

Chapter One: Dramatic Beginnings

Ties between Kazakhstan and the United States are strong but certainly not ancient. True, there were a number of Americans, notably diplomat Eugene Schuyler, who travelled there in the nineteenth century and wrote about it. But these were rare exceptions. It is therefore not surprising that the links that arose during the years immediately preceding and following the collapse of the USSR in 1991 still define many aspects of US-Kazakhstan relations today. For this reason they warrant our attention today, not as curiosities of the past but as the genesis of an important and durable relationship.

The blunt reality is that as recently as the 1980s Americans and Kazakhs scarcely knew of each other. Yet within a very few years beginning around 1980 each “discovered” the other, and came to perceive their mutual interests with a high degree of sophistication and practicality. The causes of this strange situation trace to the very peculiar circumstances prevailing in both countries prior to their mutual discovery.

That Kazakhs knew little of the United States is by no means surprising. As part of the USSR, the Kazakh Soviet Socialist Republic was a constituent element of the Soviet Union beginning in 1936. As such, it maintained its own Ministry of Foreign Affairs, but this body was fully subordinate to directives from Moscow. Its scant dealings with the outer world were fully shaped by the Kremlin. The few Kazakhs who developed expertise in international affairs did so thanks to training at Moscow institutions and honed their skills while serving as

representatives of the USSR, not of Kazakhstan. Yet this background was nonetheless important, as it gave rise to knowledge and expertise that was to prove invaluable as Kazakhstan began moving out from under its northern shadow. A similar evolution, all but invisible but nonetheless real, occurred in the economic sphere, as Kazakhs who managed Soviet firms on their territory began reaching out to the larger world.

In the broader society of Kazakhstan, all information on America was filtered through the lens of Soviet education, books, and newspapers. This included a few engaging works like Ilf and Petrov's droll but dated *One Story America* (1935), but far more of the available sources presented the United States as the aggressive but declining headquarters of world capitalism. Kazakhs who were fortunate to gain access to elite educational institutions in Moscow, and to a lesser extent, in Kazakhstan itself, gained a fuller picture of the USSR's great enemy, but they were few in number.

Compounding this situation was the fact that few Kazakhs were allowed to participate in educational and scientific exchanges with the United States. Beginning in 1968, America's public-private International Research and Exchanges Board (IREX) brought Soviet students and scholars to conduct research at American institutions but the Soviet side of these exchanges was dominated by ethnic Russians. However, when Kazakhs were included it invariably bore long-term fruit.

This process of exclusion extended even to the cultural sphere. Thus, the selection of Soviet participants in the American-Soviet Youth Orchestra, founded in 1987, was fully controlled by the Moscow Conservatory, with no input from the Kazakh capital of Almaty. In spite of this highly controlled environment, beginning in the 1970s many young Kazakhs gained a keen interest in American popular culture, in many fields, including jazz, dress, and life style.

America's ignorance of Kazakhs and Kazakhstan mirrored this situation, but for a very different set of causes. At an official level, the focus was squarely on the United States' Cold War rival, the USSR, and hence on its capital, Moscow. Only a couple of American graduate students were allowed to study in Central Asia and their research topics, like those of all American scholars on IREX, were censored by the Soviet side to exclude most current issues. Washington mounted great effort to advance the study of Russian, but ignored other languages of the USSR, including Kazakh. And even if Americans had wanted to acquaint themselves with the peoples of Central Asia, there were few, if any, ethnic Kazakh or Uzbek emigres they could have called on to teach. A far more favorable situation existed for Ukrainian and the Baltic languages.

During the late Soviet period the Library of Congress endeavored to import as many Soviet publications as possible. But the Soviet Academy of Sciences sent only publications by its Moscow institutions, excluding the other fourteen republics of the USSR. The Library of Congress responded by appointing two staff members to travel regularly to all non-Russian republics, including Kazakhstan, to purchase books from local publishers directly. This absurd arrangement persisted for years, accounting for the few books from Kazakhstan that reached America.

In other respects, the U.S. government's narrow focus on Kremlin politics kept Kazakhstan and the other fourteen non-Russian republics in the shadows. The Foreign broadcast Information Service (FIBIS) translated news only from Russia and Russian sources, and had neither the interest nor the capacity to draw on other languages, including Kazakh. When it finally ventured to garner news from Kazakhstan it drew from local Russian language outlets of the main Moscow papers, rather than from Kazakh language sources.

During the 1980s this situation began to change for the better. A handful of linguistic scholars had long since been engaged in the study of historical texts from Central Asia, but now they were joined by social scientists whose interest was in the region's more recent past. A number of academic centers, notably the University of Chicago, Ohio State University, Indiana and Columbia, began turning out researchers whose interest was in writing on Central Asia and the Caucasus. Thus, for example, University of Chicago-trained historian Martha Olcott's *The Kazakhs* (1986) used Russian and English sources to trace the Kazakh people through the centuries to the present.

In spite of these initiatives, throughout the 1970s the main focus in American studies of the USSR was Russia itself. The person who did more than anyone to transform this situation was Murray Feshbach, a highly specialized scholar in the field of demography and a research professor at Georgetown University. During the 1970s he issued a series of studies on the birthrates and movements of diverse ethnic groups in the USSR. These revealed two astonishing facts: first, that beginning as early as the 1960s the birthrate of ethnic Kazakhs had begun to rise very rapidly; and second, that the flood of Slavic immigrants to Kazakhstan that had been unleashed by Khrushchev's Virgin Lands project in 1954 had subsided and that a massive reverse migration of Slavs back to Russia and the Ukraine was well underway. Whereas Russians and Ukrainians had constituted fully 67% of Kazakhstan's population in 1959, by 1979 it had shrunk to 54%. Thus, Feshbach pointed out to his readers that Kazakhstan was rapidly becoming once again Kazakh.

As the world slowly grasped this fact, interest in the so-called "ethnic problem" in the USSR soared. American analysts suddenly perceived that the demographic shift in Kazakhstan had made that republic the possible bellwether of future change in the USSR as a whole.

Many Kazakhs thinkers were well aware of this transformation. This realization opened up before them two quite contradictory possibilities for the future. On the one hand, it fostered a new interest in their own linguistic and cultural heritage. A few even dreamed of reclaiming a preeminent role in their own homeland, which had by then been thoroughly Russified. Thanks to Soviet programs to expand education country-wide, the numbers of Kazakhs who gained access to such thinking increased steadily. On the other hand, it gave rise to fears that the Soviet rulers in Moscow would resist the resulting national movement by tightening their control throughout the republic. As it turned out, both of these possibilities unfolded simultaneously.

At precisely the same time these prospects were unfolding, long-ignored Kazakhstan came increasingly to the world's attention. Back in 1955 the Soviet government had set up a test center for its international ballistic missiles at Baikonur, on the Syr Darya river in central Kazakhstan. As the space age developed, it became the launching site for many historic flights, including Sputnik I in 1957, Luna I in 1959, Yuri Gagarin in 1961, and then joint flights with Czechoslovakia, East Germany, France, and India.

Concurrent with this, Kazakhstan became the USSR's leading center for the production, and storage of uranium, the key ingredient of atomic weapons. The fact that the Soviet Union's richest deposits of uranium ore were on Kazakh territory made this development both convenient and inevitable. In a profound irony of history, Kazakhstan's geopolitical importance soared at the very time when Kazakhstan's demographic transformation was becoming known to Moscow and the world.

As this occurred, the U.S.-Soviet arms race continued apace. Both sides rushed new missiles into production and armed them with ever more potent weapons. Thoughtful people throughout the world viewed this

with alarm. Rather than standing by as passive observers, a few thinkers in the West resolved to do something about it, by forming unofficial bodies for joint consultations between the USSR and the United States.

The first such effort arose in 1957 when philosopher Bertrand Russell and physicist Joseph Rotblat founded a Conference on Science and World Affairs. Funded by Cleveland industrialist Cyrus Eaton and held at his home town of Pugwash, Nova Scotia, the Pugwash Conference brought together high-level scientists and leaders to advance the cause of nuclear disarmament. Even though some Soviet participants used the conferences to advance narrow nationalist interests, the Pugwash group earned a Nobel Peace Prize and became a model for so-called "Track Two Diplomacy." Even though Kazakhs were not included among the participants, these discussions greatly enhanced the appreciation of Kazakhstan's central role in world tensions and, it was hoped, world peace.

The next major Track II initiative affecting Kazakhstan was the establishment of the Dartmouth Conferences in 1961 by Norma Cousins, editor of the American publication, *The Saturday Review*. Held annually down to 1990, the Dartmouth Conferences engaged the Soviet Peace Committee and senior such senior Soviet officials as Evgenii Primakov and Georgi Arbatov, as well as leading American members of Congress. Because Kazakhstan was the only place with both rich sources of uranium, nuclear processing facilities, nuclear arms, and launching facilities, it inevitably advanced further towards the center world stage.

Such gatherings fostered a climate receptive to the convening, in 1969, of negotiations in Helsinki, Finland, that led to an Anti-Ballistic Missile Treaty, an interim agreement between the U.S. and the USSR. A first Strategic Arms Limitation Treaty (SALT) was not reached until 1979 but the United States refrained from signing it following the Soviet invasion

of Afghanistan and the discovery that Moscow had stationed a combat brigade in Cuba. Further negotiations followed, however, and after the collapse of the USSR continued with Russia.

The significance of the SALT talks to U.S.-Kazakhstan relations is that for the first time Kazakhs themselves participated. Besides opening contacts on a critical international issue, the SALT negotiations enabled many of Kazakhstan's future leaders and senior American officials to get to know one another and to interact directly. Indeed, the negotiating teams briefly included future ambassadors from each country to the other: on the Kazakh side, Bolat Nurgaliev and on the American side, William Courtney, Washington's first ambassador to independent Kazakhstan. As the USSR began to collapse, both sides grasped the need to talk directly with each other and not through intermediaries from Moscow.

At the same time Kazakhs and Americans began interacting in the sphere of nuclear arms, they found themselves involved in a critically important project in the economic sphere, namely, the development and export of Kazakhstan's vast oil deposits. This vast enterprise developed slowly over several decades, and in the face of daunting resistance from Moscow.

Energy Diplomacy

The first serious contact between the U.S. and the USSR in the energy sphere occurred in 1979, when the Kennan Institute for Advanced Russian Studies invited the Soviet officials to report on their country's energy reserves. The organizer of the conference, one of the co-authors

of this volume, was astonished when Moscow sent a large delegation of blunt-speaking experts. Their message: that the oil reserves of Azerbaijan were washed up, those of Turkmenistan were already being developed by Moscow, and those of Kazakhstan contained so much sulfur as to render them commercially unusable. They backed up this latter claim with reports that their experts had tested six wells and found them all unsuitable for development.

Instead, the Soviet *neftianiki* or oilmen promoted large new oil deposits they had recently discovered in western Siberia. Besides their sheer scale, the Russian experts recommended these oilfields because they could be developed by hard-working Russian workers rather than by "lazy and corrupt" Azeris or Kazakhs. The fact that no pipeline connected western Siberia to the West seemed not to concern them. However, this was the common impediment to all three of these potential developments, and a formidable one. Without pipelines to carry the oil to consumers in the West, all three projects would be stillborn.

In spite of this cold shower, British Petroleum began negotiations to work in Azerbaijan and Unocal of El Segundo, California, launched its own effort in Turkmenistan. This left open the question of the vast but problematic Tengiz field in western Kazakhstan. It was at this point that the world's fifth largest oil company, Chevron, entered the picture. It placed its hopes in a very, very long shot: the Tengiz field, with its heavy, inaccessible, and sulfur-laden oil and total absence of any means of transporting it to western markets. Worse yet, the Tengiz deposits were in remote and arid western Kazakhstan, and were exceptionally deep, as much as three miles beneath the surface and beneath a thick salt dome.

Soviet engineers had spent hundreds of millions of dollars exploring Tengiz and concluded that it was not worth pursuing further. Along the way they had released vast clouds of hydrogen sulfide, killing hundreds

of local residents. However, on the basis of extensive discussions with his own technologists, Richard H. Matzke of Chevron concluded otherwise. As vice-president of Chevron and president of its international division, Chevron Overseas Petroleum, Inc., Matzke was a veteran of high-risk ventures in Angola and Sudan. He wasted no time in approaching Soviet officials for a crack at the Tengiz prize.

Seeing Matzke's enthusiasm for the project, the authorities in Moscow balked. They were glad to give him a crack at any other oil field in Russia but treated his proposal for Tengiz with skepticism and suspicion. They were not alone. Dwayne Andreas, the respected president of Archer Daniels Midland, America's largest grain processor, was also developing projects in the USSR, and strongly advised Matzke to drop his Tengiz dreams.

Rather than accept defeat, Matzke launched a far-reaching campaign to prove, first, that Chevron could indeed develop Tengiz and, second, that to do so it would employ technologies that were far beyond anything available to his Soviet interlocutors. The first step in his campaign was to bring a group of Soviet petroleum engineers to Canada, where he showed them Chevron's technology at work on remote and deep oil field. They were duly impressed, but in the end failed to advance Matzke's proposal in Moscow. A very different approach was called for.

The Nuclear Issue and the Road to Independence

By this point the Soviet Union had entered what proved to be its terminal crisis. Two General Secretaries of the Communist Party in succession had died, and Mikhail Gorbachev had been elevated to that post. He immediately launched a dramatic program of reform in a last-ditch effort to reverse Soviet decline and save the Communist regime.

Gorbachev's rise and his openness to change, albeit within strict limits, profoundly affected both of the two main issues that were to put Kazakhstan on the world map and undergird its eventual independence six years later. Perceiving the desperate situation his predecessors had left him, Gorbachev demonstrated a readiness to reconsider the entire range of nuclear issues that had been on the table for a generation, and also the possible benefits of greatly expanding western investments in the USSR. This sea-change in Moscow not only transformed the tone and substance of Soviet relations with the United States but set the stage for the rise of Kazakhstan as a sovereign and independent state. Quite inadvertently, all this occurred in a manner that assured that the future Republic of Kazakhstan would build a solid and enduring relationship with America, a relationship to which both sides would be deeply committed, and from which both would richly benefit thereafter.

This fortunate outcome was by no means inevitable, given what was still very limited contact between Kazakhstans and Americans and their limited knowledge of each other. However, in both of the two main spheres that were to drive the relationship – nuclear security and hydrocarbons – small groups of bright and well-informed experts had emerged in both countries. The rising centrality of nuclear matters on the global agenda generated expertise in both the U.S. and USSR, while Kazakhstan's central role in the Soviet nuclear program gave the issue special urgency among a small but important group of Kazakh policymakers. Similarly, the American interest in Tengiz oil caused both Americans and Kazakhs to think seriously about the other side's interests and capacities.

Expertise alone would not have borne fruit in either area had there not been some force guiding and coordinating the overall effort. On the Kazakh side that role was filled by Nursultan Nazarbayev, a

metallurgical engineer and Communist Party official from Karaganda, who was named Kazakhstan's Prime Minister in 1984. Though only forty-four at the time, Nazarbayev brought to that office a solid understanding of the links between technology and policy that was to prove essential to the successful resolution of both the nuclear and Tengiz issues.

For the time being, though Nazarbayev was only second in command in Almaty, as he served under a fellow Kazakh, Dinmukhamed Kunaev, First Secretary of the Communist Party of Kazakhstan. Kunaev was much loved in many quarters of Kazakh society on account of his many public works (including splendid all-year baths and swimming pools) and, above all, because he was himself a Kazakh. When Gorbachev sacked him in December 1986, thousands of Kazakhs in Almaty and other cities mounted a national protest (*Jeltoqsan*, or "December"), the first of many nationalist demonstrations in the USSR during the Gorbachev era. Kunaev's ethnic Russian replacement proved ineffectual and Nazarbayev became the *de facto* national leader until he was named First Secretary of the Communist Party in June 1989, when his role became official.

Meanwhile, the tremors of dissent in Almaty were followed by large-scale demonstrations in the Baltic republics and demands for independence and sovereignty. As protests mounted in Lithuania and Estonia, observers worldwide began questioning whether the Soviet Union itself could survive. Most western experts on the USSR considered the breakup of the USSR highly unlikely, a remote possibility at best. Nonetheless, such speculations struck alarm among the international community and especially among those who had long been committed to the goal of nuclear disarmament.

Nazarbayev, who keenly understood the high degree of integration between industries in Kazakhstan and the rest of the USSR, proceeded cautiously in the face of growing efforts to break up the Soviet Union. His professional and political experience convinced him that a chaotic Soviet breakup would put at risk the entire Soviet nuclear arsenal, and especially the major nuclear facilities in Kazakhstan. For several years he therefore focused his attention on securing and protecting the arsenal on Kazakhstan's territory, and resisted all talk of dismantling it. As the issue of nuclear disarmament intensified, he for some time resisted efforts to coerce Kazakhstan to unconditionally abandon its nuclear facilities, as he understood the potential of extracting maximum benefits for the emerging nation from its possession of these devices.

Meanwhile, in Washington, President George H. W. Bush, elected in 1988, was faced with the same question. As early as 1985 President Ronald Reagan and Mikhail Gorbachev had discussed the possibility of eliminating nuclear missiles from Europe. The following year Gorbachev surprised the world by announcing that the USSR would support a treaty implementing such a plan, and in 1987 an Intermediate Range Nuclear Forces Treaty (INF) was signed and ratified by both parliaments. Beyond the fact that it ameliorated East-West relations in Europe, INF opened the door to further talk on nuclear disarmament as such. In so doing, it also brought the fate of Kazakhstan's nuclear facilities to the center state of world attention and especially to policy makers and politicians in Washington.

Discussion of a possible second and far more extensive Soviet-American treaty shifted the focus from nuclear arms in Europe to the possible *reduction* of the nuclear arsenals of both the U.S. and the USSR. Back in 1982 President Reagan had called for Washington and Moscow to cut back their nuclear arsenals. Gorbachev had now embraced the idea, at

least in principle. Once both sides decided to move forward, they launched what was arguably the most extensive and complex negotiations on nuclear arms ever conducted. The resulting Strategic Arms Reduction Treaty, or START, barred both powers from deploying more than 6,000 nuclear weapons and limited each side to 1,600 intercontinental ballistic missiles. While START was not signed until 1991, it was clear to all that the entire massive nuclear arms industry in both the USSR and U.S. had reached an impasse and that their future scale and even existence were for the first time in question. Because Kazakhstan was a main rear repository both of nuclear arms, allied industries, and fissionable material, the Soviet-American dialogue inevitably came to focus on Kazakhstan as a principal player in the drama.

President Bush and his Secretary of State, James Baker, were well-informed on these developments and acutely aware of the potential risks of both action and inaction. They therefore proceeded with great caution. Indeed, some American disarmament experts and political pundits accused Bush of dragging his feet. But Bush was quick to realize that the mounting turmoil in the USSR posed a great danger to the security of nuclear facilities across the vast Soviet territory. He had been thoroughly briefed on the important nuclear facilities at Semipalatinsk and elsewhere in Kazakhstan and viewed their fate with special concern. He had good reason to do so, for the CIA had reported to him that on the territory of Kazakhstan were 104 SS-18 Intercontinental Ballistic Missiles, 40 TU-95 "Bear" bombers, 360 air-launched missiles, and 25 kilograms of highly enriched weapon grade uranium. Baker shared this concern and immediately opened a dialogue on the subject with Gorbachev.

By 1990 tensions within the non-Russian republics of the USSR had intensified to the point that the Supreme Soviet of the Estonian Soviet

Republic adopted a resolution declaring that Stalin's 1940 occupation of Estonia had been illegal and that the Soviet Republic of Estonia that came in its wake was therefore illegitimate. The resolution was a blunt declaration of independence. It called for the liquidation of the Estonian Soviet Socialist Republic and the restoration of the constitutional order that had existed prior to the Soviet takeover. On March 3, 1991, a national referendum on independence was approved by 78 percent of Estonian voters.

Estonia's 1990 resolution and subsequent actions in Lithuania brought Moscow, Washington, and Almaty face to face with the reality of a Soviet breakup. Leaders in all three capitals knew full well that such an action would lead to the dissolution of the nuclear security understandings and structures that had prevailed in the USSR since the start of the atomic age.

The intricate negotiations to which this concern gave rise have been the subject of many detailed studies. Since both Belarus and Ukraine had nuclear arms and important related facilities on their territories, they, too, became parties to the discussions. But it was Kazakhstan, among all the non-Russian republics of the USSR, that had most at stake. Nursultan Nazarbayev was well aware of all the negotiations between Washington and Moscow on nuclear arms and followed them with concern. On the one hand, he recognized the economic and political importance and value of the nuclear facilities on Kazakhstan's territory. On the other hand, he could plainly see that the future of the entire enterprise was now in question. A waiting game was no longer possible.

As to the diplomatic debate, Nazarbayev and his colleagues faced epochal questions on the future of Kazakhstan. In addressing them they did not have a completely free hand, for when the future of Kazakhstan was put to a referendum, the citizenry of Kazakhstan voted

overwhelmingly to preserve the union with Russia. At the same time, the Kazakh leadership by now could see clearly that the forces of history were driving their homeland towards independence.

This in turn raised the nuclear question to the highest state of urgency. Should Kazakhstan find itself separated from the territorial state to which it had belonged for a century, what would be the fate of its nuclear arsenal and facilities? Two very different avenues were at least theoretically possible. Thus, the Kazakh leadership could continue to defer to Moscow and allow Kremlin leaders to negotiate over their heads on the future of Soviet nuclear assets in their republic. Alternatively, they could declare them to be the property of Kazakhstan and negotiate on joining the START treaty as a nuclear power. A third possibility – thoroughgoing denuclearization – was deemed for the time being to be a remote and problematic prospect. Both the second and third of these possible strategies posed the question of what Kazakhstan would actually do with its nuclear weapons and facilities. They could not look to history for guidance, for no country had ever found itself in this position. William Potter, an American analyst who studied this issue closely, affirms that down to 1991 none of the three relevant parties had addressed the question of what to do with the weapons and fissionable material themselves.³

Such vexing concerns, as well as Nazarbayev's appreciation of Kazakhstan's dependence on the Russian economy, led him to continue to exercise caution as the Soviet Union broke apart. When on December 16, 1991, Kazakhstan finally declared its independence it was the last of the fifteen Soviet republics to do so. Only days later, on Dec 21, 1991, and with Nazarbayev playing the principal role, representatives of the former

³ William C. Potter, *The Politics of Nuclear Renunciation: The Cases of Belarus, Kazakhstan and Ukraine*, Washington DC: Stimson Center, 1995, p. 25.

Soviet republics with nuclear arms or facilities on their territory met in Almaty and approved the Almaty Declaration, which called for the preservation of the existing unified control over all nuclear weapons. This was the first official act that addressed this critical issue directly.

President Bush and Secretary of State Baker followed these developments closely and pressed for more attention to be directed to the fate of nuclear assets. They knew that Nazarbayev had viewed the Non-Proliferation Treaty (NPT) with skepticism and they resolved to do what they could to enable him to accept it. Secretary of State Baker flew to Almaty twice in the autumn of 1991. Nazarbayev explained to him that Kazakhstan was surrounded by major powers that were not eager to accept Kazakhstan's sovereignty. Baker, in his later memoirs, recalled that Nazarbayev told him that "if the international community recognizes and accepts Kazakhstan, we will declare ourselves a non-nuclear state." He also told Baker that Kazakhstan would welcome American expertise as they worked to transform their economy.⁴

Bush and Baker also respected Nazarbayev's insistence that Kazakhstan be included as an equal partner in any future discussions of NPT. For this to happen, the U.S. would have to acknowledge Kazakhstan as a nuclear power. But this was not what diplomats call Nazarbayev's "final position." As 1992 dawned and the breakup of the USSR became a fact, Nazarbayev let it be known that "Kazakhstan may change its stance on nuclear weapons if it would receive adequate security guarantees from its nuclear neighbors and from the United States."⁵ Stripped of diplomatic niceties, he was challenging Washington to offer a menu of security guarantees and both technical and financial assistance that would enable Kazakhstan to renounce nuclear weapons as such.

⁴ James A. Baker III, *The Politics of Diplomacy*, New York: Putnam, 1995, p. 581.

⁵ Ibid., p 17.

President Bush and his Secretary of State welcomed this demarche but had reason for concern. Kazakhstan, after all, was a new state whose past history of statehood was poorly understood in the West. Could this enormous but underpopulated land actually become a modern state capable of addressing the fate of the most terrifying weapons the world had ever known?

Having reached an accord with the other former Soviet republics that possessed nuclear arms and facilities, Nazarbayev accepted a U.S. invitation to visit Washington, which he did in May 1992. Bush and Baker gave the Kazakh delegation a cordial welcome and saluted their progress to date. In the course of their discussions, they learned that Nazarbayev was on the verge of issuing what he described as a "Strategy for the Formation and Development of Kazakhstan as a Sovereign State." Clearly, they concluded, Kazakhstan's leaders fully grasped the urgency of building viable institutions of state, institutions capable of managing even the most complex geopolitical, technical, and security problems. On this basis the United States recognized Kazakhstan was entitled to join the Non-Proliferation Treaty as an independent state and that it should become a full and equal participant in the START I talks.

However, neither action took place immediately, for both issues required further groundwork both in Almaty and Washington. Meanwhile, at the end of 1992 Bill Clinton was elected America's forty-third president, bringing a new team to Washington. Nazarbayev assured Warren Christopher, the new Secretary of State, that Kazakhstan would very soon ratify the Non-Proliferation Treaty. On December 13, 1993, during a follow-up visit to Almaty by the new Vice-President, Al Gore, Kazakhstan's new parliament voted 238 to 1 to join the Non-Proliferation Treaty.

By now the government of Kazakhstan was firmly committed not just to the NPT but to full-blown denuclearization as well. Responding to Nazarbayev's bold stance on denuclearization and to several related issues, the United States promised eighty-five million dollars in support of Kazakhstan's process of denuclearization and further assistance for to the formation of Kazakhstan's statehood.

Viewing the process as a whole, it is clear that the diplomatic dialogue between Kazakhstan and the United States played a significant role in the reappraisal by Kazakhstan's senior officials of the costs of nuclear arms and potential benefits of their abolition. Aside from this facilitating role, America provided expertise and what amounted to an insurance policy for Kazakhstan's bold first venture as a fledgling state.

In acknowledging this, it must also be recognized that other major powers played important roles in these dramatic events. China, for example, by declaring that it harbored no claims to Kazakhstan's territory, provided an essential assurance. Yet it was above all the partnership between Washington and Almaty that assured the positive outcome, which benefited not only the two partners but the entire world. This outcome was far from inevitable, for in both countries there were thoughtful people who harbored objections to denuclearization and to the process by which it was proposed to achieve it.⁶ Yet the combination of leadership and a spirit of partnership between Kazakhstan and the United States prevailed.

The Tengiz Saga

While all this was going on, Chevron's Tengiz dreams seemed to be fading. Washington's attention was focused on the intensifying nuclear

⁶ Potter points out that the Kazakhstani skeptics were mainly outside the government, and notes the presence of similar skeptics in the U.S. Pentagon. Potter, p. 41.

issues, not on investment and trade. It was a very different concern that finally brought oil and Kazakhstan to the fore. As a good will gesture, America had been sending to the USSR large quantities of surplus goods. Moscow was able to pay for barely 40% of the bill. The Bush administration therefore set up a consortium of five major corporations to promote investment in Russia but Chevron initially was not included. Only when it was realized that oil was the only product that Russia could sell abroad in a quantity that might meet its debt was Chevron invited to join. Though this brought the Tengiz project to the attention of the U.S. government, it remained decidedly a secondary concern.

Things were no better in Moscow. Lev Churilov, the energy minister, remained convinced that Soviet engineers could somehow extract the deep oil at Tengiz and purify it to the point that it would be marketable. He therefore opposed Chevron's proposal. Egor Gaidar, the acting prime minister, also opposed the deal, but on very different grounds, namely that Russia and only Russia should develop the Tengiz oilfield. There was no dissuading Gaidar but in an effort to convince Churilov, Matzke brought him and several colleagues to inspect Chevron's deep wells in Alberta, Canada, and the equipment for removing hydrogen sulfide. In a vain effort to entertain the delegation Chevron took them to Las Vegas, which Churilov decried as "for idiots only," but a hastily prepared visit to Hoover Dam proved a success and broke the ice. Churilov and Matzke established cordial relations but Churilov remained steadfastly against an American role in Tengiz. Gorbachev responded to this opposition by sacking Churilov.

Having struck out in Moscow, Matzke turned his attention to Almaty and to Nursultan Nazarbayev and his emerging leadership team. This shift of focus was quite natural, but it marked an epochal change and the opening of Kazakhstan-United States economic interaction. As 1990 drew

to a close Chevron invited Nazarbayev and a small delegation to come to its California headquarters to resolve all outstanding issues. Nazarbayev visited California, and the two sides came to an understanding on their respective goals and on the intricate maneuvers needed to achieve them. Building on this relationship, in the autumn of 1991 Matzke made two further trips to Almaty.

The result was an agreement that gave Chevron a 50% interest in the Tengiz oilfield. The original agreement was signed by presidents Bush and Gorbachev on December 13, 1991, only twelve days before the hammer and sickle flag was lowered at the Kremlin. It is reported that even on the night before the ceremony, Matzke and a senior officer from the Soviet side were still arguing fiercely over clauses in the contract. In reality, both sides knew this was a hollow charade, because on August 31, 1991, Kazakhstan had already laid claim to the oil reserves on its territory. As a result, the U.S.-Soviet deal had now to be translated into terms acceptable to Kazakhstan's new government.

Like their Russian predecessors, the new Kazakh leaders were well aware that a blowout of a Soviet well in Tengiz had released clouds of hydrogen sulfide gas that killed scores of people. So in 1992 they, too, travelled to Alberta to see how Chevron handled such problems and to convince themselves that any new American wells at Tengiz would be secure and safe.

The final contract between the Republic of Kazakhstan and Chevron was not signed until April 1993. By then Americans had elected a new administration. Whereas George H.W. Bush had steadily supported the Tengiz project, the Clinton administration, pulled in many directions at once, blew hot and cold on it. This meant that a private corporation took the lead on a project that would deeply affect official bilateral relations

for decades to come. Chevron engaged several prominent western experts to work out a deal acceptable to Almaty.

A Solid Foundation

The division of profits from Tengiz oil was only the first step to the realization of the project. None of the former Soviet pipelines in the old Soviet grid could deliver Tengiz oil to western markets. Until such a pipeline was built, the entire megaproject remained in limbo. Three possibilities existed for the route of a new pipeline from Tengiz to a port that could reach the West: via Iran, via China, or via Russia itself. Only the third was feasible and even this was a stretch for the pipeline would have to traverse a large swath of southern Russia to reach the port of Novorossiysk on the Black Sea. The question was who would pay for it.

Both Russia and Kazakhstan insisted that Chevron should bear the entire cost, which was unacceptable to Chevron. Americans with decades of experience making deals in Moscow and new Kazakh negotiators contributed to generating a successful outcome.

If the U.S. government stood aloof from the negotiations over the Tengiz contract, it had no choice but to engage closely in the pipeline negotiations, for that project directly impacted America's relations with the new Russian Federation and its president, Boris Yeltsin. As work on Kazakhstan's accession to the INF treaty advanced, in February 1994 Nazarbayev came once more to Washington and, in a busy round of meetings, met the new president, Bill Clinton, signed the INF treaty on behalf of Kazakhstan, and reviewed the status of the pipeline project. The final contract for this vast undertaking was signed by the governments of Russia and Kazakhstan and the participating companies led by Chevron on May 16, 1997.

These actions crystallized the cordial relationship between Kazakhstan and the United States that had begun tentatively while Kazakhstan was still under Soviet rule and ripened steadily thereafter, with mounting speed and intensity. America played an important facilitating role in Kazakhstan's independence while Kazakhstan, more than any other of the fourteen new post-Soviet states, introduced the U.S. government to the possibilities of active and mutually beneficial relations with the new sovereign states. As a result of their intense interactions in several spheres over half a decade, scores of officials and business leaders in both countries came to know each other and learn the arts of collaboration. Thanks to this, by the time Kazakhstan appeared on the world map as a sovereign and independent state, Kazakhs and American were not strangers to each other.