

Central asian trade policy of russia (The second half of the XIX century the beginning of the XX century)

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Abstract

This article is devoted to the trade and economic relations of Turkestan with Russia in the late XIX - early XX centuries. One of the goals set by Turkestan administration was to develop the foreign and domestic trade relations of the country.

Keywords: *Turkestan region, Kokand, trade, customs, Anglo-Indian, tax, trade-industry, Tashkent fair, goods, caravan, zakat, firms, traders, transport, goods, commission, capital.*

Introduction

1. Relevance

Trade relations have been developing in Central Asia since ancient times. The Central Asian khanates traded with China, India, Afghanistan, Iran, Turkey, the Arabs, Russia and other countries. Trade and exchange relations have always been mutually beneficial. Caravan trade between these countries continued in the second half of the XIX century. From the second half of the XIX century in the peoples economy of Central Asia is characterized by the beginning of new and more complex commercial and industrial firms activities.

2. Research methods.

The topic coverage was based on systematic analysis, based on objectivity, historicity, historical order, historical archival data, using complex historical methods.

3. Research results

After the governor-general establishment of Turkestan, the governor-general of Turkestan K.P. Kaufman, who had the right to independently resolve trade, economic and political issues, one of the first measures taken was foreign and domestic trade relations development. The first step taken by Kaufman to address these issues was trade taxes abolition in Central Asia. In the interests of Russian trade and industry, as well as Central Asian traders, K.P. Kaufman, with the consent of the Minister of Finance on December 12, 1869, forbade the taking zakat on goods exported from Central Asia to Russia¹. This measure would create very favorable conditions for the goods export from Central Asian khanates and neighboring countries to Central Russia through Turkestan, as Turkestan trade has a special place in transit trade. Moreover, as there was a lot of uncertainty about domestic and foreign zakat during this period, this measure was tantamount to repealing the existing trade laws in Turkestan.

This was stated in the commission report set up to review the management project of the Syrdarya and Semirechye regions. "Since only one trade caravan can trade in Russia and abroad, it is practically impossible at all to divide the caravan trade into domestic and foreign trade"².

The main reason that forced the regional administration to reorganize the tax payment for the right to trade was to promote the trade relations development between Russia and Central Asia. At the same time, the news was a measure taken to eliminate complaints and other obstacles in the Russian press, reflecting the interests of commercial and industrial circles.

One of the measures taken by Turkestan administration to develop Russia-Central Asia trade was a fair opening in Tashkent. The fair opening was initiated by the governor-general of Turkestan K.P. Kaufman. Exercising his right to resolve trade issues independently, Kaufman ordered a fair organization in Tashkent twice a year.

The first Tashkent fair was held in the autumn in 1870. Its organizers tried to send local traders a lot of goods to the Russian markets, to bring the interests of Russian and local capital closer, in other words, to use local capital for Russian industry. In order to attract more Central Asian traders, K.P. Kaufman, with the permission of the Minister of Finance, ordered the zakat cessation on trade caravans coming from Bukhara and Khiva khanates, Afghanistan and elsewhere. The Kokand Khanate, Indian and Chinese traders also had the right to sell their goods without paying zakat. Only Turkish and European goods were banned from being brought to Tashkent fair.

The customs duties abolition between Orenburg and Western Siberia and the Central Asian goods exemption sold in Turkestan markets from trade taxes have increased the Central Asian goods volume exported to Central Russia. At the same time, this measure did not cause much damage to the state treasury revenue in the beginning.

Most goods presented at Tashkent fair were from Kokand and Bukhara khanates. If in 1870 goods worth 964840 soums were imported from the Central Asian khanates, in 1871 goods worth 1246480 soums and in 1872 goods worth 1159280 soums were imported. Almost all the goods brought to the fair from the khanates were sent to Russia.

The zakat payment abolition had not only positive but also negative aspects for the tsarist government. Many Central Asian and Afghan traders used it to import and sell goods duty-free throughout the year.

The special customs absence at new state borders placed the customs duties control in the local civil and military administration, but it was practically impossible to control every caravan moving in such a large area. Central Asian merchants would prepare several caravans at the same time and send them to different cities of Russia after paying zakat. After the goods sale, they would buy Russian goods for the proceeds and sell them elsewhere without paying additional zakat. During this period, it was not possible to accurately report on trade between Russia and Central Asia. The economic administrations were not able to control not only the goods account but also caravan movement.

It should be noted that although the measures aimed at developing Russia-Central Asia trade relations had their downsides, they not only greatly contributed to the trade expansion, but also facilitated the Central Asian capital inflow into Russian Central Asian trade. If we focus on the positive measures aspects taken, we will see the following changes: 1. Relatively rapid growth of trade; 2. The gradual attraction of the independent Central Asian khanates' capital and the neighboring states merchants of Turkestan to the world capitalist market circulation; growth and consolidation of the capital of Central Asian traders.

But this success could not justify the disruptive activities of Russian trade policy and trade capital. Free tax-free trade has attracted not only wholesale traders, but also small, mainly merchants. Owners of small capital began to buy raw materials in large quantities, at low prices, and sell them in shopping malls at exorbitant prices.

In a letter to the Governor-General of Turkestan in early 1872, the Russian Finance Minister's Special Envoy noted the following: "The uniform capital distribution, if the tens and hundreds of soums in the local population can be called so, has led to the small-scale trade development. We see the consequences of this by paying a very high price for the first necessities of life. This petty trade

has lowered the prices of our manufactured goods to such an extent that Russian traders are forced to sell their goods at a direct loss. At the same time, the sharp rise in the raw materials price shows that this trade profitability is declining”³.

The favorable conditions created for Central Asian trade were accelerated by legislation, as the Central Asian khanates went through all historical processes stages, and were prepared by the growing demand for Central Asian raw materials in Russian industrial enterprises. Indeed, if before the Russian invasion of Central Asia the price of a (16 kg) cotton pound was from 2 soums to 2 soums to 50 tiyins, by 1870 its price had risen to 5-6 soums.

The reason for the decline in the Russian textile goods price during this period was their large quantities introduction into Central Asian markets, as well as the sale of British textile goods to Central Asia in large groups. Therefore, Russian traders and industrialists began to demand that the government free Russian trade in Central Asia from the competition of British goods. In 1868, the Tsarist government, in response to the demands of traders and industrialists, banned the import of European goods into Turkestan. This measure did not stop the import of British goods into Turkestan markets. But the government could not prevent the entry of European goods into the Central Asian khanates.

Although these khanates recognized their dependence on Russia, they maintained their independence in foreign trade. The customs regime in Turkestan created favorable conditions for the smuggling of foreign goods. This situation caused serious concern among Russian traders, who began to insist on the country's administration to get rid of competition for European goods.

The administration of the governor-general of Turkestan began to take measures to stop the entry of European goods not only into the territory of the governor-general of Turkestan, but also into Bukhara and Khiva khanates territory, because European goods coming to these khanates also entered governor-general territory of Turkestan, creating serious competition for Russian manufactures and other products. For this purpose, the governor-general of Turkestan, in cooperation with the tsarist government, established a special commission. The main purpose of this commission was to review the customs control work in the country.

In its work, this commission focused on the issue of receiving internal and external zakat. Most members of the commission tried to create favorable conditions for Russian goods sale in Central Asian markets and, conversely, to export Central Asian raw materials for Russian industry. The commission members found that zakat paying was useless for both the state and the merchants. For example, to determine measure the amount of zakat, it was necessary to know the capital amount. Consequently, this was not possible because traders in Central Asia hid their capital amount. This event could have had a different impact on traders. At the same time, despite the fact that the profits from handicrafts varied, the zakat was taken from the capital only once.

Thus, the commission recommended, in vague terms, to replace the zakat with a guild fee and a small trade fee. The commission found the tax collection unnecessary for both Russian goods and Central Asian raw materials. The most important issue for the commission was the European goods removal from Central Asian markets, primarily Turkestan markets.

Until 1874, the proposals developed by the commission were not implemented, as the tsarist government was waiting for Khiva khanate to accept its dependence on Russia. Only after the treaty with Khiva and Bukhara khanates in 1873, in May 1874, the Turkestan commission proposals were used by the Council of Ministers and approved by the horn.

In accordance with the State committee decision on January 1, 1875, a tax was levied on traders engaged in permanent trade in Turkestan. But this decision adoption did not completely

eliminate the internal zakat. The zakat collection was also preserved in the lands that were separated from Khiva khanate and merged with the Amudarya branch and became part of the Syrdarya region.

Although the Turkestan trade law in 1874 regulated domestic trade, it loosened foreign trade controls. At the same time, the abolition of the zakat collection offices led to the downsizing of the official entrusted by the Minister of Finance in 1870 to the governor-general of Turkestan. By leaving foreign trade unchecked, Turkestan regional administration has made a huge mistake. The abolition of zakat posts in Syrdarya region and Zarafshan district has left open the issue of customs duties on European goods and how to stop their entry. This, in turn, created the conditions for the unimpeded entry of European goods from a very large part of Turkestan.

It should be noted that while control of imported goods was important for Russian trade in Central Asia, until the early 1980s the authorities did not develop any measures to control foreign goods. This is due to the difficult political situation in Kokand Khanate in 1873-1876.

With the dissolution of the Kokand Khanate and the formation of the Fergana region, foreign and domestic trade issues began to be considered in connection with the organization of Fergana region administration. In the tense situation view in the new province, the Turkestan provincial administration in November 1876 issued an order to stop not only the import of foreign goods there, but also the transit of goods to Xinjiang. This regional administration action is not only a political situation measure, but also an attempt to equate the new region with other regions. But the order to stop the foreign goods importation did not mean that they had actually stopped. Due to the lack of control, foreign goods began to enter the Fergana region without any resistance.

On November 8, 1876, the governor-general of Turkestan, K.P. Kaufman, banned the importation of European goods into Turkestan and the conduct of transit trade through it. However, this governor-general instruction of Turkestan was not implemented and did not play a significant role. The main reason for this was that Russia's trade policy in Central Asia and trade issues in general were directly dependent on the capitalist system development.

The changes in the Tsarist government trade were directly dependent on the 1970s crisis, which surrounded the advanced capitalist states.

Measures were taken in 1881 to strengthen the ban on European, mainly British, goods entering Turkestan markets duty-free. On November 10, 1881, G.A. Kolpakovsky, acting as a governor-general of Turkestan, approved the "Rules for the taxation of Anglo-Indian teas and the control of trade across the borders of the Central Asian khanates"⁴. Based on these rules, the import of all foreign goods into the territory of Turkestan, except for nil (indigo), gauze (the highest grade of cheesecloth) and tea, which were the first population necessities, was prohibited. At the same time, a large amount of tax was imposed on imported goods. According to a decree in 1881, a tax of 6 sums per pound of nil, 1 sum per pound of gauze, and 52 sums per pound of tea was to be paid⁵.

The Russian traders and industrialists' aspirations to the Central Asian markets, as well as their views on how important these markets are for Russian trade and industry, were also welcomed by some ruling circles representatives. The governor-general of Turkestan, Kaufman, was not only interested in making fuller use of the Central Asian markets, but would also take a practical part in their development.

He wished to open a fair in Tashkent. He has contributed to the expansion of their trade operations by providing various incentives to Central Asian traders. But most of the tsarist government representatives were not interested in the excessive growth of Russian capital. This was not to the desire of the aristocracy.



4. Conclusion

Thus, the need to strengthen the Russian capital position in the Central Asian markets was inextricably linked with the Russian capitalism nature. On the other hand, this situation was also called by the easing of social tensions in Russia.

For the Tsarist government, the trade development in Turkestan region and neighboring khanates was associated with the capitalist relations development in the country and the smoothing the political situation. But the colonial policy was also in the Russian commercial and industrial circles interests, so they fully approved of this policy.

Colonial policy, of course, led to the Russian bourgeoisie positions strengthening without the tsarist government will. The Tsarist government primarily protected the interests of the Russian aristocracy. The Russian bourgeoisie, on the other hand, forced the Tsarist government to pursue a colonial policy that reflected the interests of trade and industry.

References.

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