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FROM THE DESK

In Tashkent the Central Bank held at 14 percent for a sixth straight meeting, then spent the following week hosting reserve managers. Every figure in the first section comes from the issuing institution's own release.

Central Asia

Uzbekistan holds its rate again, then spends a week talking to the people who manage the world's reserves.

MONETARY POLICY

SEPTEMBER 16 CENTRAL BANK OF UZBEKISTAN

Uzbekistan holds at 14% for a sixth consecutive meeting

The rate has not moved since March 2025, and the gap over inflation is now close to eight points.

The Board of the Central Bank decided at its meeting on September 16 to keep the policy rate at 14 percent per annum. It is the sixth consecutive hold of 2026, following decisions in January, March, April, June and July, and the rate has been unchanged since March 2025.

≈7.8pp

The gap between the 14% policy rate and annual inflation of 6.2% in August. The IMF described the stance in April as appropriate, noting it maintains strongly positive real interest rates.

Annual inflation slowed to 6.2% in August from 6.4% in July, with prices rising 0.2% over the month. At its July meeting the Bank kept its end-2026 inflation forecast at 6.5% and its growth projection at around 7.5 to 8%, with real GDP up 8.5% in the first half of the year.

The risks it named then were domestic second-round effects from regulated energy tariff changes, and externally, food and commodity prices together with higher logistics and transport costs feeding through import prices.

READING IT

Uzbekistan is holding a rate nearly eight points above its own inflation while the economy grows above 8%. A real interest rate that high is not a response to current prices. It is a response to a credibility problem: a central bank that has only recently pulled inflation into single digits will pay more, for longer, rather than risk having to start again.

Central Bank of the Republic of Uzbekistan, Board decision on the policy rate, September 16, 2026, and press release of July 29, 2026. August inflation from the Statistics Agency under the President of the Republic of Uzbekistan. [cbru.uz — monetary policy press releases](https://cbru.uz/monetary-policy/press-releases)

RESERVES

SEPTEMBER 17–22 CENTRAL BANK OF UZBEKISTAN

Tashkent spends a week talking about reserves

A forum, a memorandum with the world's largest asset manager, and meetings with four more institutions in five days.

IPAM 2026

The International Public Assets Management Forum, hosted in Tashkent, at which the Central Bank says new approaches and global trends in reserve management were discussed.

Between September 17 and 22 the Central Bank published notices of talks on international reserve management with the Monetary Authority of Singapore, covering reserve management and gold vaulting; with

the World Bank Group; with Citibank; and with Bank Indonesia. On September 22 it announced a memorandum of understanding with BlackRock to explore future opportunities, and hosted the IPAM forum in Tashkent.

In the same week the Bank published its Monetary Policy Review for the second quarter of 2026, and reported that its representatives had discussed Islamic finance cooperation in London on September 17.

READING IT

Uzbekistan's reserves are unusual in composition, with a large majority held in gold — a consequence of being a significant gold producer rather than a portfolio choice. That concentration is precisely why reserve-management expertise matters here, and why the counterparties in this list are worth noting. A memorandum is not a mandate, and none of these notices commits anyone to anything, so the honest reading is positioning rather than transaction. The thing to watch is whether any of it converts into an actual arrangement.

Central Bank of the Republic of Uzbekistan, press releases of September 17, 18 and 22, 2026 as listed in the Bank's own press-release index. This report is limited to what those notices state; no financial terms were published. [cbu.uz — press releases](https://cbu.uz/press-releases)

POLICY SEPTEMBER 24 CENTRAL BANK OF UZBEKISTAN

A national fintech strategy to 2030

The Central Bank approves a five-year framework. The text is not yet public in English.

The Central Bank announced on September 24 that it has approved the National Strategy for the Development of Financial Technologies for 2026 to 2030. The Bank already runs a fintech programme that includes an innovation hub, a venture fund, a regulatory sandbox and an annual forum.

2026–2030

The period the strategy covers. Its provisions had not been published in English when this issue closed.

We report the approval rather than the contents, because the contents were not available when we went to press. We will

return to the substance once the document is published.

READING IT

The useful question about any national fintech strategy is which problem it sets out to solve. Uzbekistan's payment infrastructure expanded very fast, and the pressures that follow rapid adoption are usually supervisory rather than technological: consumer protection, lending standards, and what happens to credit quality when many new borrowers enter a formal system at once. Whether the strategy addresses those, or concentrates instead on attracting firms, is what to look for when the text appears.

Central Bank of the Republic of Uzbekistan, press release of September 24, 2026 announcing approval of the National Strategy for the Development of Financial Technologies for 2026–2030. [cbu.uz — press releases](#)

Talks & Events

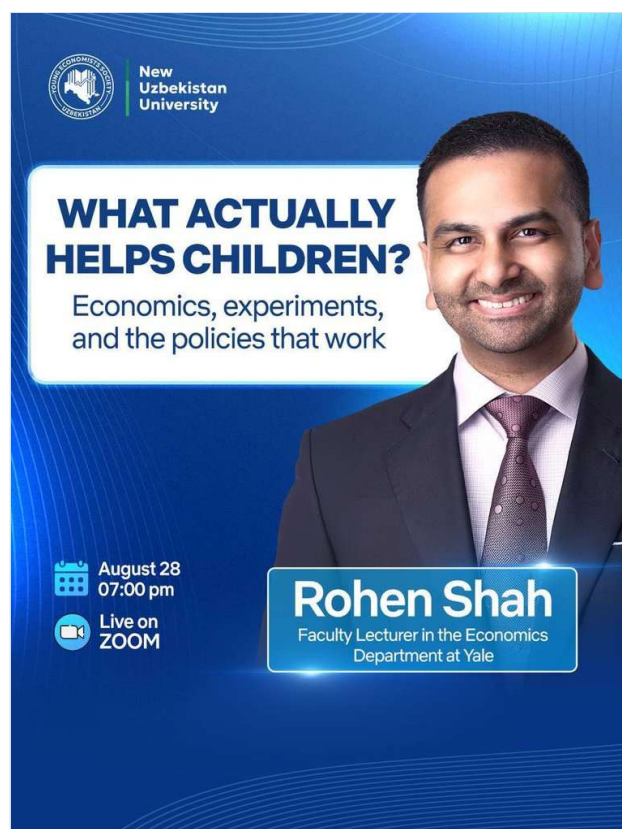
Sessions, speakers and student activity from the Young Economists Society of Uzbekistan.

FRIDAY TALKS

AUGUST 28 YESU · NEW UZBEKISTAN UNIVERSITY

Why an economist spent years learning how to teach economics, not just research it

Dr. Rohen Shah of Yale on rap videos, a health scare, and the long way round from Freakonomics to a PhD — the latest episode of the weekly session run by YESU.



Friday Talks · What Actually Helps Children? · August 28, 19:00, live on Zoom. Poster: YESU and New Uzbekistan University.

In the latest episode of Friday Talks, we spoke with **Dr. Rohen Shah**, a Lecturer in the Department of Economics at Yale University. He holds a PhD from the University of Chicago, where he specialised in experimental and behavioural economics, and his research

uses randomised controlled trials, or RCTs, to evaluate whether educational interventions actually work.

Dr. Shah has loved mathematics since childhood and was already tutoring it as a high school student. What pulled him toward economics was *Freakonomics*, which corrected a misconception he'd carried into high school — that economics was mainly about money and interest rates — and showed him instead that its tools could be applied far beyond finance. As an undergraduate at the University of Michigan, he took his first economics classes and was introduced to game theory, but found he was more interested in how to teach economics than in economics itself.

While working at a tutoring company, he noticed how hard it was for students to connect classroom theory to the reality of running a business. He shifted his own teaching away from abstract material and toward the tutoring company's own data — real cases instead of textbook ones — and watched engagement change. That was the moment he decided he wanted a PhD.

Correlation among the self-selected $\neq$ the effect of the programme

If people who join a tutoring programme were already more likely to improve — more motivated, better resourced — then comparing "joined" against "didn't join" measures who chose to sign up, not what the programme did. Randomised assignment is what breaks that link.

What he wanted from a PhD was unusual: not to do research, but to learn how to teach economics well — and a PhD in economics trains researchers, not teachers. The path he found was to earn the PhD in a different field instead: education. While pursuing a PhD in education at the University of Michigan's Math Department, he was offered the chance to become CEO of the tutoring company he'd been working for, a firm of about fifty employees. He tried to do both. The first year went well; sleeping two hours a night did not, and a health crisis requiring surgery eventually forced him to step back from the company.

He noted a structural difference between the US and Central Asian PhD systems: in the US, a Master's degree is folded into the programme and awarded after roughly two years, with the remaining years devoted to committee-approved research — and the whole programme is typically tuition-free, funded by paying candidates to do that research. When his health forced him to leave early, what he walked away with was a Master's in Math Education. He also noted a methodological contrast: education research

relies on smaller, more case-study-like samples than the quantitative economics he'd trained in as an undergraduate.

Frustrated by how slowly ideas move through academia, he looked for a faster way to contribute. Teaching high school math, he noticed his students would rather listen to rap than to a math lesson — so he wrote one, and it went viral. That led to a nonprofit, **Skule.org** (Spread Knowledge Using Lyrics & Entertainment), which staged assemblies and produced music videos across the United States to make students excited about math.

But excitement about math wasn't the same as learning it better, and that gap is what finally sent him back to a PhD — this time in economics, to study education policy directly. What interested him most was the correlation-versus-causation trap above: that students who score higher after a programme might have scored just as high without it. He joined the PhD programme at the University of Chicago to work with **John List**, the economist he had first read about years earlier in the book that started this whole path: *Freakonomics*.

READING IT

The programme built on a rap video and the PhD built on randomised trials are, in Dr. Shah's account, the same project pursued by different means: getting people to actually learn. One approach changes how appealing the material feels; the other tries to isolate, causally, whether a given intervention moves outcomes at all. Most education reform lives entirely in the first category. The second is rarer, harder, and — on his account — the only way to know if any of it is really working.

We are grateful to Dr. Rohen Shah for taking the time to speak with the young economists of our country. Thank you to everyone who joined the session. Stay tuned for the next episode of Friday Talks.

The Young Economist

Original research by students, reviewed before publication. This is what the journal exists for; submissions are open to anyone studying economics in Central Asia.

RESEARCH

URBAN & DEVELOPMENT ECONOMICS UZBEKISTAN

New Tashkent: sequencing, capacity, and the limits of expansion

Energy, water, financing and land: the structural constraints on Central Asia's most ambitious infrastructure transformation.

Author: **Abdulla Inogomov** · Received August 1, 2026 · Accepted August 13, 2026

ABSTRACT

A 25,000-hectare satellite city intended for 2.5 million residents by 2045, announced against a capital whose networks are already stretched. This paper argues that four compounding constraints — energy, water, financing and land — may undermine the project's viability if they are left unaddressed before construction scales.

Introduction

On December 24, 2024, on the initiative of President Shavkat Mirziyoyev, Uzbekistan approved the New Tashkent master plan. It is a 25,000-hectare satellite city designed by the London firm Cross Works and intended to accommodate 2.5 million residents by 2045. The rationale set out by the Development Strategy Center is the pressure that internal migration places on the capital. According to official statistics (Statistics Agency of Uzbekistan), the population of Tashkent is 3.1 million; this figure, however, records only registered residents and therefore understates the city's de facto population — that is, the number of people who actually live and work in the city, whether or not they are registered as living there. The daily, or functional,

population may be 30–35 per cent higher once students and internal migrants are included (Euronews, 2026).

The density this produces is easiest to see in the transport system. The Tashkent metro carried a record 286.8 million passengers in 2025, an average of roughly 785,600 people every day, up from 270.3 million the year before and from 38.8 million in the whole of 2020 (UzDaily, 2026). Close to a quarter of the city's official population passes through the metro on an average day, and most of that traffic is concentrated in two peaks.

District 1 occupies 5,000 hectares of the 25,000-hectare site and will consist mainly of administrative buildings, the New Uzbekistan University, and Tashkent State Pedagogical University.

The project's prospects depend on a capital that is already stretched. Its networks are old, and they have little room to take on additional users without service quality falling — what economists call limited absorptive capacity. This article argues that four compounding constraints, which are examined in turn below, may undermine the project's viability if they are left unaddressed before construction scales.

Background: Infrastructure Inherited, Infrastructure Strained

Uzbekistan's infrastructure was built during the Soviet period, largely between 1966 and the 1980s; today, however, it operates under post-Soviet conditions for which it was not designed. The networks were sized for a planned economy with a fixed population target, so capacity was specified administratively rather than in response to market demand. Following the transition from central planning to a mixed economy coordinated by market forces, the population rose from 21.0 million at independence to 37.1 million in 2025 — a 77 per cent increase in 34 years (World Bank, 2026). Because network capacity is a long-lived, lumpy investment, supply could not adjust to a demand shock of this magnitude, and blackouts and other service interruptions became more frequent.

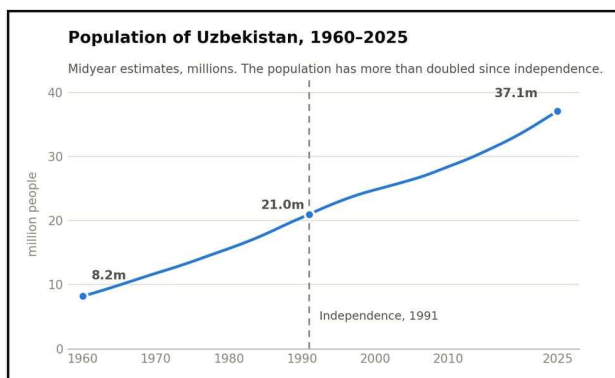


Figure 1. Population of Uzbekistan, 1960–2025 (World Bank Open Data, indicator SP.POP.TOTL, 2026).

After independence, two dynamics reshaped the capital simultaneously. The first was a wave of rural-to-urban migration that had been administratively suppressed for decades. The second was the emigration of roughly 1.5 million Russian-speaking technicians and administrators — a substantial loss of the specialised human capital that operated these systems.

The January 2022 Central Asian blackout, which left most of Uzbekistan without power for as long as 18 hours, illustrated the low level of reserve margin in the national grid. As of 2025, rolling blackouts still affect hospitals and government buildings at peak load in summer and winter, with technical transmission and distribution losses estimated at 13 per cent across a network where over half the facilities have exceeded their design lifespan (World Bank, 2025). Water infrastructure shows a parallel pattern: fewer than 20 per cent of peri-urban Tashkent residents receive piped municipal supply, and the urban utility loses over 30 per cent of treated water as non-revenue water — leakage from Soviet-era mains before it reaches consumers (ADB, 2021).

The Karimov Era: Managing the Capital by Restricting Entry

The most significant demographic policy of independent Uzbekistan was the first President Islam Karimov's decision to close the capital to internal migration. The propiska, a Soviet-era residential registration system, was retained after independence as an administrative instrument tying citizens to an address recorded in their passports. The 1999 attack in the capital served as the government's stated justification for maintaining it. As the researcher Malika Tukmadiyeva documented, Tashkent became

"a virtually closed city, where only public servants, personnel of the Ministry of Interior Affairs, and the families of citizens already residing there were permitted to move legally." Notaries were prohibited from registering property sales in Tashkent to buyers without an existing propiska, so that even purchasing a home did not confer the legal right to reside in it (Tukmadiyeva, 2016).

The welfare consequences were considerable. Without residential registration in Tashkent, residents could not access the social entitlements attached to it: they could not legally take formal employment, enrol children in school, access health care, register a marriage, or vote. Only 70 government agencies were able to sponsor an employee's residential status, and even then the waiting period could extend to six years. In effect, the system functioned as an administrative barrier to labour mobility, and it pushed a large share of migrants into the informal sector.

Judged against its own objective, the regime achieved limited success. Rather than redirecting migration from Tashkent towards secondary cities, it displaced labour supply outside the country altogether. A World Bank study cited by Eurasianet concluded that the propiska restrictions had "historically had the effect of crimping the economy and encouraging emigration" (EurasiaNet, 2017). That assessment is now nine years old and predates the 2020 reform of the registration system, but the pattern it describes had by then been set for two decades, and its consequence is still visible in the structure of the economy: Uzbekistan became one of the world's most remittance-dependent economies in part because the domestic centre of agglomeration, Tashkent, was legally

inaccessible to the rural population, so that emigration became the lower-cost alternative to internal migration.

Mirziyoyev's Reversal and the Suppressed Wave

President Shavkat Mirziyoyev came to power in 2016, and the propiska restrictions on residential registration were progressively relaxed from that point. Presidential Decree No. UP-5984, "On measures to reform the procedure for permanent registration and accounting at the place of stay," signed on April 22, 2020, released the migration demand that had accumulated under the previous regime, and the resulting inflow placed a heavy load on existing infrastructure.

The reform itself was overdue, and on its own terms it was the right decision. What is harder to defend is the sequencing. Registration was liberalised without any published assessment of whether the capital's grid, water mains, schools and roads could absorb the arrivals, and without a capacity programme timed to run ahead of them. The demand that had been accumulating behind the propiska for two decades was not an unknown quantity; the government had the registration data to estimate it. Overcrowded classrooms, congestion on the road network, elevated winter air pollution, and frequent power outages are the visible negative externalities of that adjustment, and they were foreseeable before the decree was signed rather than only after it.

New Tashkent was presented as the response to this congestion — a way of accommodating continued inflow without loading it onto the existing city. The project is designed to supply not only new residential floorspace but an entirely new set of networks, incorporating

renewable generation and a large green area with its own microclimate. Administrative buildings, together with some universities and research institutions, are to be relocated there. The project aims to attract 50 billion US dollars of investment. It is currently in the first phase, covering 6,000 hectares and consisting mainly of trunk infrastructure and administrative centres; this phase is scheduled for completion by 2030.

What Is Constraining Uzbekistan?

Energy before expansion

Although the New Tashkent master plan includes a 400-megawatt solar farm within the new district, this capacity is not expected to be commissioned by the time the first 600,000 residents arrive. The site is greenfield: it carries no transmission infrastructure of its own, and the district must therefore be tied into the national grid through new lines built out from existing substations. That is precisely the point. Whatever is built on the site, the electricity reaching it will flow from the same national system that already operates at a low reserve margin and sheds load at winter and summer peaks. New Tashkent does not sit outside that system; it adds demand to it, and it does so through a connection that has itself still to be built. The IEA estimates that securing energy supply by 2030 requires 35 billion US dollars of new generation and transmission investment. Adding demand before the supply side is stabilised is a sequencing risk: it raises consumption against a fixed short-run supply curve, with direct consequences for reliability and liveability.

Water in a drying climate

The master plan proposes a canal network drawn from the Chirchiq and Qorasu rivers. The design is elegant, but its shortcoming is exposed in climate terms. The World Bank projects a 30–40 per cent decline in water availability across Uzbekistan by 2050 as glacier-fed river flows contract. Building a city whose microclimate depends on abundant water, while the existing city still lacks universal piped supply, is a resource allocation question that the master plan does not fully resolve: the opportunity cost of water diverted to the new district is service coverage forgone in the old one.

The constraint is already measurable at the national level. Renewable water availability has fallen from 3,048 cubic metres per person about fifteen years ago to 1,589 cubic metres today, which places Uzbekistan below the 1,700 cubic metre threshold conventionally used to define water stress and within reach of the 1,000 cubic metre scarcity threshold. The fall is driven from both sides of the balance: supply contracts as glacier-fed flows shrink — Central Asian glaciers have lost roughly 30 per cent of their mass over the past 50 to 60 years — while the population grows by 650,000 to 700,000 a year and is projected to reach 39 million by 2030, which is expected to raise water demand by 18 to 20 per cent.

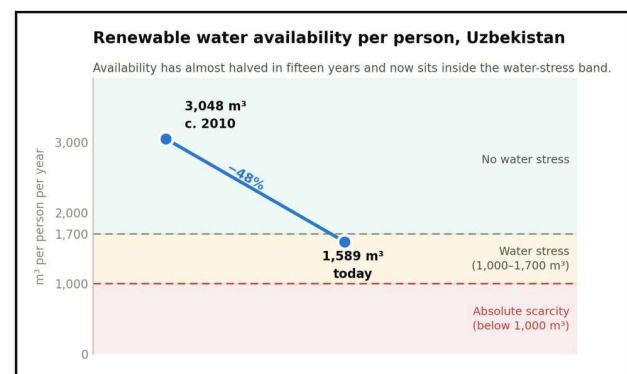


Figure 2. Renewable water availability per person, Uzbekistan (Climate Adaptation Platform, 2024).

Aggregated, the national water balance is already in deficit by more than 3 billion cubic metres a year. The Ministry of Water Resources projects a shortfall of 7 billion cubic metres by 2030 and 15 billion by 2050 (Kun.uz, 2023); a Boston Consulting Group assessment presented in 2026 puts the 2040 shortfall at up to 22 billion cubic metres under its worst case, as demand rises 23 per cent while available resources fall 17 per cent (UzDaily, 2026).

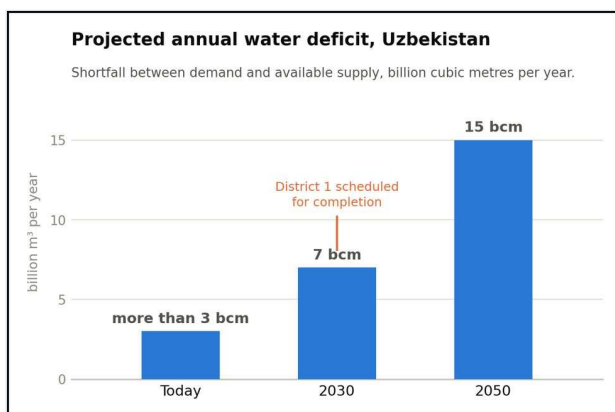


Figure 3. Projected annual water deficit, Uzbekistan (Kun.uz, 2023; Climate Adaptation Platform, 2024).

Three features make this a binding constraint on the master plan rather than a background risk. The first is timing: District 1 is scheduled for completion in 2030, the year in which the national deficit is projected to reach 7 billion cubic metres, so the new district's demand arrives precisely as supply tightens. The second is control over the resource. Around 80 per cent of Uzbekistan's water originates outside its borders, in upstream Kyrgyzstan and Tajikistan, so the supply side depends on transboundary allocation that the government does not determine unilaterally; domestic investment can improve efficiency, but it cannot increase the inflow.

The third is the identity of the marginal user. Agriculture accounts for roughly 90 per cent of water consumption while generating 19 per

cent of GDP, and the country produces under 3 US dollars of output per cubic metre against a world average of about 23 (UzDaily, 2026). On a value-per-cubic-metre basis, urban and industrial use is therefore the higher-return allocation, and the water for New Tashkent could in principle be released by reallocating from irrigation. This is where the water constraint and the land constraint converge: the reallocation would fall on the same fertile, groundwater-rich land already being transferred out of agriculture for the site, so the water gained and the food-supply cost incurred arise at the same margin. Treating the two as separate problems understates the combined adjustment cost.

Financing dependency

UNDP identified a 6 billion US dollar annual financing gap for the Sustainable Development Goals — the set of health, education, infrastructure and climate targets Uzbekistan has committed to meeting by 2030 — before New Tashkent was announced. Only 1.72 billion euros in private investment contracts had been signed by late 2025, and the investment agreements concluded for the site's first commercial lots amount to 554 million US dollars (Government of Uzbekistan, 2025). Reliance on Gulf sovereign wealth funds, Chinese construction capital, and European development banks concentrates the funding base: a geopolitical disruption could stall construction mid-phase, raising the risk of stranded assets and of contingent liabilities crystallising on the public balance sheet. Because a partially completed network generates little revenue while still carrying its financing cost, the fiscal exposure is greatest precisely in the middle of the build-out.

The stock of existing obligations gives this point its scale. Total state debt rose from 17.8 billion US dollars at the end of 2019 to 46.85 billion at the start of 2026 — an increase of 163 per cent in six years — equivalent to 31.9 per cent of GDP, of which 39.82 billion is external (Kun.uz, 2025; Spot.uz, 2026). This is the highest level of state debt Uzbekistan has carried since independence: the stock has risen in every single year of the period, and each year has therefore set a new record. The project's 50 billion US dollar investment target exceeds that entire accumulated stock, which indicates the order of magnitude of the financing requirement rather than a marginal addition to it.

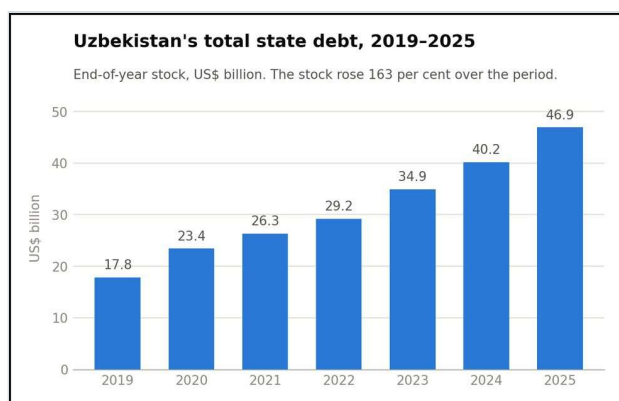


Figure 4. Uzbekistan's total state debt, 2019–2025 (Kun.uz, 2025; Spot.uz, 2026).

The composition of that external debt matters as much as its size. Multilateral development banks hold 22.31 billion US dollars, or 56 per cent of external state debt, with the World Bank (22 per cent) and the Asian Development Bank (21 per cent) together accounting for 43 per cent of all external obligations. Bilateral creditors hold a further 29 per cent, within which China accounts for 10 per cent and Japan for 8 per cent, and international bondholders hold the remaining 15 per cent.

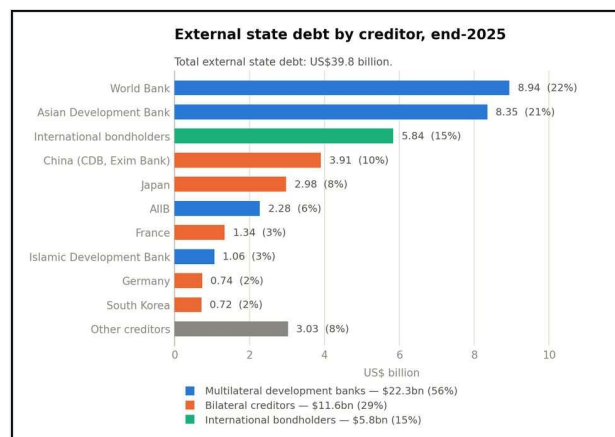


Figure 5. External state debt by creditor, end-2025 (Spot.uz, 2026).

Two features of this structure bear on the project. First, the concessional share is large. Multilateral and bilateral lending carries longer maturities and below-market interest rates, so the average cost of servicing the existing portfolio is lower than commercial borrowing would imply. Concessional finance, however, is rationed by the lender rather than determined by the borrower's demand for it, so this window cannot simply be widened to the scale of a 50 billion US dollar programme. Second, the fastest-growing component is the market-priced one: international bond issuance rose by 1.71 billion US dollars in 2025 alone. Marginal financing for New Tashkent is therefore likely to be costlier than the average cost of the existing stock, which weakens any comparison between the project's headline investment figure and the government's current debt service burden.

Land use

The project may also exert upward pressure on the consumer price index, since the 12,000 hectares assembled by the government for the site were previously in agricultural use. This has implications for food supply, as the land is known for its fertility and access to groundwater. Because land in Uzbekistan is state-owned rather than privately held, farmers are compensated only for the returns

generated by the plots they use, so the adjustment cost falls disproportionately on producers. Officials have stated that the farms will not disappear entirely and will instead be relocated to other regions. Relocation, however, lengthens supply chains and raises transport costs, and an increase in input costs of this kind transmits to the price level as cost-push inflation.

Recommendations

Restore supply reliability before occupancy. Power and water supply should reach continuous 24-hour service before District 1 is occupied at scale. Sequencing capacity ahead of demand would prevent service failures, address the capital's existing problems, and reduce public dissatisfaction.

Pursue decentralisation as a complementary policy. Relocating government agencies and universities to Samarkand, Namangan, and Andijan would reduce pressure on the capital more durably than building a satellite city alone, and would move the country towards a more polycentric urban structure rather than reinforcing urban primacy. The foundations already exist: each of these cities hosts a long-established state university with a large resident student body — Samarkand State University, Namangan State University, and Andijan State University among them — so the institutional capacity and the young population to sustain it are in place. What is missing is the administrative, research and professional employment that currently concentrates in Tashkent, and which is what pulls graduates to the capital after they finish studying. Adding that employment where the students already are would raise economic activity in secondary cities through local agglomeration effects, ease crowding on the capital's public transport network — students

and elderly residents are its principal users — and moderate rental prices, given that dormitory capacity does not meet annual student demand.

Cap and validate Phase 1. District 1 should be fully occupied and assessed against viability benchmarks before further districts proceed. Staging the investment in this way limits sunk costs and allows the master plan's assumptions to be tested against observed performance. One of the central assumptions is that residents will consume 200 litres of water per person per day, whereas current consumption in Tashkent is roughly 400 litres. The comparison with a water-rich city is instructive: New York City consumed 120.7 gallons — about 457 litres — per person per day in 2023, down from a peak of 199 gallons (754 litres) in 1991 (NYC DEP, 2023). Tashkent therefore consumes at close to a New York rate while sitting in a region with a small fraction of New York's water. The plan assumes that per capita use in the new district will be half the current level; if that assumption does not hold, the supply system will have been sized for half the demand it actually receives.

Improve interregional transport. A high-speed service (Afrosiyob) already links the capital with Samarkand, Bukhara, and Qarshi, but it is oriented primarily towards tourism rather than daily commuting. Expanding and modernising the conventional rail network would widen the capital's commuter catchment, allowing citizens from outlying regions to travel to Tashkent for work rather than relocating there permanently. Japan offers a reference case: Greater Tokyo operates 121 passenger rail lines across 882 interconnected stations, carrying 40 million passengers a day from a metropolitan population of 36 million (MLIT, 2016). A

modal shift of this kind would also reduce road congestion, since much of the inflow to the capital is by private car, and it would enlarge the effective labour market, as those unable to afford housing in Tashkent could still participate in it.

Conclusion

Migration pressure on the capital is a long-standing problem. Under Karimov it was managed through restrictions on residence that severely limited freedom of movement, and these were removed under Mirziyoyev. The government has instead chosen to address the problem by expanding the capital. This has placed strain on infrastructure that was neither modernised nor planned for a population of the present size. New Tashkent is a project that will need to be implemented at some stage. In the short run, however, it does not resolve the capital's existing constraints, and despite its potential long-run benefits, it may intensify them while construction is under way. The deficiencies in the current infrastructure should therefore be addressed before the long-term plan is scaled up. There are ways to relieve pressure on the capital that do not depend on expanding it.

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