amu Darya). Most collective farms

were set up to be ethnically homogeneous, with either predominantly Tajik or predominantly Uzbek farmers. Individual farms were required to raise specific crops. For instance, many collective farms in the foothills specialized in grain (principally wheat) and livestock, whereas those in the valleys often grew cotton. In the period after World War II there was a general trend toward converting grain lands to cotton cultivation. The total area of agricultural lands planted in grain in 1986 was one-third of what it had been before the Russian revolution of 1917 (Table 1). As a result, massive quantities of cereals had to be imported from other Soviet republics. Meanwhile, construction of extensive networks of irrigation canals and improvement of cultivation techniques, as well as greater use of fertilizers and insecticides, increased cotton yields (Niyazov, pp. 37-40; Rakowska-Harmstone, pp. 56-60). Production of raw cotton increased from 0.17 million tons in 1940 to 0.4 million tons in 1960 and 1 million tons in 1980. In the latter year Tajikistan produced 11 percent of all cotton in the Soviet Union, ranking third after Uzbekistan and Turkmenia (*Narodnoe khozyaĭstvo Tadzhikskoĭ SSR*, 1991, p. 472).

After World War II many smaller collective farms were consolidated into larger and more efficient operating units, reducing the total nearly sevenfold, from 3,093 in 1940 to 453 in 1955. The number continued to decline steadily, owing principally to the conversion of collective farms, particularly in the foothills, to state farms (*sovkhozi*), with workers who were government employees. In 1955 there were thirty-one state farms, in 1980 234, and in 1989 315 and only 160 collective farms. The remaining cotton-producing collective farms were quite large, with an average of 1,600 workers and 2,300 ha of land, and they became steadily more mechanized. Between 1980 and 1989, while the total number of collective farms remained essentially constant, the average number of tractors per collective farm increased from 68 to 108 (*Narodnoe khozyaĭstvo Tadzhikskoĭ SSR*, 1991, pp. 257-59). Members of collective farms were required to contribute a certain amount of seasonal labor, but they were also free to cultivate small personal plots of land and to keep some livestock. For each collective farm the state stipulated the amount of produce to be delivered at a fixed price. Any surplus could be used on the farm or sold at unregulated prices at *kolkhoz* markets, found in most towns (Symons et al., pp. 124-26; Wheeler, p. 168; Nove and Newth, pp. 55-64). In 1974 the state purchased all cotton produced, 26 percent of cereals, and 54 percent of vegetables (Dzhuraev and Pulatov).

Beside cotton and cereals, important agricultural products included silk, tobacco, vegetables, potatoes, pomegranates, lemons, almonds, grapes, melons, figs, apples, pears, quince, peaches, apricots, and plums. Fodder for livestock was grown on collective and state farms. Sheep, producing wool for export, constituted the most important category of livestock, numbering about 2.5 million in 1990. In the same year there were 815,000 goats, 210,000 pigs, 539,000 cows, and 51,000 horses, as well as 7.9 million domestic fowl. The total number and overall condition of livestock in the republic in 1990 were not notably different from those in 1916, whereas the population had grown fivefold in the same period. In consequence, large amounts of meat and dairy products had to be imported (Asimov, pp. 210-15; *Narodnoe khozyaĭstvo Tadzhikskoĭ SSR*, 1991, pp. 248-50; Kiss, pp. 51-52.).

The industrial sector. In the 1930s, although state-owned industry included only a few cotton-processing mills and factories for production of construction materials, it had already supplanted cottage industries in importance. Nearly all industrial employees, including workers and technical and administrative cadres, were Russians or Ukrainians, who already constituted 10 percent of the total population of Tajikistan. As in other Central Asian republics, World War II stimulated industrial development, owing to increased demand and shifting manufacturing patterns connected with the war effort. Many industries in the western part of the Soviet Union were relocated to Central Asia, including Tajikistan, at a distance from the battle front. During that period industrial employment among the local, non-Slavic (Tajik and Uzbek) population, including women, increased significantly. This trend continued in subsequent decades (Rakowska-Harmstone, pp. 43-46).

Industrial production in Tajikistan grew steadily from the 1940s through the late 1980s, particularly in consumer goods, which by the end of that period constituted three-quarters of total industrial output. Processing raw cotton and manufacturing textiles were major industries. Most of Tajikistan's processed cotton fiber was, however, shipped to Russia to be manufactured into cotton cloth. Other important light industries in Tajikistan included manufacture of silk cloth (part of which was exported), carpets, leather goods, and refrigerators, as well as extraction of cottonseed oil, canning, processing tobacco, and wine making. Most of the machinery produced in the country is equipment used in cotton cultivation and textile manufacturing. Production of mineral fertilizers, power transformers and cables, and construction materials for local consumption is also significant (Table 2). Most industries are

concentrated in Dushanbe, Ḵojand, and neighboring towns. Gas pipelines connect Dushanbe with the southern gas fields. In the north Ḵojand (formerly Leninabad), is supplied with natural gas from Uzbekistan. Coal and small quantities of petroleum are extracted in the north, yet the republic is heavily dependent for fuel upon petroleum imported from Turkmenistan and Uzbekistan. Fluoride and various metals, including lead, zinc, mercury, bismuth, tungsten, molybdenum, and gold are mined, predominantly in the north, where considerable quantities of uranium are also extracted, processed, and exported (Dzhuraev and Pulatov; Saidmuradov; *Atlas*, pp. 126 ff.).

From the 1960s through the 1980s the Soviet government made considerable investment in exploiting the tremendous power potential of the republic's mountain rivers. The largest of the four hydroelectric stations on the Vaḵš is situated at Nārak (Nurek), where an earthen dam 300 m high, the highest dam in the world, serves both production of hydroelectric power and local irrigation needs. Its generators have a capacity of 2,700 megawatt hours of electricity. Energy from the Nārak station supplies the South Tajik territorial production complex, the largest industrial unit in Central Asia. One of the principal enterprises encompassed in this complex is a large plant at Yāvān, which uses local reserves of sodium chloride and carbon to produce chemicals for industrial purposes. Another is an aluminum smelter at Torsonzāda, with a projected output of 0.5 million tons a year, 13 to 15 percent of total aluminum production in the former Soviet Union. Raw material for this plant came from the Ural mountains, and its products were shipped back to Russia for final processing. Nevertheless, calculations had shown that, owing to the availability of electrical power necessary for this energy-intensive process, the enterprise could be cost-efficient. Neither of these two plants has been able to reach full capacity since beginning operations in the 1980s, however (Rumer, pp. 47-53; Matley, pp. 421-24; Juraev, pp. 12-21). Other ambitious projects, like the hydroelectric complex at Rāḡon, construction of which was begun in the early 1980s, were, for all practical purposes, abandoned amid the political chaos at the end of the 1980s.

Transportation and trade.The transportation infrastructure of the republic consists of a total of 12,100 km of hard-surfaced roads and 900 km of railways, supplemented by airlines and 300 km of navigable waterways along the Amu Darya and the tributary Vaḵš and Panj. In 1989 about 300 million tons of freight were transported annually by truck and an additional 7 million by rail (*Narodnoe khozyaĭstvo tadzhikskoĭ SSR*, 1991, pp. 283-90; Asimov, pp. 221-23).

Like the gas pipelines, the geographic configuration of road networks reflects the prevailing economic division within the republic. The northern province of Ḵojand has been connected with the neighboring regions in Uzbekistan and Kirgizia since the tsarist period by roads and railways crossing the entire Farḡāna valley. In the south a transportation network connects Dushanbe, the provincial centers of Qorḡān-teppa (Kurgan Tyube) and Kūlāb, and southeastern Uzbekistan. Surface transportation between north and south, however, is possible only via a mountain road linking Ḵojand to Dushanbe, which becomes impassable in winter.

Through the 1980s Tajikistan's principal trading partners were the Russian Federation and the other Central Asian republics. Tajikistan imported industrial equipment and instruments, farm machinery, motor vehicles, ferrous metals and metal goods, lumber, textile products, petroleum, and natural gas, as well as cereals and dairy products. In return, it exported cotton and silk fibers, carpets, vegetable oil, canned foods, fresh and dried fruits, wine, tobacco products, nonferrous metals, aluminum, cement, and refrigerators (Dzhuraev and Pulatov; Nurnazarov and Rahimov, pp. 143 ff.)

Effects of integration into the Soviet economy. Tajikistan constituted 0.64 percent of the total area of the Soviet Union, with a maximum of 1.8 percent of its population in 1989; it was thus only a small component of the unified Soviet economic structure. Although a series of economic reforms and counterreforms were made under various Soviet administrations, the economy remained state-controlled, centrally planned, and highly specialized by region. Despite Soviet constitutional provisions for self-rule in the republics, in practice autonomy was extremely limited, particularly in economic matters, which were controlled by the ministries located in Moscow. Tajikistan's role in the Soviet economic system was essentially to process local raw materials like cotton and, more recently, aluminum. In return, Russian capital and technical skills contributed to the expansion of the Tajik economy. Available statistics on the complex budgetary allocations, regional investments, and financial system of the former Soviet Union are insufficient to permit objective assessment of the economic and financial gains and losses to Tajikistan from this interdependence. Nevertheless, indicators of social welfare, including education xxviii and health care, suggest major advances in the standard of living during the Soviet period.

As in other Central Asian republics, Tajikistan experienced a population growth of more than 3 percent during the three decades from 1960 to 1990.

Two major factors can account for it. First, infant mortality, though still relatively high, declined significantly, from 80.8 per 1,000 in 1975 to 48.9 in 1988. Economic development and general improvement in sanitary conditions caused the drop (Ryan, pp. 247-48). Second, the Soviet policy of rewarding families for having large numbers of children proved effective in Tajikistan, as elsewhere in Central Asia, but not in Russia, where a young labor force was most needed. The Soviet government was largely unsuccessful in efforts to resettle the unemployed young labor force of Tajikistan in regions of the Soviet Union with labor shortages (Rumer, pp. 105 ff.). Widespread unemployment has persisted into the period of independence in Tajikistan. Just before independence in 1991 the living standard was the lowest among the Soviet republics.

Beginning in the chaotic late 1980s, and particularly after the civil war that followed independence, the economy of Tajikistan has suffered. In many factories production has decreased dramatically or even ceased, owing to interruption in imports of raw materials and to fuel shortages. In 1992 production of raw cotton, the republic's main export, dropped to half the level of 1989, though some of this decrease can be accounted for by the replacement of cotton with grain crops (International Monetary Fund; Economist Intelligence Unit, pp. 53-55; Niyazi). The rapid departure of Russians from the republic has resulted in a shortage of skilled labor, professionals, and industrial managers, yet the rate of unemployment, especially among young, unskilled workers, remains high. There is as yet no plan in effect for restructuring the economy to serve a newly independent Tajikistan.

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