

**NATION-BUILDING AND GOVERNANCE IN POST-SOVIET UZBEKISTAN: THE 'MUSTAQILLIK' IDEOLOGY AND ITS IMPACT ON ECONOMY, FOREIGN POLICY, AND IDENTITY*****Pulatov Khasan****East China Normal University, School of Politics and International Relations  
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**Abstract:** This article examines the national concept of "mustaqillik" (independence) as the cornerstone of Uzbekistan's state ideology during Islam Karimov's presidency following the country's declaration of independence in 1991. Beyond political sovereignty, this ideology shaped Uzbekistan's economic, foreign policy, and cultural trajectories. In economics, the "Uzbek Economic Model" emphasized state control, economic protectionism, and import substitution, achieving stability but at the cost of low productivity and persistent corruption. The "defensive self-sufficiency" foreign policy aimed to maintain parity, avoid alliances, and reject expansionist ideologies while addressing regional security challenges, particularly in Afghanistan. Culturally, the regime sought to craft a secular national identity centered on historical figures, such as Amir Timur, and the revival of pre-Islamic traditions, alongside selective accommodation of Islamic heritage. The study highlights how these policies reflected and reinforced Karimov's vision of a sovereign Uzbekistan, balancing stability with the limitations of state-centric governance.

**Keywords:** Uzbekistan, Mustaqillik, Economic Model, Defensive Self-Sufficiency, National Identity, Islam Karimov, Post-Soviet Transition, State Ideology, Nation-Building.

**Introduction**

The national concept of "mustaqillik", translated as "independence", is the fundamental basis of the post-Soviet approach to governance and management of the country during the period of Islam Karimov's rule, who designated it as the main state ideology of Uzbekistan after the declaration of its independence in connection with the rapid collapse of the Soviet Union in 1991.<sup>1</sup> Being more than just a manifesto of political sovereignty, it represented a multifaceted structure that predetermined the domestic and foreign policies of the country during the initial stage of the state independence of Uzbekistan, focusing on economic protectionism and state control ("Uzbek Economic Model"), defensive self-sufficiency foreign policy and cultural identity revival of the state.

**"Uzbek Economic Model"**

In the economic sphere, in contrast to neighboring states such as Kazakhstan, Uzbekistan refrained from liberalizing the economy after the disintegration of the Soviet Union and continued to maintain the fundamental features of the planned centralized economic model. The small business sector and retail trade were denationalized, but priority sectors of the economy, such as agriculture, energy, natural resources, transport and communications, as well as enterprises attracted to the relevant sectors of the economy, continued to be under state

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<sup>1</sup> Toktogulov, B. "Uzbekistan's Foreign Policy under Mirziyoyev: Change or Continuity?" *Eurasian Research Journal* 4, no. 1 (2022): 49–67.

coordination and supervision, as did banking and foreign trade.<sup>2</sup>

This initial choice was determined by the economic system inherited from the Soviet period, when three circumstances were of fundamental importance: firstly, the combination of the republic's resources and professionalization in agricultural production, in particular in the cultivation of cotton (the share of which reached more than 60% of the total amount of cotton produced in the Soviet Union). The next most important valuable resource of the country was gold, the national reserves of which are estimated at 5.99 thousand tons (4th place in the world). Secondly, due to the presence of large reserves of cotton and gold in the country, Uzbekistan has sufficient resources that can be freely exported, delivering to other countries, which are a source of large financial dividends for the country. And thirdly, light industry, aimed primarily at the needs of agriculture, provided the opportunity to manufacture key consumer goods within the country, which were previously imported. In addition, domestic production of wheat (in 1989, the import rate of this product was 40%) and petroleum products was intensified.

Achieving economic independence in priority sectors of the economy and preventing socio-political unrest were the primary tasks of the state economic course in the early days of independent Uzbekistan. Radical changes towards structural reorientation of the economy towards an intensive, non-resource path of development in the context of the formation of a new Uzbek statehood in the post-Soviet period could potentially become a source of new threats to the formed system of political relations, which was based on the government-coordinated manufacture of agricultural crops (cotton, and later grain) between the involved strategic parties.<sup>3</sup>

For this reason, the official economic course, called the "Uzbek economic model", adopted in 1996, was oriented towards strengthening the mechanisms of state regulation of the economy (state intervention in the functioning of the labor market) and strengthening import-substituting policy measures. The government, in order to accelerate the build-up of the industrial potential of the republic, carried out a consistent policy of reconfiguring significant flows of financial, material, currency and labor resources through:

- direct division of resources, state price regulation of individual consumer goods (food products), interest rates and the exchange rate;
- high income tax rates and government spending;
- limited access to the official exchange rate of national banks that is profitable for currency buyers (differing from the market rate by an average of 2-3 times);
- formation of unnatural monopoly structures through discriminatory restriction of access for new enterprises to key sectors of the economy and industry and provision of preferential, tax and other individual lending programs to selected corporations or groups of corporations;
- direct ("manual") management of enterprises;
- establishment of a limited import quota through tariff and non-tariff barriers.<sup>4</sup>

As a result, although Uzbekistan achieved stabilization of the economic situation in the country, it nevertheless showed extremely low indicators of economic productivity and rates of economic development, coupled with high rates of unemployment, a high level of external labor

<sup>2</sup> Ruziev, K.D .& Ghosh, S. C. "The Uzbek Puzzle Revisited: An Analysis of Economic Performance in Uzbekistan Since 1991." *Central Asia Survey* 26, no. 1 (2007): 7–30.

<sup>3</sup> Markowitz, L. P. "Rural Economies and Leadership Change in Central Asia." *Central Asian Survey* 35, no. 4 (2016): 514–530.

<sup>4</sup> Рахматуллаев, Ш. М. "Эволюция экономической политики Республики Узбекистан в 1991-2016 гг.: от плана к протекционизму." In *Политическое пространство и социальное время: глобальные вызовы и цивилизационные ответы*, 173–180. 2021.

migration (mainly to Russia) and widespread corruption (table №1).

**Table 1. GDP per capita, in US dollars, nominal growth – in times. 1995 2016 Growth 1995-2016 Growth**

	1995	2016	Growth
<b>China</b>	609,6	10,156	+1,563,8 %
<b>Azerbaijan</b>	314,6	3,880	+1,131,7 %
<b>Russia</b>	2,666	8,663	+225,2%
<b>Armenia</b>	441,9	3,680	+732,7%
<b>Tajikistan</b>	208,2	801,4	+285,3%
<b>Kyrgyzstan</b>	364,2	1,120	+207,5 %
<b>Ukraine</b>	936,0	2,187	+133,5 %
<b>Kazakhstan</b>	1288,2	7,715	+499,2%
<b>Uzbekistan</b>	586,0	2,705	+361,4%

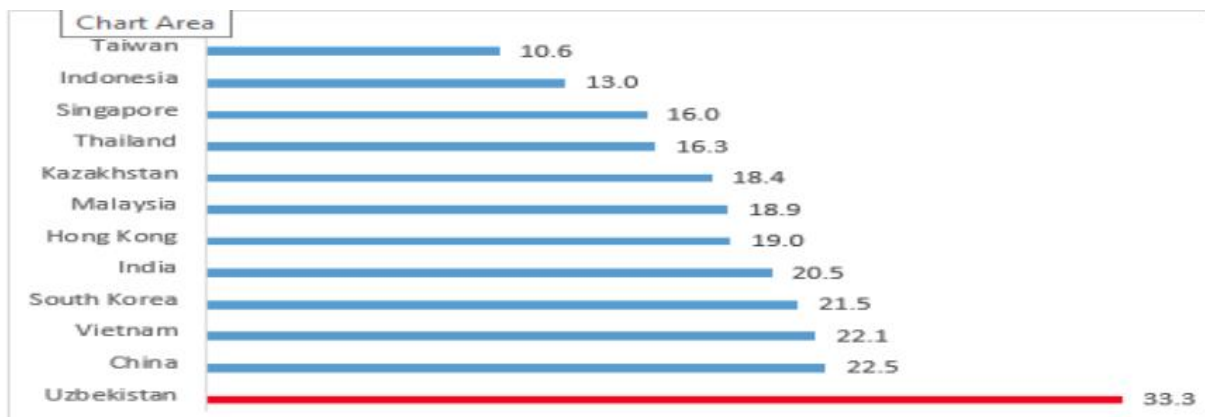
Source: compiled by the author according to the official website of World Bank, accessed November 11, 2023, <https://www.worldbank.org/ext/en/home>.

Thanks to the implemented course, market reforms were de facto stopped, market mechanisms were to some extent supplanted by the instruments of the command-administrative system of the economy. The establishment by the state of artificial barriers to entry into the domestic market for new players, the high level of expenses on running business projects in the private sector, and low protection of property rights prevented the formation of competitive segments of the economy and enterprises in the relevant sectors. An incredible number of prerogatives, a high level of monopolization of the economy provoked an increase in corruption, the receipt of instant rental income and a high outflow of capital. Artificial reduction of the cost of capital (for import of material and technical equipment, conversion was provided at a profitable exchange rate of the national banks of the republic, favorable loans with a low interest rate, tax exemption) and high cost of labor (due to many taxes) became the source of the use of capital-intensive production rather than labor-intensive, which in turn, in addition to other equally important factors, contributed to the extremely low level of employment of the population in the official sectors of the economy and industry. Thus, according to the data of a sociological survey conducted in the summer of 2016, in the presence of approximately 18.8 million people of limited ability in the country, the official statistical number of people employed in the public sectors of the economy is only 5.3 million people (less than 30% of the workforce), in the informal sector - also about 5.3 million personnel (including 1.6 million labor migrants employed in seasonal work).

As a result of the economic policy pursued by the Karimov government in the country, there was an extremely high rate of direct state intervention in the economic sphere of society. Thus, most enterprises are managed by the state through controlling stakes or so-called “golden shares”. The level of state ownership in the context of the lack of specific statistical data is almost impossible to measure both quantitatively and qualitatively, but according to some estimates, it is more than 50% of the state's national production assets. The vast majority of large corporations and financial institutions are under state control (85% of banking sector assets, the share of state-

owned companies in the country's GDP reaches more than 55%, the average value in developed countries is 20-25%). The costs of the consolidated budget of Uzbekistan reached 35% of the corresponding year's GDP at the end of 2018, and taking into account quasi-fiscal expenses amounted to no more than 42% of the GDP.<sup>5</sup> These two indicators are, on average, 1.5-2 times higher than identical indicators of successfully developing countries with a similar level of GDP per capita and even ahead of comparable indicators of many highly developed countries of the world (see Figure 1).

**Figure 1. Revenues of the state budget and extra-budgetary funds to GDP of individual Asian countries, in %, in 2015**



Source: compiled by the author according to the official website of Asian Development Bank, accessed November 22, 2024, [www.adb.org](http://www.adb.org)

### **“Defensive self-sufficiency” foreign policy**

In foreign policy, according to many experts, the model of "defensive self-sufficiency" was chosen, which was characterized by the following features of its manifestation:

- the desire for world political parity of status, which implies, accordingly, the rejection of the hegemonic policy of external actors both within the country and in the region as a whole. Thus, during his first formal visit as the leader of the new republic to Russia, which took place in October 1991, literally a month after the proclamation of the country's independence, Karimov adhered to the opinion that relations between states, equal subjects of world politics, regardless of the economic, military-political, scientific-technical, natural resource potential of countries, should be based on respect for the principles of sovereign equality of the parties, non-interference in the internal affairs of another state, respect for territorial integrity and inviolability of borders, cooperation and mutual partnership and the conscientious fulfillment of bilateral obligations and agreements. This approach, known in domestic academic circles as “**tenglik**” (“**equality**”), will continue to be one of the main characteristics of Uzbekistan’s foreign policy in the subsequent years of Islam Karimov’s rule.<sup>6</sup>

<sup>5</sup> World Bank Group. (2019, August 1). *Uzbekistan - Public Expenditure Review (Russian)*. Washington, D.C.: World Bank Group. <http://documents.worldbank.org/curated/en/556421586324506269/Uzbekistan-Public-Expenditure-Review>

<sup>6</sup> Teles Fazendeiro & Bernardo D. S. R. "Keeping Face in the Public Sphere: Recognition, Discretion and

Regarding the very position of “tenglik”, which prevailed in the country’s foreign policy in the early period of the republic’s independence, I. Karimov said the following: “Uzbekistan’s foreign policy is based on the principles of equality, non-interference in the domestic political situation of another country, and mutual benefit. To be equal among equals, to free ourselves from the “big brother” complex of the past - this is what we will focus on in the context of relations with the CIS countries and in our foreign policy in general.

- reliance on bilateral relations (diplomacy) as the main means of political interaction with external players, non-alignment with regional military-political blocs and integration projects. Thus, the international position of the country's leadership was additionally interpreted after the adoption of the foreign policy concept. The law, which came into force in 1996, not only focused on the desire to achieve independence and parity, but also noted in Article 6 of the document that the republic refuses to join any military-political coalitions.<sup>7</sup> The law also emphasized the importance of Uzbekistan's accession to the non-aligned movement, joining it in 1993. Uzbekistan was de facto the first country in the region to do so, since the “eternally” neutral Turkmenistan achieved this status two years later. The desire to refrain from both military alliances and political blocs coincided with the defensive model of political self-sufficiency. However, it should be noted that the republic's leadership's concerns about remaining on the sidelines of international military-political organizations were present due to the growing political instability in neighboring Afghanistan, caused by the growing influence of the Taliban and Al-Qaeda in the country, which in turn was a source of constant threat to both the national and regional security systems. For this reason, it is logical that the Karimov government approved the country's entry, like other post-Soviet states in Central Asia, into the Collective Security Treaty Organization (CSTO), a defense alliance led by Russia. However, the alliance with Russia was short-lived and already in 1999 Uzbekistan left this organization after the Taliban captured the northern territories of Afghanistan (Uzbekistan borders Afghanistan in the south) due to, firstly, the accumulation of sufficient experience in independently repelling attacks by local terrorist groups, secondly, Tashkent's disagreement with the CSTO's strategic plans in the Afghan direction, and thirdly, critical contradictions with Moscow regarding arms supplies.

It should be noted that even during its membership, Uzbekistan harshly criticized the activities of the CSTO, in particular Russia's desire to deepen military cooperation with the organization's member countries by forming joint rapid reaction forces. Uzbekistan viewed membership in the CSTO as a “goodwill conference” from which it could gain additional political points in the international arena. The country's leadership remained in favor of Uzbekistan's continued membership in the CIS in 1991 and the SCO since 2001, as it held a similar position regarding these organizations, viewing them primarily as “goodwill summits,” a suitable diplomatic platform for discussing pressing issues in the region and developing bilateral relations, since neither association had any integration significance.

In the context of the country's leadership's past decisions, the 1996 foreign policy concept can also be interpreted as an explanation of the position that concludes against military-political integration or traditional multilateral interaction schemes. From the perspective of a zero-sum

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Uzbekistan's Relations with the United States and Germany, 1991–2006.” *Central Asian Survey* 34, no. 3 (2015): 341–356.

<sup>7</sup> Law of the Republic of Uzbekistan, No. 336-I, on the Basic Principles of Foreign Policy Activities of the Republic of Uzbekistan. December 26, 1996. CIS Legislation, <https://cis-legislation.com/document.fwx?rgn=801>.

game, multilateralism would imply certain mutual concessions, compromise solutions - potentially even integration, that is, in Karimov's opinion, the loss of the national state's sovereign rights. This would force the republic's leadership to make concessions in decisions in which it could possibly gain more benefit than harm. Bilateralism, in spite of, is the optimal tool for strengthening independence. The previous president's interest in a bilateral model of interaction with external actors first arose during "the Perestroika" of the USSR in the second half of the 80s of the 20th century, but became more obvious after Uzbekistan appeared on the world map as an independent participant in international politics. Karimov himself noted at the parliamentary assembly of the CIS in 1993 that the organization functions solely for the sake of forming "civilizational ties and contacts between the cis countries... and long-term bilateral relations." This emphasis on using the CIS as a collective platform for deepening bilateral relations indicates that the country's leadership is not interested in increasing the competence and power of the commonwealth. In practice, the country's administration's prudent stance supports Roy Allison's statement that Central Asia is engulfed in "virtual regionalism," in which countries join and participate in regional associations in order to strengthen their autonomy.

-refusal to accept militaristic and expansionist ideology. The defensive model of self-sufficiency is most clearly revealed in the country's leadership's rejection of expansionist ideology. This implies that it has not instrumentalized mono-ethnic nationalism or geopolitical constructs such as Islam, Eurasianism, pan-Turkism or other similar concepts in order to position itself in the world arena. Karimov in particular was crystal clear on this topic: "Uzbekistan has always been an opponent of all forms and manifestations of radicalism...we oppose communist fundamentalism, religious fundamentalism and, if you like, we are against democratic fundamentalism. We are for gradual modernization, a consistent path of state development."<sup>8</sup>

In other words, the elimination of the influence of any detrimental ideology on the statehood of the country in the early stages of Uzbekistan's independence was the leitmotif of Uzbekistan's foreign policy, particularly if it was a suitable means to justify expansion. For example, Karimov rejected the Kremlin's concept of the "Near Abroad" and the call of former Turkish president Turgut Ozal that "the 21st century should become the century of the Turks" and his policy of the "Big Turkish Brother" in relation to his own state.<sup>9</sup> At the same time, when Turkey was assessed as a successful prototype and potential leader of Central Asian countries, the president of Uzbekistan did not accept any similar schemes, not least because they undermined the international equality of Tashkent's status. In fact, the country's leadership has refused to attend any conferences and summits under the auspices of Turkey since 1999, not only because of the nationalist agenda underlying these meetings, but also because of its willingness to build international relations through bilateral contacts.

The renunciation of expansionist ideologies has geopolitical overtones. Uzbekistan, due to its objective lack of capacity to compete with larger states, has used this ideological construct to bargain for comparative political and economic equality. In addition to geopolitical limits, there are objective security challenges, such as political instability in Afghanistan, which should be taken into account. These national and regional security issues were consistent with his call for Uzbekistan's defensive autonomy. Defensive autonomy is not only defending one's interests and priorities from any potential threat, but also striving to advance these interests and priorities

<sup>8</sup> Allison, R. *Russia, the West, and Military Intervention*. Oxford University Press, 2013.

<sup>9</sup> Laçoner, S., & Laçiner, S. "Turgut Özal Period in Turkish Foreign Policy: Özalism." *Journal Name*, 2 (2009): 153-205.

abroad. Apart from adopting a cautious and threat-based viewpoint, the republic's leadership has not pursued an offensive foreign policy.<sup>10</sup> For example, it has never encouraged mono-ethnic national movements abroad (the events in Osh in 2010). The country's government has not used its military force to protect ethnic Uzbeks from regular attacks by the Kyrgyz population during the Osh pogroms in 2010. Contrary to this, Karimov has claimed that the Uzbek government is prepared to protect only its own citizens and does not intend to interfere in the internal affairs of a neighboring state.<sup>11</sup>

### **National identity policy**

In cultural terms, after the collapse of the Soviet Union in the early 1990s, the political leadership of the newly formed state had the opportunity to “nationalize” the cultural and historical sphere of the republic. The political elite of the state, with the help of the intelligentsia, launched a new cultural revolution, which would become a catalyst for the creation of a new “national” identity for the country’s citizens. The foundation of the new cultural “revolution” was national history, national heroes, national customs and traditions, national values, etc. in a simplified form. The main goal of the country’s government was to form secular (state) and national identities as opposed to religious and local (regional) identities. In style, the new culture was “national”, but essentially secular. Thus, in the republic, the silhouette of Amir Timur, who began to embody the aspirations of the new state, became the new historical hero of the nation and the original symbol of the homeland.<sup>12</sup> A museum was built in his honor in the center of the capital, and monuments to him were erected in all cities of the country. The image of Timur in the new chapter of the history of the republic began to be associated with the liberator of the peoples of Central Asia from centuries-old oppression by the Mongols, the patron of science and culture, the great commander and statesman, the founder of a strong centralized state in the region, which indirectly referred, according to some Western experts, to Islam Karimov himself, under whose leadership Uzbekistan achieved independence. In addition, Islamic scholars, poets and philosophers such as Alisher Navoi, Mirzo Ulugbek, Ibn Sina and others were “rehabilitated”, who were necessary for the consolidation of the “new” culture. This decision was a certain form of tribute to the Islamic heritage of the past and the religious identity of the citizens of the state. In this way, the country's political leadership demonstrated that it sympathizes with "official" Islam as opposed to Islamic fundamentalists and extremists. In opposition to Islam, the government initiated the "resurrection" of pre-Islamic religion and holidays - Zoroastrianism and Navruz. As Islam Karimov himself emphasized in this regard, "to understand the dual exclusivity of Central Asian Islam, a thorough study of pre-Islamic culture is necessary, as an important element of our cultural wealth and heritage."

### **Conclusion**

Thus, Uzbekistan's early post-Soviet policies under Islam Karimov reveal a deliberate strategy to consolidate sovereignty, stability, and national identity through the concept of

<sup>10</sup> Menga, Fabrizio. "Building a Nation through a Dam: The Case of Roghun in Tajikistan." *Nationalities Papers* 43, no. 3 (2015): 21–35.

<sup>11</sup> Fumagalli, Michele. "Ethnicity, State Formation and Foreign Policy: Uzbekistan and 'Uzbeks Abroad.'" *Central Asian Survey* 26, no. 1 (2007): 105–122.

<sup>12</sup> Alimjanov, V. "Великое 'Историческое' Прошлое: Как Создавалась Новая Национальная Идентичность в Узбекистане и Таджикистане." *Central Asian Bureau for Analytical Reporting*, January 26, 2019.

"mustaqillik." The "Uzbek Economic Model" prioritized state control and protectionism, fostering economic independence but limiting market liberalization and growth. In foreign policy, the principle of "defensive self-sufficiency" safeguarded sovereignty by avoiding entangling alliances and expansionist. Culturally, the emphasis on crafting a secular national identity, rooted in historical figures and pre-Islamic traditions, reinforced state authority and countered potential ideological threats. While these policies achieved foundational stability during a volatile transition period, they also constrained long-term economic and political development. The legacy of this approach underscores the complex interplay between sovereignty and reform, shaping Uzbekistan's path as a modern nation-state in a rapidly changing geopolitical landscape.

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