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<ORIG>AMEMBASSY ALMA ATA
<TO>RUEHC/SECSTATE WASHDC IMMEDIATE 1599
INFO RUEHV/AMEMBASSY KIEV IMMEDIATE 0306
RUEHNO/AMEMBASSY MOSCOW IMMEDIATE 0961
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RUEHKA/USMISSION MINSK 0143

<SUBJ> CODEL NUNN/LUGAR MEETING WITH KAZAKHSTAN PRESIDENT NAZARBAYEV, NOVEMBER 21, 1992

<TEXT>

CONFIDENTIAL SECTION 01 OF 04 ALMA ATA 002185

C O N F I D E N T I A L

HASS TO SENATOR NUNN AND SENATOR LUagar
GENEVA FOR ARMS CONTROL DELEGATIONS
E.O. 12356: DECL: OADR
TAGS: PGOV, PARM, PGOV, ECON, KZ
SUBJECT: CODEL NUNN/LUGAR MEETING WITH KAZAKHSTAN PRESIDENT NAZARBAYEV, NOVEMBER 21, 1992
REF: ALMA ATA 2168

1. CONFIDENTIAL -- ENTIRE TEXT.

SUMMARY

2. KAZAKHSTAN PRESIDENT NAZARBAYEV OPENED THE MEETING WITH CODEL NUNN/LUGAR BY SAYING THAT KAZAKHSTAN HAD ENJOYED VERY GOOD RELATIONS WITH THE BUSH ADMINISTRATION. IT HOPED THAT A SPIRIT OF GOODWILL WOULD BE PRESERVED IN THE CLINTON ADMINISTRATION. ADDRESSING START AND NUNN/LUGAR SSD FUNDING, NAZARBAYEV SAID KAZAKHSTAN "WOULD LIKE TO DISCUSS ONE PACKAGE -- PROGRAMES FOR DISMANTLEMENT AND COOPERATION." HE ALSO ASKED WHAT WAS KAZAKHSTAN'S SHARE OF THE FUNDING.

3. SENATOR NUNN SAID THAT KAZAKHSTAN HAD LED THE WAY ON START RATIFICATION, AND "WE HOPE YOU WILL DO THE SAME" FOR THE NUCLEAR NON-PROLIFERATION TREATY (NPT). NAZARBAYEV SAID HE WOULD SIGN THE NPT AND HE "HOPED" THE SUPREME SOVIET WOULD RATIFY IT. SENATOR NUNN SAID THAT NUNN/LUGAR FUNDING WOULD BE PRIORITIZED IN FAVOR OF THOSE COUNTRIES WHICH LED IN THE ELIMINATION OF NUCLEAR WEAPONS. SENATOR LUGAR SAID THAT USD 100-100 MILLION MIGHT BE AVAILABLE FOR DESTRUCTION OF SILOS AND MISSILES.

4. SENATOR NUNN SAID THERE WOULD BE CONTINUITY IN RELATIONS BETWEEN KAZAKHSTAN AND THE UNITED STATES. THE NEW ADMINISTRATION WOULD BUILD ON THE RELATIONS WHICH EXISTED. IT WOULD GIVE STRONG EMPHASIS TO HUMAN RIGHTS, DEMOCRATIC DEVELOPMENT, AND MARKET ECONOMICS. SENATOR NUNN ALSO RAISED THE AMERICA HOUSE PROBLEM (REF).

GOODWILL WITH THE NEW ADMINISTRATION

5. AFTER WELCOMING THE SENATORS, NAZARBAYEV SAID HE WOULD LIKE TO LEARN HOW THE NEW TEAM IN WASHINGTON WAS BEING FORMED. "WE HAVE HAD VERY GOOD RELATIONS WITH THE BUSH ADMINISTRATION. I USED TO SPEAK WITH SECRETARY BAKER IN A SPIRIT OF MUTUAL TRUST." IT WAS IMPORTANT THAT GOODWILL BE PRESERVED WITH THE NEW ADMINISTRATION. "I SIGNED IMPORTANT AGREEMENTS WITH PRESIDENT BUSH, AND WOULD LIKE TO KNOW WHAT WILL BE THEIR FATE."
"REGARDING A KEY ISSUE FOR YOU," NAZARBAYEV SAID, "IT WILL BE IMPORTANT FOR US TO INFORM OUR PEOPLE ABOUT THE FACE, COST, AND PROBLEMS OF START IMPLEMENTATION. WE WILL BE READY TO DISCUSS THESE ISSUES AT THE END OF JANUARY." THEY SHOULD BE ADDRESSED AT A HIGH LEVEL. "WE WOULD LIKE TO DISCUSS ONE PACKAGE, PROGRAMS FOR DISMANTLEMENT AND COOPERATION. WE ARE AWARE OF YOUR INITIATIVE -- THE USD 800 MILLION. WHAT SHARE OF IT IS FOR KAZAKHSTAN?"

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8. SENATOR NUNN SAID THE PRESIDENT-ELECT HAD MET WITH PRESIDENT BUSH THIS WEEK. DESPITE THE CONTENTIOUS POLITICAL CAMPAIGN, A SMOOTH TRANSITION WAS EXPECTED. THE SENATOR SAID HE DID NOT PRETEND TO SPEAK FOR THE PRESIDENT-ELECT, BUT "WE WILL TALK WITH BOTH OF THEM AFTER WE RETURN." HE HAD ALREADY TALKED WITH THE PRESIDENT-ELECT AND KNEW THAT HE PLACED A HIGH VALUE ON RELATIONS WITH KAZAKHSTAN AND THE OTHER STATES OF THE FORMER SOVIET UNION. THERE WOULD BE CONTINUITY IN RELATIONS. THE NEW ADMINISTRATION WOULD BUILD ON EXISTING RELATIONS. IT WOULD GIVE STRONG EMPHASIS TO HUMAN RIGHTS, DEMOCRATIC DEVELOPMENT, AND MARKET ECONOMICS DEVELOPMENT.

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1. SENATOR NUNN SAID THE CLINTON ADMINISTRATION WOULD PLACE A HIGH PRIORITY ON COMPLIANCE WITH THE NPT, CULMINATION OF START I, AND MAKING PROGRESS ON START II. "YOU HAVE LED THE WAY ON START, AND WE HOPE THAT UKRAINE AND OTHERS WILL FOLLOW YOUR LEAD."

0. SENATOR NUNN NOTED THAT NAZARBAYEV WAS RIGHT -- USD 100 MILLION OF NUNN-LUGAR FINDS HAD BEEN APPROPRIATED. HIS PURPOSE WAS TO HELP REPUBLICS MOVE FORWARD VIGOROUSLY IN DENUCLEARIZATION. FUNDING WOULD BE PRIORITIZED FOR THOSE COUNTRIES WHICH TOOK THE LEAD IN ELIMINATION OF NUCLEAR WEAPONS AND SAFE DISPOSAL OF NUCLEAR MATERIALS. WE HOPE THAT, WORKING TOGETHER, NEW AND ECologically SAFE WAYS COULD BE FOUND. ELIMINATIONS WERE TO OCCUR OVER A SEVEN-YEAR PERIOD, BUT NOTHING PRECLUDED MUCH MORE RAPID DISMANTLEMENT AND DESTRUCTION. "WE SHOULD GIVE
SENATOR SAID HE WOULD APPRECIATE HEARING NAZARBAYEV'S VIEWS ON POLITICAL AND ECONOMIC REFORM, PRIVATIZATION, AND EVENTS IN RUSSIA, INCLUDING WHETHER PRESSURES MIGHT FORCE RUSSIA TO BREAK APART.

SILO AND MISSILE DISMANTLEMENT, AND HEU SALES

12. NOTING THAT HE AND NAZARBAYEV HAD MET IN WASHINGTON LAST MAY, SENATOR LUGAR SAID THAT, OF THE USD 800 MILLION, PERHAPS USD 100-200 MILLION MIGHT BE AVAILABLE FOR DESTRUCTION OF SILOS AND MISSILES. NUNN-LUGAR FUNDS ALSO PROVIDED FOR WARHEAD REMOVAL AND INTERIM STORAGE. KAZAKHSTANI EXPERTS MIGHT WISH TO EXPLORE THESE OPPORTUNITIES. THERE WOULD BE PROFIT SHARING FROM THE SALE TO THE U.S. OF HIGHLY ENRICHED URANIUM (HEU). AN AGREEMENT WAS IN PROCESS FOR THE U.S. TO BUY, OVER A 20-YEAR PERIOD, ALL OF THE HEU FROM FORMER SOVIET TACTICAL AND STRATEGIC WARHEADS WHICH WERE BEING DESTROYED. NEGOTIATIONS AMONG RUSSIA, KAZAKHSTAN, UKRAINE, AND BELARUS WOULD DETERMINE THE SHARES OF REVENUE TO GO TO EACH STATE.

14. SENATOR LUGAR RESPONDED THAT THESE WERE INTERESTING POINTS. "WE WILL CONVEY THEM TO THE PRESIDENT AND TO THE PRESIDENT-ELECT."

ECONOMICS

15. CONSTRUCTING A MARKET ECONOMY, NAZARBAYEV SAID, WAS "A MATTER OF PRINCIPLE FOR US. WE ARE NOT FULLY SATISFIED WITH THE PACE AND COURSE OF PRIVATIZATION." A STABLE PROCESS WAS NECESSARY. AS OF LAST YEAR, KAZAKHSTAN WAS AHEAD OF THE OTHER FORMER SOVIET REPUBLICS IN THE PERCENTAGE OF PRIVATIZED HOUSING, SHOPS, AND SERVICES. IN THE SECOND HALF OF THIS YEAR, STRESS HAD BEEN PUT ON INDUSTRIAL PRIVATIZATION; 6,500 ENTERPRISES WOULD BE PRIVATIZED. KAZAKHSTAN WAS ON THE POINT OF COMPLETING AN IMF AGREEMENT, AND THIS WOULD BE FINISHED.
NAZARBAYEV SAID, "WE ARE DETERMINED TO BUILD DEMOCRACY, BUT THIS IS NOT EASY." CITIZENS HAD BEEN GIVEN "ALL RIGHTS," WHICH WOULD BE GUARANTEED BY THE CONSTITUTION. THE MOST DIFFICULT THING WAS TO TEACH PEOPLE HOW TO USE THOSE RIGHTS. NOTING THAT THE SENATORS HAD EARLIER MET WITH "OTHER REPRESENTATIVES" IN KAZAKHSTAN, NAZARBAYEV SAID THE MAIN TASK WAS TO FORM A "NORMAL OPPOSITION.

18. TURNING TO ARMS CONTROL, NAZARBAYEV SAID, "WE WILL SUPPORT" THE AGREEMENTS WHICH WE HAVE SIGNED. "WE WILL SIGN THE NPT AND WE HOPE THAT THE SUPREME SOVIET WILL RATIFY IT." SHORTENING THE SEVEN-YEAR ELIMINATION PERIOD, HOWEVER, SHOULD BE SUBJECT TO NEGOTIATION. "WE ARE NOT READY TO DISCUSS THIS TODAY. WE WILL BE READY TO BEGIN NEGOTIATIONS AND TALK WITH THE NEW ADMINISTRATION ON THE FULL COMPLEX OF QUESTIONS. THERE SHOULD BE SYMMETRY IN ACTIONS BY ALL PARTIES."

TRAINING IN THE U.S.

20. IN CONCLUSION, NAZARBAYEV SAID, IT WAS POLITICALLY IMPORTANT THAT KAZAKHSTANI EXPERTS UNDERGO TRAINING IN THE U.S. FOR NUCLEAR DISMANTLEMENT. "NOT JUST RUSSIAN SPECIALISTS SHOULD GET THIS TRAINING. OUR REQUEST COMES FROM A SOVEREIGN COUNTRY."

21. NAZARBAYEV EXPRESSED DEEP GRATITUDE FOR THE SENATORS' VISIT. HE ASKED THAT GREETINGS BE CONVEYED TO THE PRESIDENT-ELECT, AND EXPRESSED A WISH THAT THERE BE IMMEDIATE CONTACTS WITH THE NEW ADMINISTRATION. HE ALSO EXPRESSED THE HOPE THAT THE SENATORS KNEW OF THE INITIATIVES IN HIS UNGA SPEECH ON SLACKENING GLOBAL TENSIONS AND DEVELOPING CONFIDENCE-BUILDING MEASURES IN ASIA.

PARTICIPANTS

22. OTHER KAZAKHSTANI PARTICIPANTS IN THE MEETING INCLUDED STATE COUNSELORS ZHUKEYEV AND SULEYMONOV, FOREIGN MINISTER SULEYMONOV, DEFENSE MINISTER NURKASAMBEKOV, AND DEPUTY PRIME MINISTER BABAKHANOV (WHO HANDLES MILITARY INDUSTRIAL QUESTIONS). THE SENATORS WERE ACCOMPANIED BY PROFESSIONAL STAFF MEMBERS ROBERT W. CARSTENS (SECTION 04 OF 04 ALMA ATA 002165).
Codel Nunn/Lugar Meeting with Kazakhstan President Nazarbayev, November 21, 1992. Richard Combs, and Ken Myers. Ambassador Courtney and DPO McDonald also participated.

23. The codel did not have an opportunity to clear this telegram. Courtney.