

Chapter Three: Changing Priorities

The next phase of relations between Kazakhstan and the United States, extending roughly from 2003 to 2012, was initially defined by dramatic events on the international stage to which both governments responded with decisive actions, which in turn affected their relations with each other. Serving effectively as intermediaries in both directions were their capable ambassadors, who included, in Kazakhstan's embassy in Washington, Kanat Saudabayev (2001-2007) and Erlan Idrissov (2007-2013), and in the United States' embassy in Astana (now Nursultan), John M. Ordway (2004-2008) and Richard Hoagland (2008-2011). During this period, both countries embarked on new courses in their domestic affairs, which in turn affected their relations with each other.

The first upheaval that reshaped U.S.-Kazakhstan relations, as noted in the previous chapter, was the attack on the World Trade Center in New York and the subsequent American invasion of Afghanistan. This redefined Washington's relations with all Central Asia in instrumental terms, e.g., how could each country advance the U.S. military campaign against the Taliban and al Qaida? Kazakhstan had maintained active links with NATO as a participant in its Partnership for Peace Program but was bound by no mutual defense treaty with the United States. Faced with pressure from its northern and eastern neighbors, the Kazakh government had no interest in opening its territory to a U.S. or NATO staging base.

Paradoxically, in the longer term this proved beneficial to relations between Astana and Washington. NATO's Afghanistan mission opened

forward bases in both Uzbekistan (at Karshi/Khanabad) and Kyrgyzstan (at Manas). Within a few years, however, both host governments demanded that the bases be closed, which took place in a spirit of mutual rancor of which Kazakhstan-U.S. relations were entirely free.

Two further issues involved the common interests of Kazakhstan and the United States and drew them closer to each other: first, the fear of a spillover of Islamic extremism from Afghanistan to Kazakhstan and, second, the burgeoning drug trade, which at the time relied heavily on routes through Central Asia and Kazakhstan.

Islam in Kazakhstan had always had a moderate character, but extremist and radical doctrines spread rapidly after independence when missionaries from the Gulf states began appearing in the country. Also, back in 1999 heavily armed Islamist fighters based in Afghanistan had crossed into Kyrgyzstan's Batken province; hoping to reach the Uzbek capital of Tashkent via a route through the hills of eastern Kazakhstan. Kazakh security forces captured them, but the fact that they had penetrated Kazakhstan rang alarm bells in both Washington and Astana and evoked coordinated actions from both capitols. Parallel with this, Kazakhstan's vast territory and relatively more open regime made the country an attractive transport route for drugs from Afghanistan. Again, Almaty and Washington responded with joint projects for interdicting this trade.

The Emerging Security Architecture and Afghanistan

While Astana's relations with Washington remained cordial, they were increasingly colored by Astana's expanding relations with its large neighbors, Russia and China. In May 2002, Russia had formalized a mutual security pact with five former republics of the USSR, including Kazakhstan. The key element of this Collective Security Treaty

Organization was that its members agreed that aggression against any one signatory would be considered aggression against all. The very next month, China officially launched its Shanghai Cooperation Organization, which formalized consultations between China, Russia, and four Central Asian states, including Kazakhstan, while requiring those states to ban all activities on their territory relating to China's Turkic province of Xinjiang.

While the Kazakhs deemed these steps to be both prudent and inevitable, they gave rise to a renewed interest in strengthening ties with America and Europe in order to maintain a balance between external powers. By the new century, as we have seen, President Nazarbayev had officially adopted the doctrine of a "multi-vectored" or balanced foreign policy. This strategy called for balanced positive relations with all three of the major powers, with each balancing the other. In keeping with this notion, the expansion of Kazakhstan's security relations with both Russia and China demanded a like expansion of links with the West.

A meeting of the Shanghai Cooperation Organization soon provided an opening for Kazakhstan to act on this principle. When the assembled leaders were on the verge of passing a resolution demanding an American withdrawal from Afghanistan, President Nazarbayev objected and the resolution died.

Kazakhstan and the United States soon found ways to expand their collaboration further. One step in support of the American effort in Afghanistan was for Kazakhstan to open in Kabul an office to promote trade and investment in territories now freed of Taliban rule. Though this initiative bore little fruit, Kazakhstan was the only country in the region to base a new Afghanistan policy on building that country's economy.

Kazakhstan also offered certain provisions needed by the NATO forces in Afghanistan. More important, its territory was part of a new supply

route for essential materiel and provisions needed by the Coalition forces in Afghanistan. Indeed, Kazakhstan played an active role in setting up this “Northern Distribution Network” (NDN). It rested on two supply lines: the primary one ran from the port of Riga, Latvia, through Russia, Kazakhstan, and Uzbekistan to the Afghan border. The second ran from the Georgian Black Sea coast across Azerbaijan and the Caspian Sea into Kazakhstan, joining the main line originating in Riga. Because the main supply route through Karachi in Pakistan was increasingly hampered by corruption, the NDN became an essential channel for getting equipment and supplies to the Afghan front.

The fall of the Taliban government in Kabul opened the prospect of a dramatically new transportation order in Central Asia, under which the former Soviet republics might for the first time in modern times gain a window to the South, to India, and to Southeast Asia. In 2006 the Central Asia-Caucasus Institute held a first conference on this concept in Kabul. While leading foreign affairs experts from many countries attended, the most senior official to endorse the concept was Kazakhstan’s Foreign Minister Tokayev. Not only was he the first senior official from any Central Asian country to visit Kabul after the Taliban’s fall but he was the first to endorse publicly the concept of a new transportation order built around an Afghan window to the sea. Long before U.S. Secretary of State Hillary Clinton launched her own New Silk Road project, which proved stillborn, and before China launched its Belt and Road Initiative, a senior Kazakhstani official and American experts had broached the concept of a New Silk Road and new transportation order at the heart of Asia.

Kazakhstan’s deep engagement with the emerging new transportation order in Central Asia inspired a major American firm, General Electric (GE), to plunge into the Kazakhstani market. GE had collaborated with

Kazakhstan for a decade, but in 2006 it greatly expanded its presence there by announcing the construction of a factory to produce up to 150 of its advanced “New Evolution” series locomotives. Kazakhstan’s national railway network Temir Zholy (“Iron Road”) partnered with GE on this project in hopes of pulling more freight with fewer trains requiring less maintenance and less fuel. Temir Zholy promptly increased its order to 310 locomotives.

Tokayev’s trip to Kabul and Kazakhstan’s contract with GE meshed nicely with Tokayev’s concept of balance. Back at the turn of the century Moscow and Beijing had butted heads over the course of a main east-west transport route from China’s Pacific coast to Europe, with China strongly favoring a route through Kazakhstan while Russia favored the exclusive use of its Trans-Siberian Railroad. Both China and Kazakhstan had invested heavily in new roads and railroads traversing Kazakhstan. To maintain a balance between China’s investments in their country and the various Chinese and Russian initiatives enumerated above, it was important for Astana to broaden its ties with the West and specifically with the U.S.

Readers will recall how these positive prospects were dampened by Washington’s decision to bring down the criminal regime of Saddam Hussein by invading Iraq in March 2003. This diverted attention away from Afghanistan and from the economic and transport projects that had brought Kazakhstan and the United States together there. Further, the post-Soviet space entered an era of upheaval as Georgia saw a popular uprising overthrow the government of Eduard Shevardnadze in November 2003. The next year, a similar upheaval led to a change of government in Ukraine. The unrest reached Central Asia the next year. In March 2005, the so-called Tulip Revolution took place in neighboring Kyrgyzstan, bringing an end to the presidency of Askar Akaev; and in

May an armed uprising erupted in the city of Andijan in Uzbekistan. The effect of these two very different events linked Kazakhstan and the United States more closely than ever before.

Practically from the moment of independence, President Akaev had proclaimed that Kyrgyzstan would become what he called “The Switzerland of Central Asia.” This prospect so entranced the American Vice President Al Gore that he briefly persuaded President Clinton to build his Central Asian strategy around Kyrgyzstan. Akaev’s growing authoritarianism led to a popular revolt in 2005 and his flight to Kazakhstan and then to Russia. That its leaders called for a “Tulip Revolution” in imitation of Georgia’s “Rose Revolution” of 2003 and Ukraine’s Orange Revolution of 2004, understandably alarmed Astana, which feared that unrest could spread to its own territory. Washington quickly perceived that the new Kyrgyz leader, Kurmanbek Bakiev, was no improvement on Akaev and praised the relative stability prevailing in Kazakhstan.

A second external development that had the paradoxical effect of deepening relations between Washington and Astana was the uprising in Uzbekistan’s eastern city of Andijan on May 13-14, 2005. This tragic event led to the deaths of some 180 people, among them over one hundred demonstrators and several dozen Uzbek security forces. On the basis of slipshod evidence, western media and prominent non-governmental organizations in America reported this as a peaceful demonstration of “especially pious Muslims” against the government of Islam Karimov. The U.S. State Department embraced this interpretation and promptly severed most of its ties with the Government of Uzbekistan. However, ample evidence disproved this view of the affair. Meticulous later studies established that the revolt was in fact the work

of heavily armed Islamists bent on fomenting an Islamic uprising in Uzbekistan and across Central Asia. But the damage was done.³¹

With its relations with both Kyrgyzstan and Uzbekistan now in shambles, Washington found new reasons to deepen its links with Astana. This would have happened anyway, since expanding contacts in many areas were bringing the two countries closer to each other. As both of their respective embassies increased their staffs and broadened their activities, diverse programs – both public and private – caused the numbers of Americans and Kazakhstani with first-hand knowledge of the other country to soar.

On the side of Kazakhstan, credit for this must go first of all to the government's Bolashak ("The Future") program, which sent thousands of the most promising young Kazakhstani men and women abroad to study. While they went to universities in many countries, far the largest number came to the United States. The number of applicants for these prized scholarships regularly exceeded the total number of students entering Kazakhstan's universities. The third of Bolashak alumni who took civil service jobs enabled the two governments to interact more effectively than ever before, while the remaining two thirds did the same in the private sector.

On the American side, a welter of governmental and privately sponsored programs fostered interaction at the school and professional levels. The State Department's Bureau of Educational and Cultural Affairs sponsored large number of high school-aged students college students in

³¹ Shirin Akiner, *Violence in Andijan, 13 May 2005: An Independent Assessment*, Washington: Central Asia-Caucasus Institute & Silk Road Studies Program, Silk Road Paper, July 2005 (<http://silkroadstudies.org/publications/silkroad-papers-and-monographs/item/13112>); Jeffrey W. Hartman, *The May 2005 Andijan Uprising: What We Know*, Washington & Stockholm: Central Asia-Caucasus Institute & Silk Road Studies Program, Silk Road Paper, May 2016. (<http://silkroadstudies.org/publications/silkroad-papers-and-monographs/item/13204>)

both directions, some of them managed by the independent American Councils for International Education. While the number of highly specialized Fulbright Scholars was modest, their research was consequential. Also fostering advanced skills in many spheres was the Muskie Program, which exchanged young professionals at the most critical moments of their careers. The Peace Corps, which was eventually phased out, also enabled young Americans to carry out productive collaborative projects in remote parts of Kazakhstan. Notable also was the work of the American Center for Disease Control (CDC) to update public health in Kazakhstan and link Kazakhstani public health professionals with their American counterparts.

Sensitive and potentially divisive issues were also openly addressed by the two sides. The Kazakhs were wrestling with the problem of reforming Soviet methods for addressing the practice of religion. The State Department, Commission for International Religious Freedom, Agency for International Development, and numerous private American groups engaged in this complex discussion. All found the Kazakhs to be sincere in their search for answers that would be consonant with a more open society, while the Kazakhs gained expertise in handling issues that challenge religious believers and policy makers alike in all countries today.

These shared concerns led inevitably to consideration of the highly charged question of human rights, the role of proselytizing, and the registration and function of religious and human rights organizations. The multi-sided dialogue that ensued sensitized Americans to the onerous legacy of deeply rooted Soviet policies in these areas, and informed their Kazakhstani counterparts of practices that they could usefully adopt or, in most cases, adapt to Kazakhstan's reality. In this case the process itself was often the product. Participants from both sides

report that their dialogue was invariably conducted in a cordial and civilized manner.

Meanwhile, business contacts increased apace. The number of corporate members of the US-Kazakhstan Business Association grew steadily over time. A separate American Chamber of Commerce was formed in Almaty to foster ties among American business people in Kazakhstan and between them and their Kazakhstani counterparts, as well as to iron out whatever problems with the host country might arise. In 2020 the United States Chamber of Commerce took over the activities of the Business Association and renamed it the U.S.-Kazakhstan Business Council.

Far less well-known but very beneficial to both countries were contacts in the military and security era, which burgeoned during these years. The two countries worked together to establish KAZBAT, a Kazakhstani peacekeeping battalion that was to see service in Iraq and elsewhere, while Kazakhstani and American troops continued to work side by side in the joint Steppe Eagle exercises. Many officers from Kazakhstan also studied at American service schools, where they worked with American counterparts to master modern organizational and technical aspects of the military. Finally, the two countries collaborated on law enforcement academies at the regional level in Kazakhstan. These entities did much to dismantle primitive Soviet methods of neighborhood policing and replace them with methods more compatible with an open and free society.

While all these innovative projects were being developed, the two core areas that had led to the opening of Kazakhstan-American ties a decade earlier continued apace. Hundreds of American petroleum engineers and experts in many fields participated in the development of the Tengiz project and brought back home to Texas and Louisiana a deep respect and affection for Kazakhstan. To be sure, there were sharp disagreements

over pricing and costs, and both sides always bargained hard. But they did so in a mutually respectful fashion that led to conclusions that both sides could live with.

Trade and Finance

Two particularly important issues that entered the Kazakhstan-U.S. dialogue in these years were trade and finance. For years the United States had developed Trade and Investment Framework Agreements (TIFAs) with countries worldwide. Differing widely on specifics, TIFAs provide strategic frameworks and principles for productive dialogue on trade and investment issues between the United States and its partners. As a new state, Kazakhstan wanted to participate in such arrangements, and particularly those affecting such important issues as labor and environmental protection. The American side focused particularly on intellectual property rights and environmental protection.

Kazakhstan, along with Uzbekistan, supported the innovative notion of a TIFA for all the Central Asian countries together. These negotiations, which extended over several years, resulted in America's first *regional* TIFA, which laid the groundwork for all subsequent discussion among Central Asians of regional collaboration and regional coordinating mechanisms. The Washington embassies of both Kazakhstan and Uzbekistan played a critical role in promoting this concept.

Related to TIFA's and Kazakhstan's future economic and commercial relations with the United States was the question of Kazakhstan's possible future membership in the World Trade Organization (WTO). One of the few world organizations that is younger than the Republic of Kazakhstan, the WTO, founded in 1995, was designed to facilitate the resolution of international issues involving trade in goods and services and also intellectual property. Kazakhstan, eager to flesh out and make

concrete its newly won sovereignty in as many areas as possible, was burning to pursue WTO accession. The process of negotiation extended over many years and nearly collapsed when President Nazarbayev unexpectedly committed Kazakhstan to joining the Eurasian Economic Union. This required that half of the WTO document be renegotiated. Throughout this process the United States proved a steady if demanding partner to Kazakhstan.

Curiously, an issue on which the United States and Kazakhstan did not see eye to eye was the denuclearization of Central Asia. This possibility had arisen back in 1992 when Mongolia declared itself a nuclear weapon free zone. Uzbekistan's President Islam Karimov presented a similar proposal to the United Nations in 1993, and in 1994-1996 Kazakhstan and Uzbekistan promoted the idea together. A decisive step forward occurred in 1997, when Kazakhstan convened in Almaty a meeting of the presidents of all five of the new states of Central Asia. The treaty they drafted was revised and discussed down to 2006, when the countries adopted the final draft. The Central Asia Nuclear Weapon Free Zone pact – known as the Semipalatinsk Treaty – went into effect in 2009.

The United States, France, and the United Kingdom strongly supported the principle of denuclearization but found what they considered a serious flaw in the draft treaty. They noted that Article 12 states that the treaty “does not affect the rights and obligations of the Parties under other international treaties.” They noted that among those “other” agreements was the Collective Security Treaty (CST) that Kazakhstan and its regional neighbors had signed with Russia. Since this potentially allowed Russia to deploy nuclear weapons in Central Asia, the three western states argued that the CST treaty could override the denuclearization pact. American opposition, then, was not to the

principle of denuclearization, which it supported, but to what it considered a flaw in the agreement.

There are grounds for viewing the years 2003-2008 as an era of retrenchment in the relations between Kazakhstan and the United States. The State Department had always viewed all Central Asian states, including Kazakhstan, as second tier countries whose interests were subordinate to those of Russia, China and India. Beyond this, one might argue, as was suggested above that the launching of the war in Iraq in 2003 further diverted Washington's attention not only from Afghanistan but from all its Central Asian neighbors as well, including Kazakhstan. Such a line of thought would reduce American concern for Kazakhstan in these years to its role as a transit country along the route from the Baltic to Afghanistan.

The grounds for so gloomy a perspective all but vanish when one considers the situation in the context of the dynamics of institutional life in the vast bureaucracy that is Washington today. For even if America's Afghan strategy reduced Kazakhstan's role temporarily to the status of an independent variable, it did not reduce the welter of bilateral programs that had been set up earlier. Not only did they all continue, but their number and scale actually increased during the years down to 2008. If one were to chart the scale of American-Kazakh interaction in such diverse areas as air travel back and forth, telephone calls, mail and emails, capital flows, the number and dollar value of joint business ventures, the number of participants in student exchanges, and cultural interactions in everything from ballet to jazz and hip-hop, the results in every case would be a steadily rising curve.

Notwithstanding the White House's refocus on Iraq, many well-funded agencies of the U.S. government continued to devote serious attention to their programs in and with Kazakhstan, and in some cases expanding

them. Countless staffers who were indifferent to the arcana of geopolitics, whether they were on the government's payroll or working in private agencies as contractors, took pride in their work with partners in Kazakhstan and in the personal bonds that arose from them.

This is how Kazakhstan-American relations stood down to 2007-2008. Thanks to the diversification and expansion of ties that had taken place, it would have been easy to assume that the trajectory would continue indefinitely. However, beginning in July 2007, a financial crisis born in the United States burgeoned and spread worldwide. The federal government in Washington had funded and promoted risky lending by American banks in hopes of expanding the ranks of home owners among the poor. This led to a housing bubble and economic depression. As will be seen in the next chapter, the crisis hit Kazakhstan's banks by 2008, sending the economy into a downward spiral. Worse, the world price for oil plummeted, sharply reducing Kazakhstan's single largest source of income.

The depth of the crisis in Kazakhstan immediately gave rise to fundamental questions about the country's future economic strategy. A range of options were considered. On one extreme, Kazakhs noticed that neighboring Uzbekistan survived the panic with its economy quite intact. But they also perceived that this had been due to the fact that the government in Tashkent had taken out few loans and had in fact isolated itself from the international financial system. While this may have sheltered Uzbekistan from the immediate crisis, it also severely limited the country's prospects for future expansion.

Far the most attractive alternative was to move forthwith to undertake fundamental free-market reforms that would integrate Kazakhstan ever more deeply with the most advanced and reliable elements of the world economy. To some extent President Nazarbayev had already entered

upon this path of development. Years of working with Chevron, General Electric, and other western firms, both American and European, had shown Kazakhs the benefits that closer integration with world market systems offered. The decision to launch reforms needed to join the World Trade Organization reflected this new orientation.

In spite of many significant measures taken before 2008, much remained to be done. In particular, Kazakhstan's financial system was deeply flawed and prone to oligarchic concentration and corruption. The few Kazakhs who fully understood the intricacies of modern banking were all young, recent graduates of American, European, and Asian business schools. New laws were needed. Regulatory bodies had to be set up and allowed to function without interference from special interests. And the country lacked institutions for the adjudication of trade disputes that American and other international investors and business leaders would consider dispassionate and just. Institutional solutions to these and other questions had to be found and successfully implemented.

The demands of this strategy of development were extremely daunting and would require years, if not decades, to address. Yet this is precisely the course that President Nazarbayev and his top advisors chose. Notwithstanding all the steps along this line that Astana had already taken, up to this point one might still reasonably argue that a reversal of direction was still possible. However, by the end of the world financial crisis of 2007-2008, the new strategy had become irreversible. And Kazakhstan's new course opened important new vistas for collaboration between Kazakhstan and the United States.

The one thing that could derail the process of reform was the possibility of adverse developments in Kazakhstan's immediate neighborhood. Russia, too, had been hit by double-digit inflation, robbing its stock market of 70% of its value and driving down the value of the ruble by

14%. But Russia had prudently put aside large financial reserves and Moscow devoted fully a quarter of them to a huge bail-out. In spite of the bailout, the Russian economy remained shaky. It was no time for Putin's Russia to engage either positively or negatively in Kazakhstan's planned reforms.

A second and more important reason that Russia for the time being stood aloof from Kazakhstan's new course is that it was deeply engaged in a crisis of its own making when its armed forces invaded Georgia. The origins of this ill-advised action date back to 2004, when controversy over presidential elections in Ukraine had brought thousands of Ukrainians onto the streets in what came to be known as the Orange Revolution. Large public demonstrations and a recount brought to power Victor Yushchenko, who eked out a victory over Moscow's preferred candidate, Victor Yanukovich.

Having endured this setback on the banks of the Dniepr, Vladimir Putin was waiting for an opportunity to reaffirm Moscow's influence over the newly independent states. He found that opportunity in Georgia. On the pretext of defending separatists in two of Georgia's provinces, he launched a carefully planned war against Georgia in August 2008, advancing close to the capital, Tbilisi, occupying the town of Poti, and blockading the coast. Putin put the two Georgian provinces under Russian control. Both the United States and European Union immediately condemned the invasion but neither took decisive action.

While diverting international attention from Astana's reformist moves, these various developments posed a quandary for Kazakhstan. The government in Astana could neither condemn nor welcome them, and indeed refrained from doing either. What was clear is that Ukraine's revolution demonstrated the possibility of public resistance if reforms were thwarted, while the war in Georgia proved that Russia was

prepared to punish neighbors who pursue western-style reforms too vigorously by peeling off from them ethnically diverse provinces. President Nazarbayev therefore chose a middle path. He steadfastly promoted reform of the economy while proceeding very cautiously with regard to political reforms.

Both Kazakhs and Americans decided the Georgian war lay outside their mutual concerns. However, some Americans were critical of Nazarbayev's domestic policy, on the grounds that it left intact the exceptional powers of the presidency in Kazakhstan. This is true, but should be seen in the context of the reform project as a whole. Kazakhstan's diplomats were quick to point out to foreign critics that President Nazarbayev had sketched out a long-term process of political reform that would follow on the heels of economic reform. But, they argued, any attempt to reverse the phasing of these two projects would lead to the failure of both.

In order to dramatize his decisive turn towards the market and the reforms necessary to achieve it, President Nazarbayev called on citizens to make their country one of the world's thirty most developed countries. In the same spirit, Kazakhs worked to enter the ranks of the World Economic Forum's listing of fifty countries most receptive to international business and investment. In yet another aspirational move, Kazakhstan announced its intention to raise its standing on the World Bank's "Doing Business" ranking and other indexes. This would be no simple matter, for it demanded urgent action on a range of topics, including judicial reform, the reform of taxation, banking, and even accounting practices. In these and other areas Kazakhstan found an eager partner in the United States, and also the European Union.

Thanks to these initiatives, the years between the global economic crisis and 2012 were especially busy times in the U.S.-Kazakhstan relationship.

However, they were also busy years with respect to Kazakhstan's relations with the European Union, Russia, and China. The intensification of these links reduced somewhat the relative weight of Kazakhstan's partnership with the United States.

After a period of passivity, the European Union now intensified its relations with Central Asia generally and with Kazakhstan in particular. The EU was already Kazakhstan's largest foreign investor and was absorbing 40% of Kazakhstan's exports, mainly in oil. Further, EU countries were convenient suppliers to Kazakhstan of quality equipment in many fields. Beginning in 2012 the two sides therefore began negotiating what became in 2015 an Enhanced Partnership and Cooperation Agreement.

The Birth of the Eurasian Union

Meanwhile, as early as 1994 President Nazarbayev had proposed a "Eurasian Union" as a trading bloc of former Soviet republics positioned between the EU and China. This led in 2000 to the formation of a Eurasian Economic Community and then to a treaty forming a common economic space between Kazakhstan, Russia, and Belarus, and a Customs Union of the same states in 2010. The following year President Putin endorsed President Nazarbayev's proposal to transform the customs union into a Eurasian Economic Union, to be inaugurated as soon as possible.

China meanwhile had long contemplated some kind of transport-based economic network that would encompass China, Russia, all Central Asia, and many other regions of the world. Its original name for the project – The Silk Road Economic Belt – was drawn from the title of the book that resulted from the American-sponsored 2006 Kabul conference on Eurasian transport, at which Kazakhstan's then-Foreign Minister Tokayev had delivered the keynote address. Even though planning for

the project was far from complete, China's President Xi Jinping announced his Silk Road Economic Belt in a speech delivered at the newly founded Nazarbayev University in Astana in 2013.

Thus, the years immediately following the 2008-2009 financial crisis were a period in which the emerging networks of continental trade were under intensive development by the European Union, Russia, and China. Kazakhstan figured centrally in the plans of all three major powers and was perceived by all as an equal partner and even initiator.

How did the United States figure in these arrangements? Barack Obama was inaugurated America's new president in 2009. He had already made clear that Afghanistan was not among his primary foreign policy interests. Since Washington had grown accustomed to viewing Central Asia under the rubric of the campaign against the Taliban and al Qaida, this implied also that Central Asia and Kazakhstan would not be among his priorities. Nor were they.

To be sure, President Obama made a brief visit to Kabul in 2010, but this was the closest he ever got to Kazakhstan. In November of the same year his Secretary of State, Hillary Clinton, was sent at the last minute to Astana to represent the U.S. at the summit of the Organization for Security and Cooperation in Europe. That she came at all was not announced until her plane was in the air. The reason for the State Department's reticence was that outspoken bureaucrats in its Bureau of Democracy, Human Rights and Labor (DRL) were dismayed over the fact that Kazakhstan had not set up the usual sideline meeting with non-government organizations. A compromise was reached, however, and her brief visit took place as planned.

Shortly thereafter, when Clinton travelled to India in 2011 she made a speech calling for a "New Silk Road" connecting India and Central Asia. Unfortunately, there was no serious follow-up on this promising

proposal, either by the State Department or the White House. The Obama administration had chosen simply to ignore the project and move on to what it considered more pressing matters.

Offsetting the White House's neglect were the continued development of Kazakhstan-American cooperation in the oil industry and the expansion of American private investments in many other fields. Complementing these were bilateral projects under the U.S. Agency for International Development, and bilateral reform projects mounted by the departments of Commerce and Justice with their Kazakhstani counterpart.

A ten year-long US-Kazakhstan collaboration that bore fruit in these years was the dismantling of the immense BN-350 atomic breeder reactor near the western town of Aktau. To accomplish this the partners had to construct a special railroad to carry the disassembled parts and to build special railroad cars to convey the "hot" remains. In the same spirit, military-to-military cooperation also continued apace, with numerous officers from Kazakhstan's army participating in seminars and dialogues at the U.S. Army's George C. Marshall Center at Garmisch-Partenkirchen in Germany. Many of these sessions focused on the Caucasus and Central Asia, notably Kazakhstan.

In a very different sphere, the Washington-based International Tax and Investment Center worked closely with the government of Kazakhstan to reform its tax code and accounting system. The old Soviet era tax code failed to provide a steady income stream to the Government of Kazakhstan and led even to the interruption of heating and electricity in the capitol city. The new tax code that resulted from this joint effort replaced fifty-six Soviet era tax laws with a single simple text, greatly simplifying the process of reporting and auditing. Led by the former U.S. Treasury official Charles McClure, the team's new law had the beneficial effect of reducing taxes while assuring the government an increased and

steady flow of revenue. President Nazarbayev welcomed this new code but prudently made sure that Kazakhstan's Congress of Entrepreneurs supported it before giving it his final approval in 2005. While challenges remained, particularly for individual taxpayers and non-residents, the overall effect was to greatly enhance Kazakhstan's attractiveness to foreign investors. No wonder that many others of the newly independent states adopted similar tax code.

In the same spirit of reform, several American universities figured centrally in planning the new national research-based university which President Nazarbayev had conceived for the capital at Astana. After inspecting institutions worldwide, leaders of the new Kazakh institution chose as its international partners five American universities – Duke, the University of Pennsylvania, Pittsburgh, Carnegie-Mellon, and Wisconsin – as well as two British and one Singaporean institution.

Meanwhile, the numbers of students, educators, and technical experts travelling in both directions under both governmental and private funding continued to increase apace. Such exchanges were further stimulated by Kazakhstan's new language policy, which named English as the official international language and required it to be taught at all schools in the country. By contrast, while the numbers of Americans studying Kazakh increased, their numbers remained low, and Americans continued to depend on English-speaking Kazakhstani citizens for their interactions.