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This book is a comprehensive analysis of how countries influence the economic and geopolitical development of Central Asia, emphasizing obstacles related to globalization. The book first focuses on the goals of world powers and trading partners in establishing military, economic and geopolitical relations with the region. Then it turns to strengths and weaknesses of the region’s economies.

Central Asian countries have much in common: A history of Soviet planning and weak governance; a continental climate; low population density (aside from the Ferghana Valley); and abundant natural resources. Nevertheless, the degree of economic openness and cooperation with major powers varies. Turkmenistan and Uzbekistan are among the world’s most isolated countries, but Kyrgyzstan has the region’s most open economy and is the only country that overcame the model of an authoritarian president. Although Turkmenistan and Uzbekistan suspect Russian influence, they serve Russian interests in opposing the West. The degree of economic development also varies. Kazakhstan’s economy is the most advanced; Tajikistan, characterized in the book as on the road to “state failure,” depends on remittances, primarily from Russia, and is disrupted by drug trafficking.

For each major player, the book traces the history of relations with Central Asia from the 1990s, when governments here strengthened ties with countries other than Russia, to the present, when foreign objectives are clearer and relations more stable.

Color revolutions and the global financial crisis challenged Russian influence. Georgia and Ukraine have pro-western governments (for the moment). GUAM (Georgia, Ukraine, Azerbaijan and Moldova) has promoted European values; Russia perceives it as a counterbalance. The Kremlin’s influence was also weakened by the 2008 South Ossetia war, which surprised Central Asian leaders, who believed that the borders of countries in the Commonwealth of Independent States (CIS) should remain fixed.

The book illustrates persistent problems of dependence upon such traditional industries as the extraction of raw materials. Though a major cotton producer, Uzbekistan lacks facilities for processing. The government revoked its promises to encourage processing through lower export taxes and discounts on cotton purchasing, and it still has not made the *sum* easily convertible. Turkmenistan has taken half-measures.

It invested heavily in its textile industry, and it has helped create joint enterprises with Turks, but it must modernize equipment to redevelop its wool sector and produce artificial fibers and chemical dye.

The outstanding example of potential outstripping performance is Kazakhstan. It holds 8% of all reserves of ferrous minerals, almost one-third of the world’s chrome reserves, and it ranks second for manganese reserves. In 2009, it became the world’s ninth largest coal producer. SSGPO and KarMet had accounted for almost one-fourth of Soviet capacity for producing coal; in 1995 Ispat International bought KarMet, which

eventually became ArcelorMittalTemirtau. Metallurgical enterprises provide 19% of industrial jobs and 35% of industrial exports. Kazakhmys and ENRC are the largest metallurgical holdings, closely tied to the government. Yet the industrial base remains “structurally weakened.”

The book contrasts state-run agriculture in Uzbekistan, Turkmenistan and Tajikistan with private farms in Kyrgyzstan and, to a lesser extent, in Kazakhstan. No Central Asian state has completed land reforms, and privatization has not reduced rural poverty. On the other hand, in Uzbekistan, Turkmenistan and Tajikistan, all levels of agricultural production suffer from coercion. Farmers regarded as inefficient risk losing their land to the government, which redistributes it to state elites. Child labor is common on cotton farms in Uzbekistan and, to a lesser extent, in Tajikistan and Turkmenistan.

Electricity is under-produced throughout Central Asia – except in Turkmenistan which is sparsely populated.

The book assesses the region’s modernization of transport. Uzbekistan and Kazakhstan have improved railways somewhat, but Uzbekistan still bars Kazakhstani trains. Worst off are Kyrgyzstan and Tajikistan, since their railways were not designed as separate entities. In spite of its isolation, Uzbekistan has focused on upgrading airlines.

Politics hamper not only transport but also new communications technologies. In 2010, the government of Turkmenistan expelled the Russian telephone company MTS in order to prevent people from accessing the Internet easily through their mobile phones.

Neither have governments resolved housing problems. The shortage of cheap housing in Kazakhstan, in spite of a surplus of luxury housing, leaves migrants homeless. Spillovers are unfortunate: Fluctuations of the real estate market, for example, destabilized the cement market. The global financial crisis reduced cement prices and bankrupted producers. The government intervened by supporting infrastructure and financing construction through such programs as its partnership with Zhilstroysberbank.

The book critiques such populist projects as creating a tourist site in Turkmenistan (Avaza, a Turkmen “tourism Mecca”) to rival those in the United Arab Emirates. Avaza is poorly developed and its staff ill-trained. It is hot in the summer and far from the oil complexes that could supply tourists. Visas are difficult to obtain. Foreign companies are willing to invest in the project only in a *quid pro quo* for more profitable contracts.

The book explores the impact of corruption on trade in Central Asia, particularly the role of Uzbekistan’s customs and visa procedures. But it does not fully address exchange rate policy. Central banks in the region set exchange rates without considering consequences for neighbors. Kazakhstan devalued the tenge in 2009 and 2014, pressuring the Kyrgyzstani *som* to fall in those years as well, by 11% and 5%, respectively. Uzbekistan and Turkmenistan overvalue the *sum* and the *manaty*.

Tajikistan’s *somoni* lost 20 percent of its value between January and May 2009 but was substantially stable in 2014.

The possible launching of a common currency is controversial. In spite of two devaluations, Kazakhstanis have become used to strictures on the exchange rate of the tenge to the dollar. The corridor has been narrow since 2007. Many citizens may support this practice despite its limits on monetary policy. The abolition of exchange rate targeting may not reduce inflation much, and stabilizing the exchange rate may be harder for a common currency than for a national one. On the other hand, decreasing dollarization has been a popular idea in the CIS since the beginning of the global

financial crisis. Pro-Russian citizens of Eurasian Union countries may hope, without much reason, that a new currency can compete with the dollar and the euro as a global reserve currency. However, the slowing down of the Russian economy due to low productivity and recent sanctions may retard integration, leaving room for opponents to hinder this process before pacts are signed.

The Customs Union between Russia, Belarus and Kazakhstan, which Kyrgyzstan and Tajikistan may join someday, deserves more discussion in a book like this. The Union, which evolved into the Eurasian Economic Space and will soon become the Eurasian Union, may continue to shape economic policy and geopolitics in the region, in the face of growing tensions between Russia and the EU. One can view the Eurasian Union as a counterbalance of authoritarian former Soviet republics to the European Union.

Given EU problems and widespread propaganda about economic and social dilemmas in the United States and Western Europe, mostly from Russian TV channels, the Eurasian Union may be both appealing and repelling. On one hand, the Eurasian Union may strengthen ties to Russia, protecting Kazakhstan and Kyrgyzstan from Western influences that spark the instability and ethnic tensions associated with color revolutions. On the other hand, the Eurasian Union may seem a poor imitation of the EU.

Although the book was published before the conflict in Ukraine, it could have addressed growing tensions between Russia and the US, which were apparent in 2012. Also, the claim that the Customs Union does not reduce China’s gains from trade with Kazakhstan, since the latter may join the WTO, is dubious. Growing pressures on members of the Customs Union may slow accession. Although Kazakhstan abstained from voting on the United Nations resolution on Crimea, President Nursultan Nazarbayev still says he regards economic integration with Russia as pragmatic. Kyrgyzstan, with strong ties to the US, Russia and China, may lose from joining the Eurasian Union in terms of trade and foreign relations.

I recommend “Globalizing Central Asia” for economics students and others interested in the region’s economies and geopolitics. It is an objective treatise on economic and geopolitical issues in Central Asia. Perhaps the next edition could delve into integration of regional trade and exchange rates.

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