

## THE END OF THE XIX - BEGINNING OF THE XX CENTURY THE STATE OF ENTREPRENEURSHIP IN TURKESTAN: FROM THE METROPOLIS TO THE MONOPOLY

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**ABSTRACT:** The article describes the establishment of the first business enterprises in Turkestan in the late XIX - early XX centuries, their activities and the liquidation of entrepreneurship after the establishment of Soviet power, the transition from a metropolis to a monopoly. It also discusses the sources of profit of private enterprises and their liquidation during the years of Soviet rule.

**KEYWORDS:** Turkestan region, entrepreneurship, enterprise, animal husbandry, cotton growing, capital, profit, bank, Soviet power, Bolsheviks, "Military communism", "New economic policy".

### INTRODUCTION

The foundations of modern entrepreneurship in Turkestan began to take shape in the late XIX - early XX centuries. This was due to the influx of Russian capital and capital from Russia, the emergence of the first small enterprises and factories, the activities of the first financial institutions and banks, the formation of the national bourgeoisie in the country, the transfer of major sources of production to investors. It is known from history that such enterprises are mainly concentrated in the hands of large enterprises, which are mainly engaged in the processing of cotton, wool, silk and leather, and the bulk of the products are exported to Russia. The established business enterprises were mainly private enterprises engaged in the production of wool in animal husbandry, especially in the production of finished products from silk wool, processing of cotton and fruit. For example, Knyaz Urusov, one of the founders of wool production technology, founded the first small private enterprises in Zarafshan district in 1868-1870[1. 101-117]. According to historical figures, in 1900 there were 195 private industrial enterprises in Turkestan, which employed more than 10,000 people. In 1898, M. Virsky compiled

the “Turkestan Commercial Address Calendar” (“Urkestan commercial address-calendar”), which greatly helps to obtain information about trade and commercial enterprises and other business entities in the country. It contains a list of all private trade and industrial firms, commercial enterprises, shops, markets, banks, advertising companies with the participation of Russian capital (investments) in Samarkand, Fergana, Syrdarya regions and the Emirate of Bukhara, their address, production and sources of income[2. 10-122].

Information on the industrial sectors in the Turkestan region in the early twentieth century, including private industrial enterprises. V. Zaorskaya, K. A. Alexander, in the work “Industrial establishments of the Turkestan region”. This work is very significant for us, in which information about such private enterprises in the country is given by region. It covers 117 out of 220 private ginneries in the country, including 94 in Fergana oblast, 15 in Samarkand and 8 in Syrdarya oblast under the jurisdiction of the national bourgeoisie, 54 out of 75 tanneries and 20 out of 34 soap factories data are cited. According to the authors, there are 20,925 workers in all industrial enterprises in Turkestan, including 12,702 Uzbeks, 1,142 Tajiks, and 944 Kyrgyz and Kazakhs[3. 39].

Of course, to ensure the sustainable operation of such businesses, they needed capital and loans. For this purpose, the first banks were established in Turkestan, which provided various funds or loans to entrepreneurs wishing to conduct trade and industry on the basis of Turkestan raw materials, to build factories. Such banks include the “Russian-Asian Bank”, the “Moscow Merchant Bank”, and the “State Bank of Russia”.

Founded in 1913, “Beshbosh”, a private cotton-oil company specializing in cotton processing, has built 29 private cotton mills in Turkestan and bought 30% of the country’s cotton. Or, the big investor Vodyaevs will establish “Vodyaevs 200 trading houses” in Turkestan and 30 private cotton mills [4. 2000]. The most profitable area for attracting foreign investment to Turkestan is the processing and sale of cotton. In this regard, trading houses such as L. Knop, the “Schlossberg Brothers”, “Gerhard and Gay”, and the “Kraft Brothers” have accelerated the inflow of foreign funds into the country.

But as a result of the Bolsheviks coming to power in 1917 and the establishment of Soviet power, the centuries-old entrepreneurial traditions of the government began to come to an end due to the government's policy against private property, and private property was abolished. A state monopoly on property was established and state property was formed. The state began to

confiscate and confiscate land and property of private entrepreneurs, rich landowners. Proof of this is the decree of February 26, 1918 “On the confiscation of cotton in the country.” As a result, raw materials and products of private companies and lands in Turkestan were confiscated. It is as if they have been declared not the property of the people, but of the state, the Turkestan land, the “property of the workers’ and peasants’ government.” For example, the 1918 decree confiscated more than 140 private factories and large cotton firms owned by local and European entrepreneurs, and about 400 private small enterprises and transferred them to the state. In addition, 2 mln. 657,000 pounds of cotton fiber, 413.09 pounds of seeds, 476.8 pounds of meat and other items were seized. One of the most important problems was food, and in 1918 the food department of the Turkestan People’s Commissariat was opened. To this end, in June 1918, the Food Directorate was established to address food issues[5. 273].

Socio-economic processes in Turkestan in the 1920s were linked to the military rule in the life of the state and society during this period, the policy of “Military Communism” introduced in 1919 to take strict socio-economic and financial measures to overcome the current crisis. The main focus was on the nationalization of industry by the Bolsheviks, the confiscation and requisition of private property, and the subordination of key assets to military interests under military control. Under such circumstances, the government began to seize grain and other foodstuffs from the population (mainly wealthy entrepreneurs). As a result, the military-economic situation in the country became much more complicated, and most of the products produced and cultivated were subordinated to the interests of the Russian army and the Soviet government, which went to war in the First World War and continued the civil war. As in Russia, administrative measures were taken against trade in the country, and markets were soon completely shut down under the demands of “military communism.” The centuries-old business, private property and trade traditions of the population have been suspended.

As a result, since the 1920s, according to the rules of the Soviet regime, the “prod detachment” in the Republic of Turkestan in the economic year 1920-1921 only in the hands of private owners 9708703 pounds of grain, 6358144 pounds of fodder, 1606210 pounds of meat and seized other products [6. 1320]. As a result of the “grain monopoly” and “food boom” that began in All-Russia, mainly grain and fodder were confiscated from the local population of Turkestan. Measures taken as a result of military control did not yield positive results. Over the years, the abolition of private property and entrepreneurship, the confiscation of property, the closure of

markets, the introduction of food parcels have become a heavy burden on entrepreneurs and private owners. As a result, in 1921, at the X Congress of the Central Committee of the RCP (b), a new program on “New Economic Policy” was developed. Of course, as a result of the transition to the “New Economic Policy”, the abolition of private property and entrepreneurship continued, and as a result of the transfer of property to the state, a complete “state property” began to take shape. That is, from that period onwards the path of the establishment of socialist-type farms was passed. In place of private farms, “Soviet farms” began to form. In particular, their network increased from 74 to 161 in 1921-1923[7. 159-160]. This process was carried out all over Russia, including Turkestan, and the control of property was completely monopolized. Thus, entrepreneurship in Turkestan was transferred from the metropolis to the monopoly.

## CONCLUSION

As you can see, the socio-economic measures taken by the Russian Empire and then the Bolshevik government in the late XIX- and first quarters of the XX- century, as well as the government’s policy towards private property and entrepreneurs from the early years of the regime, were important tools for the metropolitan interests. became. After the establishment of Soviet power in Turkestan in 1917, the confiscation of property and the adaptation of relations with them to the new conditions became one of the measures of state importance, and it later showed its economic and financial consequences.

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