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The Silk Road Renewed? South Asian Entrepreneurs in Uzbekistan

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The Problem

After Uzbekistan gained its independence in 1991, South Asian capitalists (Indians, Pakistanis, and Afghans) flocked to it and other struggling Central Asian economies, bringing capital, information, and technology.¹ Given that earlier, certainly in Mughal times (the sixteenth through eighteenth centuries),² and indeed pretty much until British, Russian, and Chinese political rivalry led to the suspension of close relations between Central Asia and the nations to the south of it during the early twentieth century, very important economic and cultural connections had existed between the Indian subcontinent and Central (or Inner) Eurasia, the renewed flow of South Asian entrepreneurs to Central Asia poses interesting problems. Is the Silk Road being re-opened? What are the relationships between Central Asian and South Asian traders and businessmen, and how have these related to state borders and policies over time? What histories are important at the present time, and how and by whom are they being formulated?

In the fall of 1999 I spent three months in Uzbekistan studying Pakistani, Indian, and Afghan traders and businessmen in Central Asia.³ This project in Central Asia expanded my interest in South Asia to a new region though one historically linked to it. I began as a tourist, interacting with South Asians in

¹ Shafiqul Islam, 'Capitalism on the Silk Route?', in Michael Mandelbaum (ed.), *Central Asia and the World* (New York: Council on Foreign Relations, 1994), pp.147–76.

² Stephen Frederic Dale, *Indian Merchants and Eurasian Trade, 1600–1750* (Cambridge: Cambridge University Press, 1994); Richard C. Foltz, *Mughal India and Central Asia* (Karachi: Oxford University Press, 1998); Scott C. Levi, *The Indian Diaspora in Central Asia and its Trade, 1550–1900* (Leiden & Boston: Brill, 2002); and Scott Levi (ed.), *India and Central Asia: Commerce and Culture, 1500–1800* (New Delhi: Oxford University Press, 2007).

³ The research was funded by a grant from Global Peace and Conflict Studies, University of California, Irvine, and I thank GPACS for it.

Uzbekistan on two trips there. In the fall of 1994, I visited Uzbekistan's historic sites, and, since I did not know Russian but did know Urdu and Hindi (Hindustani), my travelling companions and I relied heavily on Hindustani-speakers from Pakistan and India; we even found some Sikhs from Afghanistan doing business in Tashkent. In fact, we learned about the city from the South Asian businessmen and students, making a subway map in Urdu with the help of a young Pakistani trader so that we could get around easily, and frequently asking questions when we saw friendly South Asian faces. Indian, Pakistani, and Afghan businessmen were renting whole floors of the large but nearly empty government hotels, e.g.—the Tashkent Hotel and the Yoshlik Hotel—subletting rooms to fellow businessmen and to students. The students, mostly from Pakistan in 1994, often engaged in business on the side as they studied medicine, architecture, and other professions in the former Soviet Union. The economic situation in Uzbekistan seemed grim to us, and these pioneer entrepreneurs had formed a Pakistan Association to help each other,⁴ and to deal with the Uzbekistan government, itself struggling to establish regulations and policies for the new political economy.

In 1994, then, I was able to observe the South Asian traders' initial efforts to conduct business in Tashkent. Tashkent was not only the regional entry point for South Asians into Central Asia, it was by then Central Asia's chief commercial city (since about 1998, Kazakhstan's Almaty has displaced it).⁵ Uzbekistan was the Central Asian republic with the highest level of urbanisation, 22 percent, well above the Soviet average of 18 percent.⁶ Agriculture remains its largest sector (26 percent) though now less important than in the USSR period, when Uzbekistan was a monoculture cotton region. The population breakdown as of 1991 was 71 percent Uzbek, 8 percent Russian and 5 percent Tajik.⁷

In 1997 I made another trip to Uzbekistan (and Tajikistan), and I was struck by the changed situation of the South Asian businessmen in Tashkent. They seemed much better established. Many had moved out of the big hotels to lease residential quarters in the city. Changes of scripts and languages had begun,

⁴ Some intermarriages with Uzbek women meant that the Association also dealt with family problems on occasion. I found no trace of this Association in 1999.

⁵ *The Economist* (25 Oct. 1997), p.42; and *ibid* (1 Nov. 2008), p.54.

⁶ The other four republics ranged from 9 to 14 percent urban. See Ian Murray Matley, 'The Population and the Land', in Edward Allworth (ed.), *Central Asia: 130 Years of Russian Dominance, a Historical Overview* (Durham, London: Duke University Press, 1994), p.94.

⁷ T. Datta, 'Uzbekistan', handout from the Confederation of Indian Industry, Tashkent (September 1999), p.2.

following Uzbekistan's decision to change the script of its official language, Uzbek, from Cyrillic to Latin. In 1994, we saw only one sign in Latin script in our two weeks there,⁸ but by 1997 there were many signs in English and in Uzbek in the Latin script in Tashkent, so that one could talk of 'postcolonial re-orientation'. One savvy Sikh advertised his business with a Hindi movie calendar in English. (Hindi movies are popular in Central Asia and Russia too; the first film from independent Kirghizstan, *The Adopted Son*, reflects this influence.) Typically, the South Asians had quickly acquired fluency in Russian, and their familiarity with English had become an additional asset.

I wanted to go back again to see how things were going for these South Asian entrepreneurs, and I set out in the fall of 1999. I had two hypotheses. One was that there was historical depth to these entrepreneurial networks, that national boundaries and policies which had disrupted commerce in this 'Silk Road' region were being overcome by at least some of the same firms that had been doing business in Central Asia in the nineteenth century. As Robert Canfield has argued,⁹ borders imposed by nation-states and by area studies' specialists have obscured dynamic and long-standing historical connections. Work by Dale Eickelman, Stephen Dale, and Richard Foltz showing strong historical links between the Middle East, India, and Central Asia, and the valiant efforts of a Pakistani writer, Aitzaz Ahsan, to connect an 'Indus history' to Central Asia, all underscore this point.¹⁰ I expected to find, then, that some earlier connections of South Asian traders and businessmen to Central Asia¹¹—ones disrupted by many decades of Russian and Chinese control—were now being re-established.

The second hypothesis concerned relationships among the South Asian entrepreneurs in Uzbekistan. Drawing on theories about ethnic economies and middleman minorities,¹² I thought that the difficulties of being outsiders in a Russian/Uzbek/Tajik context, and of dealing with a still heavily Soviet-style

⁸ Oddly, that was in Shakrisabz, the mountain village birthplace of Timur, marking the tomb of an eighth-century Muslim saint, Khazret Imam.

⁹ Robert L. Canfield, *Turco-Persia in Historical Perspective* (New York: Cambridge University Press, 1991), pp.xiii–xiv.

¹⁰ Dale F. Eickelman, *The Middle East and Central Asia: An Anthropological Approach* (Upper Saddle River, NJ: Prentice Hall, 3rd ed., 1997); Dale, *Indian Merchants*; Foltz, *Mughal India*; and Aitzaz Ahsan, *The Indus Saga and the Making of Pakistan* (New York: Oxford University Press, 1997).

¹¹ See for example Shah Mahmoud Hanifi, 'Commercial Aspects of the "Great Game": Tribal Trade and Spatial Mobility in Nineteenth Century Afghanistan', paper given at UC Berkeley South Asian Conference, February 1998.

¹² Karen Leonard and Chandra S. Tibrewal, 'Asian Indians in Southern California: Occupations and Ethnicity', in Parminder Bhachu and Ivan Light (eds), *Immigration and Entrepreneurship: Culture, Capital and Ethnic Networks* (New Brunswick, NJ: Transaction, 1993), pp.141–62.

bureaucracy and economy,¹³ might produce close personal ties or some sort of overlapping networks among the Pakistani, Indian, and Afghan business people in Uzbekistan despite the conflicts among their home governments.¹⁴ Thus not only would state and international institutions (like the World Bank) play significant roles in the economic restructuring of Central Asia, but less visible private networks, extended transnationally and in partnership with elements of Uzbek society, would play important roles as well.

By the time I got to Uzbekistan in 1999, the internal economic and political situation had changed, and my romantic hypotheses were both dashed—as were the hopes of most foreign investors in Uzbekistan. International relations in South Asia had also changed, with the Taliban's rise to power in Afghanistan and the nuclear tests conducted by India and Pakistan increasing political tensions between Pakistan, Afghanistan, and India—tensions I saw sharply reflected in Central Asia. Nevertheless, I learned more about business conditions in Uzbekistan—and negative findings are still findings.

Given that I did not know Russian or Uzbek, my research relied on ethnographic observation combined with interviews in Hindustani and English with South Asian entrepreneurs. I stayed in Tashkent and made trips to Samarkand and Bukhara. I was unable to go to Kazakhstan or elsewhere because the time was short, I was slow in registering properly with the police, and border crossings (both internal, between districts or towns, and external, between states) presented formidable problems in Central Asia. I read the scanty research in English on earlier commerce between South and Central Asia and a research assistant, Dmitry Koshtushkin, translated some materials from Russian on the subject. Another assistant, Oksana Fursevich, conducted six interviews for me in Bishkek, Kirghizstan, and translated for me in two interviews held in Tashkent.

Findings: South Asian Entrepreneurial Experiences

First into Uzbekistan had been many petty traders from Pakistan engaged in selling leather jackets; they had set up a major shopping bazaar, the Ganga Bazar, with a sign down in the metro indicating its location near the Circus and

¹³ Anatoly M. Khazanov, *After the USSR: Ethnicity, Nationalism, and Politics in the Commonwealth of Independent States* (Madison: University of Wisconsin Press, 1995).

¹⁴ For example, Sikhs in India today do not know that there are still Sikhs in Pakistan, much less in Afghanistan (I am active in Sikh studies' circles because of my work on the Punjabi immigrants to the US), but Sikh traders from all three countries were meeting in Uzbekistan, and I thought they would have mutual interests.

Chorsu Bazar. Most of these traders had never qualified for currency convertibility, but changing money used to be easy before 1996 and dollars could easily be transferred back to Pakistan. In 1996 the Uzbekistan government reneged on existing commitments to currency convertibility for many firms and set almost impossible standards for re-qualifying for that privilege. Some firms, caught in 1996 with so much invested they could not afford to pull out, were simply holding on, waiting for conditions to change. An Indian firm, lured by pre-1996 promises from the Indian Ministry of Commerce and the Uzbekistan government, clung on, hoping the Indian government would extend it a bridging loan. A Pakistani company survived by transforming its computer business from sales to service and training Uzbek executives and technicians to fill expatriate shoes. But conditions had become tough for everyone. Uzbek consumers had very little purchasing power. Leather shops were overstocked, and police raids (seizing their books for audits) forced closures. Businessmen started selling their inventories at a loss and leaving the country. The Tabani firm from Pakistan, once well known throughout Central Asia (Aero Asia airlines was among its businesses), hampered by the lack of currency convertibility, cut its investments and became next to non-existent in the country.

The corruption that characterised government and private business in the country affected all foreign investors, but I was interested in the experiences of South Asians. How did Uzbeks and Tajiks and Russians (the three major groups in Uzbekistan) view South Asians? How did South Asians view them, and each other? Here brevity will lead to overstatement, particularly about the Uzbeks, Russians, and Tajiks.¹⁵ Uzbeks, newly empowered and eager to join the capitalist world, were quite open to joint ventures with foreign investors. One man, an academic (professors' salaries were very low, about \$US4 to \$US6 per month), told me he 'needed to learn [to do] business, to take risks'. He and a Pakistani partner had bought a hotel at Uzbekistan's first auction (the largest property offered at the auction, he said). Now he and his partner were moving into tourism, much of it oriented towards learning English abroad.¹⁶

¹⁵ Foltz comments that 'Pakistanis and Indians doing business in Uzbekistan today, for example, find the country terribly underdeveloped in terms of the infrastructure and economy they are used to at home. Uzbeks, meanwhile, when they visited Pakistan, often said they find it "oppressively Islamic" in comparison with their own highly secularized culture'. See Foltz, *Mughal India*, p.xviii.

¹⁶ Interview with Ashurov Ravshan, Tashkent, 24 Aug. 1999. Ravshan and his partner had run a Pakistani restaurant in the hotel that at first prospered, advertising for and gaining an expatriate clientele in addition to Pakistani businessmen. But problems with the Pakistani restaurant manager caused them to send him back; the high salaries of the two cooks from Pakistan caused them to be sent back too (an Uzbek woman had learned cooking from them); and then the declining numbers of Pakistanis meant lower profits, therefore no advertising, which meant no new customers. Finally they closed down.

Some partnerships worked while others foundered. Sometimes, I was told, after securing the initial capital invested by the expatriate partner, the Uzbek partner forced the foreigner out of active participation; at other times, it was the Uzbek partner, unfamiliar with capitalist methods and goals, who was eased out.

Russians and Tajiks were less promising as partners. Russians generally considered South Asians to be of the 'yellow' race and resented their 'rudeness', their assumption that their money and business activities earned them a welcome in Uzbekistan at the same time that well-educated Russian officials and professionals were being pushed out of the Uzbekistan economy. (They also tended to look down on Uzbeks and Tajiks as 'Orientals', people of lesser capacity and attainment than themselves.) South Asian and Russian men seemed to interact very little, although like other foreigners, some South Asians employed Russian drivers. The situation was quite different though with respect to Russian women, many of whom became the girlfriends of South Asian businessmen in Uzbekistan. Uzbek society was quite patriarchal, so that women of all backgrounds were paid less than men.¹⁷ Indeed the economic decline had led many women in Uzbekistan into prostitution or other forms of dependency.¹⁸ Tajiks, residents of the regions of Samarkand and Bukhara and speakers of Tajik or Farsi (although Sunni Muslims), shared a frontier with Afghanistan across which Dari- or Farsi-speaking and Uzbek-speaking Afghans often move, and small Afghan businesses are ubiquitous in Samarkand and Bukhara. Positioned below Russians and Uzbeks in the 'traditional' internal rankings and engaged in regional rivalries with the Tashkent region, the Tajiks seemed friendly to Indians and Pakistanis but were in less advantageous positions to do business with them.

The South Asians differed a great deal among themselves and did not form cross-national connections easily in Uzbekistan. Most Indians and Pakistanis avoided each other due to the very tense relations between the two countries, while Indians and Afghans talked nicely of each other and angrily about the Pakistanis (at that time, the Afghan Embassy in Tashkent was controlled by the

¹⁷ M. Tokhtakhodjaeva, *Between the Slogans of Communism and the Laws of Islam: The Women of Uzbekistan* (Lahore: Shirkat Gah, 1995); and Marfua Tokhtakhodjaeva and Elmira Turgumbekova, *The Daughters of Amazons: Voices from Central Asia* (Lahore: Shirkat Gah, 1996).

¹⁸ There turned out to be both gender and 'black economy' aspects to the study. Socialisation and inter-marriage occurred between the overwhelmingly male South Asian entrepreneurs and local women, and the Pakistanis and Afghans in particular enjoyed social activities in Uzbekistan (drinking, sex) which were more difficult to pursue in their homelands. There was considerable economic activity in prostitution, liquor sales, and smuggling, and some South Asian entrepreneurs were involved in this.

northern supporters of Masoud, the anti-Taliban ‘government’ or Northern Alliance, and Pakistan was backing the Taliban).

The Indians’ most positive interactions were with Uzbeks. India has a long history of friendship with Russia, with some very specific Communist Party connections at earlier times.¹⁹ Also, many Indian students had gone there for higher education on Soviet scholarships. India had established Hindi- and Urdu-language programs in six schools in Uzbekistan, and also funded a popular Indian Cultural Centre in Tashkent.²⁰ So the city was home to quite a few long-time Indian residents, men who had come as students in the 1970s, learned Russian very well, married Russian women, and turned to business after 1991 with the general collapse of government positions (or, at any rate, of the salaries connected to them). There were Indians connected to the Indian Embassy, to Air India, and a government-sponsored professor at Tashkent State University;²¹ there was also a representative of the Confederation of Indian Industry, a private federation but one closely linked abroad to the Government of India. There were several Indians (or men of Indian origin with Afghan, British, East African, or Canadian citizenship) with their own private companies or working for multinational firms in Uzbekistan. And there were some 50 students—far fewer than there used to be when the Indian government still recognised Uzbekistani medical and other degrees.²² Altogether there were some 100 Indians in Tashkent in 1999.

But there were at least five times as many Pakistanis, 500 to 1000 scattered across Uzbekistan, and their position had become somewhat problematic. Like the Indians, a few had been students in the USSR, but they had come privately, since Pakistan’s friendship with China meant unfriendly relations between the two countries. Many Pakistani students had also married locally, both Russians and Uzbeks (Uzbek Muslim girls could marry Muslims but not Hindus or Sikhs), and they too were turning to business. There was a Pakistani embassy, the Pakistan International Airline (PIA), and a State Bank of Pakistan; significantly there was no Pakistani cultural centre. Like Indians, some Pakistanis worked for big multinationals or for themselves in Tashkent,

¹⁹ M.N. Roy, an Indian member of the Comintern, described the Bolsheviks setting up a school attended mainly by Indian Muslims in Tashkent during the 1920s. See Foltz, *Mughal India*, p.xxvii.

²⁰ Dr. Qamar Rais, a scholar of Uzbek and Urdu literature, and a North Indian Muslim with an Aligarh degree from the University of Delhi, has taught in Tashkent intermittently since 1962. He has translated Uzbek poetry into Urdu and Hindi, especially the work of Ali Sher Navoi, Uzbekistan’s most well-known poet and, in retirement in 1999, he served as director of the Indian Cultural Centre in Tashkent.

²¹ The eminent historian from Calcutta, Barun De, was teaching at the University of Tashkent in 1999 and his predecessor was Mohammed Amin from Delhi, father of the subaltern historian Shahid Amin.

²² Recognition of these degrees was withdrawn in 1998.

including a much higher proportion of petty ‘general traders’ than among the Indians.

The Afghans were hard for me to work with, partly because we had no common languages: they spoke Russian and Tajik or Uzbek and not English and Hindustani. Also they were not easily distinguishable from Uzbek citizens, since many Dari-speaking refugees mingled with Tajik speakers in Samarkand and Bukhara and some Uzbek-speaking Afghans had long-standing ties to Peshawar in Pakistan as well as to Uzbekistan. Nevertheless it was clear that few Afghans of joint-venture status were still doing business in Uzbekistan. The famous ‘Afghan’ carpet-maker in Samarkand, Abdul Wahed Badghisi of Badghisi Carpets, was originally from Turkmenistan; he had moved to Afghanistan in the 1970s, then to Tajikistan in the late 1980s, and finally, again pushed by war, to Samarkand in 1991 or 1992 (and he had an outlet in Peshawar).²³ A few other ‘Afghan’ high-level entrepreneurs turned out to be ‘American Afghan Uzbeks’, ‘returning’ after being born or raised in the US to do business back home.²⁴ All of these men had ties to northern Afghanistan and to the anti-Taliban Northern Alliance.²⁵

Looking at the origins of the Indian and Pakistani businessmen in Uzbekistan in 1999, the largest group in both cases turned out to be former students who had local wives. This may be because those without local degrees and ties had simply left the country when the going got tough. This group also included at least two men from Bangladesh and one from Nepal (men possibly affected by poor opportunities in their home countries), and its members tended to know each other or of each other. They constituted a South Asian core group in the region—men with many Uzbek friends, who spoke quite positively of the USSR and of Uzbekistan.²⁶ This history, of those who had been students in

²³ Badghisi was quite famous, producing high quality carpets of ‘authentic’ design, and was considerably helped in his early career by the publicity accorded him by Brian Spooner, a scholar of Pakistan. See *Philadelphia Inquirer* (18 Mar. 1973), p.14-F; *Chicago Tribune* (15 May 1983), p.Home 9; and *Los Angeles Times* (1 Aug. 1992), p.A3. Many foreigners came to his factory from Tashkent’s embassies to buy carpets. Using primarily young women in his factory, his main problem was Uzbekistan’s maternity law that granted mothers two years paid leave and re-employment rights; he found this a major financial burden.

²⁴ The owner of Roz Industries was one of these, as was the president’s son-in-law, Coca-Cola’s representative in Uzbekistan, and the heads of Barakat, Yacoobi, and Kangur. Communications from Mr. Ghafuri, Embassy of the Islamic Republic of Afghanistan, Tashkent, 12 Oct. 1999; and Jitendra Patel, Tashkent, 13 Oct. 1999.

²⁵ Information from Mr. Ghafuri, Embassy of the Islamic Republic of Afghanistan, Tashkent, 12 Oct. 1999.

²⁶ Their counterparts, Uzbeks who had studied under government sponsorship in India or Pakistan, were similarly committed to friendship across national boundaries and staunchly pointed to cultural commonalities (most of these were students of Urdu, women working for Uzbek radio and a man involved in a joint venture hotel with a Pakistani). Interview with Dilshad Azraroda and Munira

the USSR, married locally, and stayed on, was a surprise to me, because in all my years in India—admittedly in a former princely state whose elites studied in the UK or Germany—I had never met a Central Asia returned graduate. This group had turned to business after 1991 and some of its members had done very well initially, using their knowledge of both Russian and English to become intermediaries with expatriate businesses. However their lack of entrepreneurial experience and their Russian past were hurting them in 1999. All these men were more fluent in Russian than in English, and their Uzbek was rudimentary.

Second, there were businessmen associated with official ventures from their homelands—ventures like the erstwhile State Bank of India, said to be the first foreign bank in Uzbekistan, set up in 1992, and the State Bank of Pakistan. The Indian bank had closed in 1999 due to declining business and Uzbekistan's undeveloped banking system; but the State Bank of Pakistan was still operating in Tashkent. As well, Pakistan, India, and Afghanistan all had outlets for their national airlines in Tashkent, though they were cutting flights or leaving.²⁷ Similarly, a number of private companies kept loss-making branches running to serve their nationals or members of the expatriate community: ABN-AMRO Bank, Globalink, and Sheraton Hotels were all in that category, companies big enough to carry their losing ventures in Uzbekistan (and probably elsewhere in Central Asia). Other Indian companies were kept afloat by the Government of India's extension of credit to them. But no new major Indian firm had invested in Uzbekistan since Tata was left empty-handed after constructing several beautiful five-star hotels in Samarkand and Bukhara. Pakistani entrepreneurs were on their own, being neither misled nor helped much by their embassy—which was itself struggling to maintain good relations with Uzbekistan.

A third category consisted of individual South Asian entrepreneurs who had jumped into Central Asia for all kinds of idiosyncratic reasons and whose histories there, however fascinating, depended not only upon their own abilities and inclinations but upon where they connected with the government in Tashkent. There were many failures in this daunting business environment, but I want to talk about some successes, and I want to argue that histories do

Touliaganova, Tashkent, 12 Oct. 1999, arranged by Oksana Fursevich; and interview with Farman Davlat, Hotel Ilyas, Tashkent, 7 Oct. 1999.

²⁷ Uzbek Air suspended all flights to Pakistan indefinitely after the 12 Oct. 1999 military coup in Pakistan, a move probably really due to low passenger loads but justified by fear of fundamentalism. (There were about ten passengers on my earlier 1999 Uzbek Air flight from Karachi to Tashkent and only two of us got off there; the others, young men, proceeded to London for higher education.) PIA wanted to pull out at the end of October 1999, but demand from Pakistani citizens forced it to keep serving the region despite the low passenger numbers. It has devised one big sweeping shuttle route around the Central Asian countries, inconvenient for most passengers.

matter, but that it was the new histories being written since 1991 that in this case mattered most. The old histories, the business firms I expected to find, were not there. The only such firm I found, the Sethis from Peshawar, was leaving, and the main legacy of its pre-1991 connections to Central Asia is familial—one of the current head's grandfather's wives was Uzbek.²⁸

The new histories are exemplified by two men universally acknowledged by people I spoke to in 1999 to be among the most successful of the South Asian entrepreneurs in Uzbekistan.²⁹ Jitendra Patel was a British Indian whose family had been shifted to the UK from Uganda in 1972 when he was very young.³⁰ He began his business career with convenience stores in Britain, helped develop a supermarket in Moscow in 1992, and started his own company, Quickstop, in Uzbekistan in 1993. The country was wide open and undeveloped, he said, and he still saw great opportunities: labour costs were 'nothing'; many things were subsidised (electricity, heating, water, housing). He started by importing Cadbury chocolates, foodstuffs, liquor and cigarettes, but when Uzbekistan imposed penalties on luxury goods, he turned to basic commodities and to manufacturing and export, setting up a plant to produce polypropylene bags, and getting into other areas too. He had no Uzbek partner and his Russian was poor, but he had trained a very loyal staff of young Uzbeks whose English was excellent and whom he had imbued with 'the spirit of capitalism', as he saw it. He had turned his Russian tea lady into an all-purpose worker and occasionally cleaned the toilets himself, training his staff to be interchangeable. Jitendra liked Uzbeks. He respected their history and culture and the government's right to set its own terms. He saw rival multinationals as hamstrung by their own guidebooks,³¹ unable to adjust to Uzbekistan's laws and conditions. He was patient, waiting for the system to change, meanwhile working within it and changing the people around him.

The other man, Bharat Shah, represented a pharmaceutical company, Core Healthcare Limited, in Uzbekistan. Like Jitendra Patel, Shah was from a

²⁸ People often quoted to me a Persian poem about the beautiful women of Samarkand.

²⁹ These two successful entrepreneurs were the only names recognised by a World Bank staffer when I ran all my South Asian businessmen's names by him. They were also the only two who offered to assist me with my delayed 'foreign registration'.

³⁰ Interview with Jitendra Patel, Tashkent, 28 Sept. 1999.

³¹ When I visited the not-yet-open Sheraton Hotel, the staff members, some of them Pakistanis and Indians who had worked for Sheraton in the Persian Gulf, were going crazy, unable to meet their 'standards'. They termed Uzbekistan 'unbelievable', 'a nightmare', 'two hundred years out of it, OK maybe only one hundred years', but the potential was there and they were 'in for the long haul'. Interview with Javed Akhter, Tashkent, 24 Sept. 1999.

Gujarati financial caste. He came only in 1997 (after the 1996 turning point, which caught so many companies too committed to retreat), but soon found a joint venture partner, and systematically worked his way through the subsequent bureaucratic hurdles. The Bombay-based company had been trading in Moscow, but finding that Tashkent provided not only cheap labour, water that was almost free, clean air, a pleasant, under-populated city, and importantly law and order, decided to set up a plant there. Shah succeeded in obtaining an International Finance Corporation loan,³² but it had to be combined with another, local, loan, ultimately obtained from Asaka Bank, which therefore needed to be approved by the European Bank of Reconstruction and Development (EBRD). The actual construction was done by local workers, helpfully recruited by his Uzbek partner and two friends, the mayor of Tashkent and the mayor of the *oblast* or region. Once up and running, the plant used German machines to make syringes and bottles, liquid glucose, nutrition fluids, and blood products. Tashkent became the company's fourth overseas manufacturing plant (the others are in Vietnam, Brazil, and Dubai). It distributed its products through 23 branches to 63 countries.³³

Shah had previously opened Core's Dubai branch but had not mixed with the locals there. In Tashkent he heroically transformed himself into an enthusiast of Uzbek culture. A non-drinking, non-meat-eating man from Western India, he learned to love greasy *plov* and *shashlik* even at five in the morning (you may have heard the old Uzbek proverb, 'with enough grease one can eat anything'³⁴) and he could down as many as 18 or 20 shots of vodka at parties. Blessed with a fine voice, he sang Russian and even Hindi film songs upon request, although he was not fond of the latter. He said: 'These Uzbek people are very clear, they want long-term investors, they want solid people, they want you to live with their laws, on their terms. A very proud race, respect their pride. They may not change or like to change, we have to face that'. Rumour has it that the firm obtained special privileges, said to include currency convertibility by presidential decree (not Central Bank authorisation). If so, it is a tribute to this CEO's personal diplomacy.

Core prints in India and distributes to its employees worldwide an English-language inspirational booklet, *Nuggets*, about working hard, being good, and getting rich. Shah also kept a special file about how Unilever stayed in India to

³² The International Finance Corporation comes under the World Bank.

³³ The company had gone from a capitalisation of \$US1 million to \$US210 million.

³⁴ Theodore Levin, *The Hundred Thousand Fools of God: Musical Travels in Central Asia* (Bloomington: Indiana University Press, 1996).

become Hindustan Lever, number one in India, which he read when depressed by the difficulties he still faced daily in Uzbekistan.³⁵

Update: 2008

Abdul Wahed Badghisi, Jitendra Patel and Bharat Shah are still in Uzbekistan. Like all the others I interviewed, they no longer have the same email addresses, but their activities can be traced on the Internet. Abdul Wahed Badghisi (or Abdullahad Badghisi), the ‘Afghan’ owner of Samarkand Bukhara Silk Carpets, continues his business in Samarkand, where Australian and other tourists visit his shop and post comments on the web.³⁶ The other two businessmen, from India and the UK, have had more complicated histories in the new Uzbekistan—histories that reflect its complicated transnational relations.

The continuing success of Bharat Shah and the pharmaceutical company Core has depended heavily not only on his own skills but on India’s continuing good relations with the Uzbekistan government.³⁷ The Embassy of India summary of late 2008, ‘Indo-Uzbek Bilateral Trade and Economic Relations’, presents a sobering but optimistic picture of the situation, showing the fluctuating trade turnover trends from 1999 through 2006. It reports that Uzbekistan’s global foreign trade suffered from problems due to non-convertibility of local currency until 2003, when the Uzbekistan government announced current account convertibility, a policy that has ‘continued to operate fairly successfully’. India’s good relations with Afghanistan, in contrast to Pakistan, have also facilitated development of some projects with Indian businessmen, although the site’s comments on joint ventures show failures as well as some successes. The Core Pharmasanoat Limited venture (Core Healthcare Limited, Ahmedabad) heads the list, and the plant, it is noted, was sold to Uzbeks in 2002.³⁸ But Bharat Shah has been on his own since 2003, specialising in businesses in Uzbekistan dealing

³⁵ Interview with Bharat Shah, Core Pharmasanoat, Tashkent, 29 Sept. 1999.

³⁶ The Taylors of Tuncurry, New South Wales, Australia, owners of a specialist quilt shop, travelled there and enthused about the silk carpets available [<http://justpatchwork.blogspot.com/2007/07/samarkand-silkcarpets.tml>, accessed 13 Oct. 2008].

³⁷ The Pakistan embassy in Tashkent has a website which lists a Commercial Section but it is blank (11/12/2008), although in 2006 and 2007 diplomatic efforts were made to strengthen ties between Pakistan and Uzbekistan. See articles in *Dawn* (20 Apr. 2006) [<http://www.dawn.com/2006/04/20/local31.htm>, accessed 12 Nov. 2008] and in the *Pakistan Times* (15 Mar. 2007) [<http://pakistanimes.net/2007/03/15/top3.htm>, accessed 12 Nov. 2008].

³⁸ See <http://indembassy.uz/english/uzbekistan/econ>, accessed 11 Nov. 2008. The June 2003 RIS Discussion Paper by Abdurahim Okhunov Abdhuraxmonovich, ‘Economic Cooperation between India and Central Asian Republics with Special Reference to Uzbekistan’, also reviews the trends and constraints of economic co-operation between the two countries [http://www.ris.org.in/dp53_pap.pdf, accessed 11 Nov. 2008].

in not only pharmaceuticals and medical equipment but project services, catering, silk and cotton, and a variety of other products,³⁹ a crowded schedule. But the president of Core Pharmasanoat still found time to contribute to the social scene. 'Looking for something to do on the weekends', he started organising cricket matches between scratch teams made up of Indian expatriates, personnel from the British embassy and students from the subcontinent and Malaysia.⁴⁰

Jitendra Patel's success has depended on increasingly wide-ranging business ventures based in his British homeland. In 2003 he sold the majority of his stake in the Quickstop company after losing a case in London's Royal Courts of Justice having to do with trading in industrial alcohol in Uzbekistan and Kazakhstan. The case involved problems with Uzbekistan's customs laws and licences, delivery but no further sales, storage and possibly destruction of the goods, and the Uzbekistan Central Bank's failure to transfer funds to Britain in a timely manner. Patel was credited with good intentions but was judged liable for payment for the cost of two shipments of alcohol.⁴¹ He then became involved in early-stage exploration mining interests, and in 2004 was appointed a Board member (and non-Executive Director) of Minco, a mining exploration company based in the UK with silver/lead/zinc/gold projects in Mexico, Ireland, and Central Asia. In a separate agreement with Patel, the Board agreed to a staged payment in shares dependent on Minco obtaining certain identified gold concessions. Patel provided Minco with office space and logistical support in Tashkent.⁴² Meanwhile he had become a shareholder in the British company Oxus Gold plc. in 1998, but it ran into trouble in Uzbekistan and especially in Kyrgyzstan, whose then-president Askar Akayev revoked the company's licence in 2004 despite an appeal from British prime minister Tony Blair. In 2006 Newmont Mining Corporation (based in Denver, the world's second largest gold miner) and Oxus Gold were hit by a demand from the Uzbekistan authorities for back taxes, which led to the seizure of some of their in-country assets. Following negotiated settlements in 2007, Newmont's stake in the

³⁹ Shah now heads Sushen Medicamentos Pvt. Ltd., and his biography on the Internet is all too brief [<http://www.zoominfo.com/Search/PersonDetail.aspx?PersonID+-221265>, accessed 12 Oct. 2008].

⁴⁰ 'Uzbekistan: Tashkent—Cricket's Central Asian Oasis' (1 Oct. 2001) [<http://content-www.cricinfo.com/ci/content/story/108649.html>, accessed 13 Oct. 2008].

⁴¹ See the Court's decision of 4 April 2003 [<http://www.hrothgar.couk/YAWS/rep/472b.htm>, accessed 13 Oct. 2008].

⁴² Minco acquired Orca Gold in October 2003, along with its Mexican and Central Asian properties. Patel purchased 4.2 million new shares and was granted options to subscribe for a further 4.2 million shares at 9.5p. per share for a six month period. These funds were to be used to purchase a drilling rig to begin drilling in Central Asia [<http://www.minex.ie/NR/rdonlyres/AD2A17D1-82D5-40AE-8243-8D4CE93353C7/0/Mi...>, accessed 15 Oct. 2008].

Zarafshan mine was transferred to the Uzbekistan government in lieu of the claim for back taxes against Oxus Gold.⁴³ Patel's role in these recent disputes is not entirely clear, but it appears he is now a world-class player in transnational ventures in Central Asia.

How do these successful expatriate businesses and businessmen exemplify or relate to new histories in Uzbekistan? In a time of dramatic ruptures, as the Uzbekistanis decisively reject their Russian past by jettisoning the Cyrillic alphabet for Uzbek and turn to English as a favoured second language, those entrepreneurs who accepted Uzbekistan's conditions for commerce and respected Uzbek culture are the ones getting economic favours. The growing use of English and the official adoption of the Latin alphabet symbolise 'Uzbekification' and have very negative implications for the Russian heritage in Uzbekistan. One could also note the implications for subaltern history there, although it will be some time before that is possible.⁴⁴ It has long been my view that scholarship on Indian history has been stultified by its continuing engagement with English and colonial sources. In Uzbekistan, by contrast, the sharp turn-away from Russia and Russian should mean a more profound engagement with the Uzbek past, with Uzbek and Tajik actors and source materials—even as, paradoxically, transnational actors and ventures utilising the English language are making substantial inroads in the region.

⁴³ See http://www.mincopl.com/newsReleases/2003/Minco_News_2003_and_Praor.htm, p.1, accessed 26 Oct. 2008; 'Oxus Shares Fall as Works Stops at Kyrgyz Gold Deposit' [<http://eng.gateway.kg/news/kyrgyzstan/economy/176>, accessed 26 Oct. 2008]; 'Newmont to get \$80 min in Dispute over Uzbek Gold Mine' [<http://www.mineweb.co.za/mineweb/view/mineweb/en/page43?oid=23271&sn=Detail>, accessed 26 Oct. 2008]; and 'Gold Miner Newmont Resolves Dispute with Uzbekistan' (23 Jul 2007) [<http://www.reuters.com/article/businessNews/idUSN2336630420070723>, accessed 26 Oct. 2008].

⁴⁴ Foltz writes: 'Unfortunately the former constraints are being maintained in new forms in the newly independent republics, which means that any objective "internal" rewriting of Central Asian history may still be some way off'. See Foltz, *Mughal India*, p.xvi.