

THE RUBLE POLICY IN THE TURKESTAN GENERAL-GOVERNORSHIP

Feruza Amonova

Doctoral student at the institute of History
of the FA of Uzbekistan, PhD in history
amonovaferuza230@gmail.com

Abstract

This article examines the consequences of the economic colonial policy of the Russian Empire in the Turkestan General-Governorship during the second half of the 19th century and the early 20th century, focusing on the involvement of financial institutions in monetary relations, changes in the monetary system, the transition to the ruble system, and the results of reforms, based on national sources and documents from the National Archive of Uzbekistan.

Keywords: economy, colonialism, reform, coin, ruble, kopeck, banknote.

Introduction

Although there has been increasing research into the history of Turkestan in recent years-especially given its significance in human history and the major political, social, and economic changes it experienced-it remains crucial to address the gaps in the study of this history. The region underwent different phases of development under two contrasting regimes. The effects of economic changes and colonialism were felt not only in the economy but also in social and cultural areas. In particular, issues such as the population's standard of living, the types of production, and the slow adoption of new technologies were noticeable, and these problems continued to have an impact during the Soviet period.

During the period of the Russian Empire's colonial rule, the monetary system in the Turkestan region underwent initial attempts to establish a new system, which lasted from the beginning of the Russian invasion until the 1890s. This period is characterized by the competition between the coins of Kokand, Bukhara, and Khiva with the Russian ruble. In Bukhara and Khiva, the monetary system was officially based on gold, silver, and copper coins, while in the Kokand Khanate, silver and copper coins were predominantly in circulation for everyday needs, such as trade and various payments. Large transactions, such as land sales and significant trade exchanges, were conducted in gold and silver coins. Following the dissolution of the Kokand Khanate, the Russian ruble began to dominate in the Fergana Valley.

Materials and Methods

The documents preserved in the National Archive of Uzbekistan constitute a vital resource for analyzing the economic history of the Turkestan region. In particular, the archive holds over ten fonds that provide detailed accounts of the operations of Russian Empire banks in the Samarkand province, the involvement of local entrepreneurs in the banking system, the functioning of bank branches in the Syrdarya region, and monetary and credit issues. Additionally, there are approximately forty fonds related to Russian banks in the Fergana region, credit operations, their



outcomes, and the public's attitude toward banks (such as the documents in Uzbekistan National Archive Fonds I-17, 18, and 19). These resources significantly enhance the importance of the topic under study.

Results and Discussion

Prior to the conquest of the Kokand Khanate by the Russian Empire, the silver coin served as its monetary unit. In the territories of the Turkestan General-Governorship, comprising the regions of Syrdarya, Yettisuv, Samarkand, Fergana, and Caspian Port, local currencies from Bukhara, Khorezm, and Kokand were replaced by the Russian ruble and silver coins. During this period, two types of Russian silver coins were in circulation: high-quality silver coins with denominations of 50 and 25 kopecks, and low-quality silver coins (billon)s with denominations of 20, 15, 10, and 5 kopecks. High-quality silver coins were used for transactions up to 25 rubles, while low-quality silver coins were accepted for payments up to 3 rubles. These banknotes were accepted by all state bank cashiers, without restriction, with the exception of customs (L. Yurovsky, p.12).

On November 30, 1890, the imperial government issued a decree titled "On the Gradual Withdrawal of Local Silver Coins from Circulation in the Turkestan Region" (R. Burnasheva, p. 75). The decree outlined plans to replace the locally circulating coins with Russian rubles, followed by the complete removal of local coins from circulation. To facilitate this process, the exchange rate for the coins at the banks was set to decline in stages: by May 1, 1892, one silver coin would be exchanged for 20 kopecks; by May 1, 1893, for 15 kopecks; by May 1, 1894, for 12 kopecks; and by May 1, 1895, for 10 kopecks (1902, p. 127).

The branches of the State Bank of Russia in the regions were assigned the responsibility of organizing and carrying out the monetary reforms. Under this mandate, the State Bank implemented currency reforms in 1905. These reforms included several measures to regulate the exchange rate of coins, such as purchasing 15-kopek local silver coins during the spring and autumn months, exchanging 15-kopeck billon coins for 50-kopeck and 1-ruble silver coins, and storing large amounts of Russian billon as credit in regional reserves. Additionally, Russian 100- and 500-ruble credit notes were issued to both state and private banks in the region (F. Amonova, p. 9). The minting of copper coins was carried out with approval from the Ministry of Finance.

In 1917, state credit notes of Kerensky in denominations of 250 and 1000 rubles were introduced into circulation (A. Melnikova, p.6). In 1919, a unification of the currency of the RSFSR and Turkestan was carried out. As part of this process, 10 rubles of Turkestan were equated to 1 ruble of the RSFSR. However, these unification measures were not implemented in Bukhara and Khiva (National Archive of Uzbekistan, p.10).

As of January 1, 1917, the State Bank's institutions in the Turkestan region had issued 360 million rubles into circulation, nearly three times the amount that had been in circulation prior to the war. This significant increase in the money supply led to a rise in prices and a corresponding increase in the cost of living. Standardized prices for cotton were established, while the prices of imported bread and textile products saw a notable rise in Turkestan. Additionally, during World War I, prices also increased in both the Bukhara Emirate and the Khiva Khanate, alongside higher tax rates and the introduction of war taxes. As a result, workers, peasants, and artisans were left to bear the greatest burden of these taxes (M. Tursunov, p. 14).



During the economic crisis, in 1917, the Amir of Bukhara introduced new copper and brass coins into circulation, with values ranging from half a tanga to 20 tangas. These coins were minted over a period of three years. Starting in 1918, the Amir's government began issuing the first paper money in Bukhara, which were also referred to as coins. The production of these paper bills was carried out by Muhsinjon Zargar and Usta Sadriddin, mirkhors, who stamped the paper by hand (F. Amonova, 2024, p. 153). Initially, paper money was issued in denominations of 20, 60, 100, 200, 300, 500, 1000, 2000, 3000, and 5000 tangas. By 1919, the technology for printing money became simpler, and only paper bills in denominations of 50, 100, 200, 500, 1000, 2000, 3000, 5000, and 10,000 tangas were issued (Q. Rajabov, S. Inoyatov, p. 64).

At the same time, nearly 14 types of banknotes were in circulation in the Bukhara market. The Russian credit notes issued in 1917 were widely used in Bukhara as well. However, Russian currency samples from 1918, such as the Turkestan ruble, the Penzinka, and the Turkbond, were not officially in circulation in Bukhara and neither accepted by the population. Sovznaks and Turkbonds were unofficially brought in by local money changers at very low rates. For example, in the Bukhara markets, Turkbonds were highly undervalued. For instance, 1000 kerenskys were equivalent to 9000 bongos (Journal "Narodnoe khozyaystvo Turkestana," pp. 1–2).

The Amir of Bukhara, in particular, viewed the Turkbond with distrust. Under the influence of the Soviet government, he issued a decree (Nasha Gazeta, No. 249) prohibiting the acceptance of "temporary credit cards of the Turkestan region—Turkbonds." In response, the Turkestan ASSR formally appealed to the Amir, requesting measures to legalize the circulation of Turkbonds in the Bukhara region. As a result, the Bukhara government lifted the ban on Turkbonds. The exchange rate of Turkestan bonds in the Bukhara market fluctuated between 1:10. The Turkbonds brought in by the sarrofs were ten times cheaper than the kerenskys and Nicholas coins (F. Amonova, p. 1050).

Conclusion.

Once the Turkestan region became a colony of the Russian Empire, it was rapidly exploited for its economic resources and benefits. The number of merchants and trade organizations steadily increased, which in turn facilitated the flow of Russian capital into the region. The introduction of the Russian ruble into circulation further reinforced the region's economic dependence on Russia. The construction of railways played a pivotal role in transforming the region into a major market for goods. Russian settlements were established around the railways and water infrastructure. Additionally, the Russian Empire pursued a policy of relocating European populations—primarily Slavs, Armenians, and Tatars—into newly established cities and Russian settlements in the region. This policy not only presented significant opportunities for the empire but also served as a means to further develop and consolidate its control over the region.

References

1. Yurkovskiy, L. (1917-1927). *Monetary policy of Soviet power*. p. 12.
2. Burnasheva, R. (1972). *Coins of the Bukhara Khanate under the Mangyts (Mid-18th - Early 20th Century)*. *Epigraphy of the East*, Vol. XXI. Leningrad. p. 75.
3. Report on the official visit of the Minister of War to the Turkestan Military District in 1901. St. Petersburg, 1902. p. 127.



4. Yurkovskiy, L. (1917-1927). *Monetary policy of Soviet power*. p. 11.
5. Amonova, F. (2022). *Banking activities in Bukhara (Late 19th Century and Early 20th Century)*. *Education and Innovative Research*, №. 9. p. 9.
6. Melnikova, A. (1973). *Hard Money*. Moscow. p. 6.
7. MA. I-9 Archive. 1st List, 3219th Volume, p. 10.
8. Logofet, D. (1911). *The Bukhara Khanate under Russian Protection*. Vol. 2. St. Petersburg. p. 68.
9. *Bukhara Sharif* (1894, February 4). *Tarjimon* newspaper.
10. Pochekaev, R. (198). *The Russian Factor in the Legal Development of Central Asia: 1717-1917*. p. 198.
11. Abdulvokhidova, F. (2022). Trade Relations in Eastern Bukhara in the Late 19th and Early 20th Centuries. Abstract of PhD Thesis. Dushanbe. p. 14.
12. Tursunov, M. (2022). Monetary circulation in the Turkestan ASSR during the Civil War (1917-1921). p. 14.
13. Kurbanov, G.N. (2004). The History of Paper Money in Bukhara in the Early 20th Century. *Numismatics of Central Asia*, Vol. VII. Tashkent. p. 99.
14. Amonova, F. (2024). Trade-commerce issues in the perspectives of Jadids. *International Journal of Philosophical Studies and Social Sciences*, Vol. 4, №1. p. 153.
15. Rajabov, Q., & Inoyatov, S. (n.d.). History of Bukhara. p. 64.
16. Tursunov, M. (n.d.). Monetary circulation in the Turkestan ASSR during the Civil War (1917-1921). p. 59.
17. Our Turkestan Bonds (1919). *Journal of the National Economy of Turkestan*, No. 32. pp. 1-2.
18. Our Newspaper (1918, November 26). № 249.
- Amonova, F. (2024). History of the formation of banking infrastructure. *New Uzbekistan: Social-Philosophical, Economic-Political, and Legal Issues of Sustainable Development*, Volume 2, Issue 23. p. 1050.

