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Sent: Monday, May 30, 2011 8:14 AM
To: H
Subject: Fw: Feud in Kazakh President's Family Spills Into U.S. (NYT)

From: OpsNewsTicker
Sent: Monday, May 30, 2011 08:05 AM
To: NEWS-Mahogany; NEWS-SCA; NEWS-WikiLeaks
Cc: SES-O_Shift-II; SES-O_OS; SES-O_CMS; SES-O_SWO
Subject: Feud in Kazakh President's Family Spills Into U.S. (NYT)

WASHINGTON — Four years ago, Kazakhstan's foreign minister summoned the United States ambassador to a meeting in Astana, the capital of his oil-rich nation, to warn that a family squabble between the country's president and his son-in-law — two of the country's most powerful men — had boiled over.

Government authorities had charged Rakhat Aliyev, the son-in-law, with kidnapping executives from a prominent bank. Mr. Aliyev, in turn, had accused President Nursultan Nazarbayev of rolling back the clock to the country's dictatorial Soviet days. "Mr. President for life," he labeled his father-in-law.

That call to the United States Embassy was the start of what has become an extraordinary lobbying and public relations war here in Washington, a still-unfolding fight that one State Department official has called a "blood feud to the death."

With billions of dollars at stake, plenty of people here have been willing to play bit roles in the Nazarbayev family drama, including teams of corporate lawyers, Capitol Hill lobbyists, a former American ambassador to Kazakhstan and the sister of a lawmaker. The dueling lobbyists have appealed to more than three dozen members of Congress, either to condemn the Kazakh government or help form pro-Kazakhstan caucuses. (One congressman even nominated the president for the Nobel Peace Prize.)

Prominent Washington research institutes have issued glowing reports about the country — after being paid by the government. And there have been charges and countercharges of illegal payments to unidentified members of Congress.

The bitter fight shows how the United States can be drawn into other nations' domestic squabbles, which seemingly have nothing to do with American foreign policy, and how these disputes can threaten important ties: Kazakhstan is a major oil supplier and a critical supply route for the United States military in Afghanistan. In taking his case to Washington, Mr. Aliyev has variously sought safe passage to the United States, help in recovering \$2 billion that relatives claimed they lost from seized businesses, or at least the satisfaction of embarrassing Mr. Nazarbayev. For his part, the Kazakh leader wants to make sure that the Americans stay out of the dispute, and not allow it to affect their alliance with his government.

The Obama administration has done just that. Through comments in secret diplomatic cables, the former ambassador to Kazakhstan made clear his wariness of being drawn in.

"Both sides — the government and Aliyev — seek to manipulate us to their own advantage," Richard E. Hoagland, who ended his term as United States ambassador early this year, wrote in February 2009 in one of more than a dozen State Department cables obtained by the antisecrecy group WikiLeaks that mentioned the dispute.

Mr. Nazarbayev, 70, a former steel worker and Soviet-era Communist Party leader, has been in power for two decades, presiding over Central Asia's most vibrant economy. Human rights activists, however, have long accused him of persecuting dissidents and political opponents.

Mr. Aliyev, 48, has served as chief of the tax police, deputy foreign affairs minister and head of the Kazakh equivalent of the K.G.B. But critics say he used his clout to secretly take over private companies for financial

gain, often by threatening violence.

Now hiding somewhere in Europe, he has been convicted back home on what he claims are trumped-up criminal charges, including a coup attempt. His wife divorced him in June 2007, and the Kazakh government has taken businesses owned by him and members of his extended family.

No longer powerful at home, Mr. Aliyev turned to Washington, knowing that his former father-in-law cared greatly about his reputation there.

Early in 2008 he hired RJI Government Strategies, a small Washington lobbying group whose consultants included Tanya Rahall, sister of Representative Nick J. Rahall II, a West Virginia Democrat; and a friend of Representative Darrell Issa, Republican of California. Both congressmen were booked on a trip to Kazakhstan to discuss energy policy with Mr. Nazarbayev.

Before their departure, members of RJI met with Mr. Issa to urge him to express strong concerns about the harm done to a relative of Mr. Aliyev named Devincci Hourani, whose oil-company assets in Kazakhstan were seized, according to a letter to Mr. Issa from RJI.

Mr. Issa, who had developed a rapport with the Kazakh president on an earlier visit; nonetheless agreed to take up the plight of Mr. Hourani. Though he stepped into the fight, he still maintained a close connection to the president, nominating him that summer for the Nobel Prize, a move that drew ridicule from human rights activists.

Ms. Rahall worked on behalf of Mr. Aliyev and later for Mr. Hourani through 2010, contacting the offices of at least two dozen members of Congress. They included Representative Howard L. Berman, Democrat of California, then chairman of the House Foreign Affairs Committee, whose office said he discussed the dispute with the State Department.

Ms. Rahall also pursued a second strategy. "The alternative is to embarrass the existing regime," she wrote in a July 2008 e-mail to her boss.

She pressed House members to criticize the Kazakh government's human rights record. At her request, at least five statements were published in the Congressional Record, one citing Mr. Aliyev as a victim of his government. Separately, Mr. Aliyev offered to provide the Justice Department with documents that he claimed could prove that his former father-in-law accepted bribes from a businessman representing American oil companies that were seeking drilling rights in Kazakhstan.

The offensive worried Kazakh officials.

"I need you to look me in the eye and tell me once again that your government has no official contact of any kind with Rakhat Aliyev," Foreign Minister Kanat Saudabayev told Ambassador Hoagland in August 2009. "We know that he has 'offered himself' to you."

Mr. Hoagland reassured the minister, according to a diplomatic cable. "We do not want any contact with him, and we would not want to see him in the United States because we understand clearly that would be a disaster for the bilateral relationship," the ambassador replied.

In Washington, Mr. Nazarbayev's government bolstered its own defenses. Officials at the Kazakh Embassy signed new lobbying contracts — three in the last three years totaling \$3.7 million, though the officials said the contracts were unrelated to Mr. Aliyev's attacks.

Still, the government lobbyists and consultants frequently responded to criticism by Mr. Aliyev's team. APCO Worldwide, a lobbying and public relations firm whose team included A. Elizabeth Jones, a former United States ambassador to Kazakhstan, issued a statement in 2008 rejecting the suggestion that Mr. Nazarbayev was trying to become "president for life."

Lobbying records show that a "Friends of Kazakhstan" caucus was created in March 2008, just after APCO lobbyists met with seven lawmakers or their staffs, including an aide to Mr. Issa, who then joined the group. A small Washington firm named Policy Impact Communications helped create a similar group, the Central Asia Caucus, in late 2009.

Kazakhstan paid institutes affiliated with Johns Hopkins University and the Center for Strategic and International Studies more than \$350,000 in the three years to subsidize research, resulting in largely favorable reports on the nation. "I call it enlightened authoritarianism," Margarita Assenova, the director of the Institute for New Democracies, an affiliate of C.S.I.S. that issued several of the reports, said in an interview, referring to the Nazarbayev government.

The newest front in the fight is the United States District Court in Washington. A lawsuit filed there late last

year by relatives of Mr. Aliyev — who are seeking \$2 billion in damages from two American consulting firms — claims that the Kazakh government has been funneling money to members of Congress to make sure they do not side with Mr. Aliyev or his relatives, Mr. Hourani and his brother Issam, whose oil company assets were seized. Issam Hourani is married to Mr. Aliyev's sister.

If the allegation were true, such an effort would violate federal law. But the Kazakh Embassy and lawyers representing the consulting firms say that the letter Mr. Aliyev has entered into the court record as evidence — supposedly written by the Kazakh ambassador — is a forgery, just the latest in a string of what they called dirty tricks by Mr. Aliyev and his paid advocates here.

“Aliyev has been trying to bring down the president of Kazakhstan for a long time,” said Morton S. Taubman, a lawyer for one defendant. “This is another step in his long effort to try to do just that.”

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