KAZAKHSTAN

COUNTRY READER
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WILLIAM VEALE
Bureau of International Security Policy - Department of Defense
Washington, DC (1985-1998)

Mr. Veale was born in Washington, D.C. into a US military family and was raised primarily at Army posts in the US and abroad. Entering the military after graduating from Georgetown University, he served with the US Army until joining the Foreign Service in 1971. Throughout his career Mr. Veale dealt primarily with Political/Military and Disarmament affairs, serving both in the Department of State and the Department of Defense. Among his assignments, Mr. Veale was posted to Strasbourg, Berlin and Rangoon. He also taught in the Political Science department at the US Air Force Academy. Mr. Veale was interviewed by Thomas Dunnigan in 2000.

Q: When that tour came to an end in 1995, you stayed in Washington but moved across the river to the Defense Department as a foreign policy advisor. Had you requested that assignment?

VEALE: Actually, I did request the assignment because that was the only way I would have gotten it. I wanted to stay in Washington and I wanted to do something different.

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I wrote the agreement for the destruction of test tunnels in Kazakhstan that the Soviets had used for years to do all their testing. We had a ceremony with the Minister for Science of Kazakhstan signing this agreement and we began a program of sealing up all of these test tunnels and destroying bombers left from the Soviet period there, nuclear bombers there, and dismantling ICBMs (intercontinental ballistic missiles) that were left in Kazakhstan. This program was dealing with the same type of thing in Russia -- submarine dismantlement, just absolutely incredible scope, nuclear warhead dismantlement. The Ukraine, Kazakhstan and Belarus had nuclear weapons which were redeployed back to Russia where they were dismantled and the Ukrainian components were moved into storage facilities.

Ultimately, our program was getting into building storage facilities for these things, helping the Russians develop better security measures for their operational weapons sites, and beginning the process of the dismantlement of their huge stock of chemical weapons. I went to what had been a secret facility in Uzbekistan for the research and development, and small scale production of chemical weapons. I had to go through this suited up with a gasmask. It was kind of exciting to do this. Of course it was 120 degrees outside with this equipment on.

I made several trips to Kazakhstan, Russia, and the Ukraine all as a result of this assignment. We negotiated agreements with the foreign ministries and defense ministries of these countries to broaden the cooperation in this area and give new access to American contractors and Defense Department personnel who would be assisting in all of this process. We provided the funding for the dismantlement of these things because their systems just didn't have the money to do that. Even though we suspected that they could have come up with the money, we wanted to be sure that the stuff was dismantled and taken care of in order to reduce the proliferation risk.

Q: Are we sure that they carried through? Did we have checks to make certain that these things were dismantled as they said they were?

VEALE: Yes. In fact, anything that is controlled by the arms control agreements is inspected afterwards. For example, if we were dismantling a nuclear bomber, the wings would be cut off and would have to lie out for 90 days to be viewed by overhead systems, which was part of the confirmation that it was inoperative and there were similarly types of controls on all the arms control systems and other things. We were so completely woven into the fabric of their process for doing this. There were agreements at all levels with their ministries.

I was involved in two particular things I would like to mention. One is creating a regime for the auditing and examination of this process. It wasn't an arms control verification kind of thing. We were trying to distinguish between the verification process of the arms control agreement with the normal auditing function of insuring that the money we spend and give to a contractor to do something is being done. There would be Russian, Kazakhstani or Ukrainian contractors who would be given the money to do certain things. Habituating them to this process was part of the educational aspect of this thing. I was the Defense Department representative on a team that went out and negotiated these agreements with Russia, Ukraine, and Kazakhstan to ensure that we could send these unannounced, basically short notice announcements so they couldn't change things around. For instance, if we gave them a computer, we didn't want them using it for something else, we wanted it to be used for what we had sent it for. There were some irregularities. I had to do a report to Congress which first went to the GAO (General Accounting Office) and then on to Congress, on this program. I was particularly vigilant to make sure that the process was working properly. I would go to the briefing and debriefing meetings of these audit examination teams that would go out.

The second major thing that I found particularly fascinating was our effort to try and enhance the security of their nuclear weapons storage sites. This was their operational stuff, not the stuff that they were dismantling. They were engaged in the process of reducing the overall number of nuclear warheads to begin with, and then reducing the number of places where they were storing the warheads.

Q: All of which we would favor.

VEALE: All of which we would favor. They didn't want to tell us where these sites were, yet they wanted us to supply fencing, the electronic surveillance systems that would be used to prevent Air Force One movie type scenarios.

Q: You sold that to Congress?

VEALE: Yes, we actually did. We got this going and we developed techniques that would give us enough confidence that we could tell whether or not the money we were spending was being used the way we intended it to be.

Q: For the right purposes.

VEALE: Yes, for the right purposes. That was a fascinating intellectual exercise, trying to design our way through that morass and create viable systems for verification.

I also found the chemical weapons area to be another fascinating thing too because this whole part of the Russian defense establishment dealing with chemical weapons was really back in the dark ages in terms of its susceptibility to arms control concepts. The nuclear side had been working with us in SALT, START (strategic arms reduction treaty) and their minds were comfortable with the concepts. But, we had to sell a whole new segment of their bureaucracy on ideas having to do with how you cooperate. We were building a prototypical facility for breaking down chemical weapons into what ultimately is an asphalt-like material. Seven to eight hundred million dollars was going to be involved in this program. Our own program to do this is big bucks and it was going to also be big bucks in Russia. The Germans were sponsoring a similar program to do this, but the negotiation with the Russian generals and defense officials responsible for this area was really very difficult and very slow going but ultimately I think the process was set in motion. It was fascinating because we would get Russian local government people coming to the Defense Department saying, "We have got this awful, monstrous chemical facility in our backyard and we want to get rid of it. They were coming to the Defense Department lobbying. We would meet with them and try to bring DuPont and other companies in to look to see the possibilities of producing agricultural fertilizers and things like that at some of these facilities.

Q: Was there much hard-line resistance in the Russian hierarchy, particularly among the senior military, to this idea of breaking down their weapons systems?

VEALE: Actually, the amazing thing is if there was, it wasn't impeding progress. They were coming up with proposals and for things for us to do and they were very enlightened people in their defense department, a new breed of civilian defense experts, and the military was cooperating. There were two officers that I worked very closely with. One was an air force colonel and the other was a navy commander, who had been working on this program from the beginning. They had absolutely incredible access to all levels of the Russian military. They were on a first name, hugging basis with generals and what not. These guys were the Lewis and Clark

of this new era. It was absolutely amazing the rapport and the access which they had. Someone ought to write a book, if they don't write it themselves, about the absolutely incredible things that they were able to accomplish in this program.

Q: This must have had the backing of President Yeltsin?

VEALE: Oh, yes. There was a whole intricate framework of intergovernmental agreements that went down to these levels. In fact, there were so many of them that state basically gave Defense authority to go ahead and have all of these implementing agreements. We would just sort of clear with State. In fact, there was considerable attitude of a mini sort of foreign policy program to do this.

Q: To whom did you report in the Defense Department?

VEALE: I was in a small office, the Office of Cooperative Threat Reduction. The office was headed by a political appointee, a lady named Laura Holgate. The Office of CTR was under the Assistant Secretary for International Security Policy (ISP), and Ashton Carter, a Harvard professor, was the Assistant Secretary when I arrived. ISP was under the Under Secretary of Defense for Policy (USDP) which was Walter Slocombe when I arrived in 1995. Lugar conceptualized this program as a whole series of programs under the rubric of threat reduction. The Cooperative Threat Reduction program was the official name for this program. It also had the informal name of the Nunn/Luger program because those were the two senators who had sponsored the legislation and got it through the Congress.

Q: How about in State, did you report to anyone there?

VEALE: Not directly. We coordinated with PM (Political-Military Bureau) very closely. Jim Goodby had made an early effort, kind of a power grab I think, to have this program run by State, but State just didn't have the resources. Once again, it was a programmatic type of thing and State didn't have the ability to do it, so Defense was the right place to have it.

Q: How about ACDA?

VEALE: We worked somewhat with ACDA, but ACDA, compared to the ACDA that I knew, is almost a non-entity in Washington. It was absorbed by other offices and I guess was on its last legs at that time. They were an informational consumer office and constantly wanted to know what we were doing, but they had no real role in it. There was expertise in ACDA. For example, on the chemical side, and they did help because that part hadn't been folded into State and there was better expertise in ACDA on some of things in ACDA and it was useful. I remember in many areas, I wound up writing cables that, in years gone by, I would have seen State write in terms of taking the initiative on things, so it was a new ball game in that sense and Defense was taking the lead in this area.

Q: You mentioned nuclear and chemical weapons, what about these scary biological weapons?

VEALE: We also got into that. One of the things that we were starting to move into the Russians opened up some of their BW (biological weapons) research labs to us and we had a number of experts go in and access the nature of the problem there. They still have some things going on which they have not come entirely clean on. There is a continuing pressure to try to open up these areas. There is a start being made in this area and there are active efforts going on now. There was a huge BW facility in Kazakhstan which, under this program, we were dismantling. It was one of the things that I was involved in. There are also efforts to try and civilianize facilities, when you have facilities and expertise like this, there to access the possibility of shifting to pharmaceutical production or something of that sort to use that type of facility. Some of the areas are contaminated and cannot be used for that type of thing, but there may be some potential down the road for that sort of thing. One of the concerns that we have is enhancing the security of these facilities as we decide what to do with them, so that Iranian operatives or others don't get their hands the products. There have been some anxious moments and nerve-racking things that have happened and caused a lot of concern in Washington

Q: What were your relations at DOD with the uniformed services?

VEALE: The Joint Staff was an avid supporter of these programs because the Cooperative Threat Reduction (CTR) program crossed I think the $2 billion mark while I was there and the Joint Chiefs knew that was the cheapest way to destroy the weapons of concern to them. They were avid supporters of it. I worked very closely with the joint staff, and representatives of the J-5, on the negotiation side dealing with the NIS.

Q: I'm sure some of the contacts you made at the Air Force Academy didn't hurt while you were at the pentagon at all?

VEALE: No, not at all.

Q: Did you get at all into the question of Bosnia which was looming large in those days?

VEALE: No.

Q: So you focused mainly on relations with Russia and the reduction of some of their capabilities?

VEALE: This was a relatively compartmentalized area of cooperation and was reasonably well insulated from these things. There were some ripples that were coming out from the foreign ministry folks that we had to deal with. Kazakhstan objected to our bombing Bosnia.

MICHAEL H. NEWLIN
Retired Annuitant
Kazakhstan (1991)

Ambassador Newlin was born in North Carolina and was raised there and in the Panama canal zone. After graduating from Harvard he joined the Foreign Service

in 1952 and was posted to Frankfort, Oslo, Paris, Kinshasa and Jerusalem, where served as Consul General. During his distinguished career, Ambassador Newlin served in several high level positions dealing with the United Nations and its agencies and NATO. He served as Ambassador to Algeria from 1981 to 1985 and as US representative to the United Nations Agencies in Vienna., 1988-1991. Ambassador Newlin was interviewed by Charles Stuart Kennedy in 2006.

Q: What about at the time, I mean the Soviet Union had just broken up, so you had its component parts particularly Kazakhstan and Ukraine and Belarus. Was there concern at the UN about leakage from these particular areas?

NEWLIN: Yes. There certainly was. But that was being dealt with outside the Iraq sanctions operations because as I say, the Russians were on board with the sanctions and with helping us do whatever needed to be done to deal with the weapons of mass destruction. We also suspected that there was a biological component. We asked them about anthrax and other biological elements. They said, "Oh yes we have small amounts of anthrax for veterinarian purposes." But that is all. It wasn't until two sons in law of Saddam Hussein defected, at the time they defected and went with their families to Jordan. They were debriefed there. They filled us in that there was quite a significant anthrax program. We were able as a result of that to root that out. But Tariq Aziz was the designated person by Saddam to come to New York and Brief the Security Council as to what they were doing. But we had to constantly threaten them that unless they did do what we wanted to do under the Security Council resolutions, we would have to report their non compliance with the Security Council. They were very much trying to show that they were cooperating albeit reluctantly, the idea being that they wanted to get the sanctions lifted which among other things restricted oil exports.

Q: I haven't finished, but I started.

NEWLIN: Okay, well Rand Beers was the deputy assistant secretary for export for munitions licensing and policy which was the largest group in PM which issued licenses for the export of military equipment. This all goes back many years when Congress passed a law saying the State Department would be responsible for licensing military items. Of course it all had to be coordinated with Defense and with the other appropriate agencies. A big thing. So I had to quickly learn all about export controls, first of all the laws and then the regulations. Then I was doing that, when Bob Einhorn who was the person that Gallucci relied on for anything to do with nuclear matters, Bob Einhorn came into my office one day and said, "Mike, would you be willing to lead a delegation to Kazakhstan to explain to them export controls?" I said, "I would be delighted to do that." So we put together a delegation under the Nunn Lugar program which was one of the most far-sighted pieces of legislation that was done to deal with problems resulting from the collapse of the Soviet Union. The Nunn Lugar program was to secure and prevent the proliferation of nuclear materials. The heart was the safe and secure dismantlement of nuclear weapons in Ukraine, Kazakhstan and Belarus but export controls were also a part to short circuit the involved Congressional budget procedures and in view of the urgency of the problems, the Nunn Lugar legislation provided that an initial sum of $500 million would be reprogrammed from the enormous Pentagon budget. Easier said than done. Belarus was a special case but Ukraine and Kazakhstan had so may other problems that they hesitated to address SSD.

So I guess I was the first one to be asked to do something under Nunn Lugar. Now this was quite apart, Stu, from everything that was going on at the very highest levels including the president and secretary of state to deal with what is going to happen with all of these nuclear weapons and nuclear facilities in the newly independent states. That was all being dealt with separately. Things like export controls, and then later on safe and secure dismantlement of nuclear warheads and nuclear materials. That was all under the Nunn Lugar program. So I put together my team. It had people from DOD, customs, energy, CIA. So we were all ready to go. We sent a telegram to Almaty which was the capital then. The person that was responsible in PM for getting the Nunn Lugar funding called up defense and defense said, "Oh, we are still working on this reprogramming thing. There is no money available now, and we don't know where it is coming from." Imagine the bureaucratic scrounging. Nobody wanting their money reprogrammed. Dan Poneman was on the NSC staff. He followed the PM operations. He was having a meeting to discuss a variety things. The assistant secretary of defense for international affairs, I think it was Ashton Carter. Have you ever heard of Ash Carter? No, I think. He was from the Kennedy school at Harvard. So I went over to the old executive office building and sat in on this meeting. When Ash Carter got up to go back to the Pentagon, I got up and went out and I said, "Look, we have got a real problem here. We are supposed to carry this thing forward and Kazakhstan is willing. We can't get any money from you." He said, "I will take care of it." And he did. So off we went.

It was a very interesting experience. Here the Soviet Union dissolved. The people in charge were the people; many of them had been running things under Moscow including the president. Here the United States comes in and wants to talk to them about creating export controls. Of course that raised suspicions. Why are the Americans doing this? What is in it for them? What is in it for us and so forth and so on. But they did produce a Kazakh delegation with all the appropriate people.

They had just created their own atomic energy agency with their own Kazakh personnel. Of course there were vast quantities of nuclear material. Ust-Kamenogorsk was the largest factory in the world that produced nuclear materials for reactors. So we explained to them our own system and the fact that they needed to move quickly to set up their own export controls. Our system while it is very effective, it is very cumbersome because of the accumulated regulations that we have. I stressed to them that they should set up something that met their requirements and not necessarily try to duplicate what we were doing. They were very receptive. They had their own fledgling experts there. We spent several days in sessions. Airplane connections in those days were not very frequent, so we wound up at the end with a couple of free days. Somebody said we ought to do a field trip. I said, "Sure, where do you think we ought to go?" "Well let's go to Baikonur, their Kennedy Space Center, or we can ask to go to the Chinese border and see what the export controls are on the Chinese border, or we can ask to go to their nuclear test site at Semipalatinsk." I laughed. "Do you think they will let us go to Semipalatinsk?" So they said, "Well let's ask." The answer came back, "Well no, we are working at Baikonur." They first said yes to the Chinese border, and then they said no, there was a transportation problem. They finally said toward the end of our stay, "You can go to Semipalatinsk." There was a catch though. There were no air connections with the old Aeroflot that would get us to Semipalatinsk and back to Almaty in time for us to get one of the flights back to Frankfurt. My colleagues said, "Let's ask the Department if we can charter a military plane from the Kazakhs to go there." I laughed and

said, “That will take weeks to decide.” They said, “Well we can ask can’t we?” “Yeah, go ahead and send them a telegram.” Next morning the answer came back, “Go to the embassy, get $1500. Charter plane and take your delegation to Semipalatinsk.” Off we went. We flew in a modified military plane called a Yak. The Kazakhs met us at the airport and we bussed out to the test site. Drove up to their building and here were the Russian generals with their pie plate hats. “We welcome you to Semipalatinsk on behalf of the President of Kazakhstan.” And they were very nice. We drove around through what had been their open air nuclear test area. Our representative from energy was a lady. She said, “This is all a charade. These cows and sheep that are out here eating all this green grass. It is all radioactive. You would never drink any milk or eat any of this flesh.” So we then stopped by a door. We all got out and went in , put on the white smocks. They gave us a dosimeter to measure radioactivity. We went down a corridor looking up at a huge reactor, brand new reactor. One member of our delegation was from the Sandia nuclear laboratory. He had nothing to say during the entire time we had been there. Then he started asking questions. “What is the reactor fueled with?” “Well highly enriched uranium. Weapons grade uranium.” “How much? When was it put in? What is the reactor used for?” “The Reactor is used for research.” So we had a very successful meeting there. We went back and had a nice luncheon. As we were getting ready to leave to be bussed back into town, the Kazakhs came up to us and said, “Mr. Ambassador, would you by any chance have space on your plane for some of our delegation because we can’t get a plane back to Almaty today?” I said, “We would love to have you on board.” So we had the whole new Kazakhstan nuclear ministry of top officials on our plane. We could talk to them and find out who they were and where they came from. So that started our effort on export controls.

I did give a press conference in the end where I said what all of us believed was the case, that they had no export controls. In Soviet times all the decisions in this whole area were made in Moscow. So they had no export controls as we knew them. They had to develop them. I made this point and it was reported on the front page of the Washington Post, that they had none, and that we had better hurry up with the Nunn Lugar program in dealing with all of the other nuclear successor states. This remark was not taken kindly by the new undersecretary for disarmament, a Miss Lynn Davis from the Rand Corporation. She had replaced Frank Wisner, and PM came under her. She wanted to know who authorized my statement and had the U.S. government determined that this was the case, and why was this statement being made in Almaty. That kicked off a long period of her dissatisfaction with what PM was doing across the board.

Q: Was this just bureaucratic assertiveness or was there something was this a policy issue?

NEWLIN: Not a policy issue. The situation in Kazakhstan was clear to anyone who examined the facts. I cleared my remarks in Almaty with all members of the delegation which included experts from Energy, CIA, the Pentagon and Commerce. Later on in our discussions in Belarus and Kiev we found out the same thing. They said there was no need for any sort of local export controls under the Soviet Union. So therefore when the Soviet Union collapsed all of a sudden, then we had to start scrambling to establish not only export controls but other non proliferation measures. There will be more about Lynn Davis a little bit later maybe. So that was how we got started on that particular thing. A little while later, we got permission to come to Minsk. We were very fortunate the first president of the independent Belarus was quite pro American. Unfortunately, he didn’t last too long, but at that time they welcomed us. They admitted they had

no effective system. So we explained to them what they had to do. They had to sign an umbrella agreement which among other things required them to sign the NPT and join the IAEA. They were very appreciative and welcoming of what we did. Then the next thing was go to Kiev. So on one of our flights from Frankfurt to Minsk, on the plane with us was Jim Goodby. Jim Goodby was charged with safe and secure dismantlement of nuclear material, SSD. So he was pestering the newly independent nuclear successor states to receive his delegation. He wasn't getting anywhere except in Minsk. We were on a flight to Minsk. I had just received a telegram from Kiev saying Kiev would welcome a visit from Ambassador Newlin to talk about export controls, but unfortunately they are not ready to talk about safe and secure dismantlement. I showed the telegram to Jim Goodby. He said, "Judas." I said, "I have to go. You need to understand, I have to go if they want to see me." So we later went to Kiev several times, and there I was able to finally negotiate the text of an export control agreement with Ukraine which I think was the very first Nunn Lugar agreement. It wasn't finally signed until sometime later together with the SSD package. Then later on export control agreements were signed not only with Belarus but with Kazakhstan and then a similar thing with the Russians in Moscow.

Another major activity I was involved with was the possibility of collaboration with the Russians on launching of U.S. satellites because all of a sudden they had no money to launch satellites. They had all of these huge rockets. So I was able to develop a policy whereby we could launch on their satellites but still secure the technology of our satellites. That was one thing we were able to do. Unexpected problems could pop up. The Russians had developed a unique nuclear power source for their satellites called TOPAZ. NASA persuaded them to ship one to the U.S. for analysis and possible licensing. When we got ready to return it we found there was a regulation prohibiting the export of anything nuclear to Russia. Finally, the lawyers were able to overcome the problem.

Q: Well this is a period of really great cooperation essentially.

NEWLIN: Oh yes, there is no question about it. There was great cooperation. But also under Yeltsin there was great confusion. You didn't know in Moscow who was doing what. They were uncertain themselves. Yeltsin made so many mistakes by turning over huge properties like Gasprom and similar installations to private citizens who just ran them for their own benefit and never paid any taxes. It was a very difficult situation.

End of reader