

Military reform in Ukraine 2000-2007

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Sammendrag

I de første 10 årene etter Ukrainas uavhengighet i 1991 hadde landet ingen gjennomtenkt retning på sin reform av de militære styrkene. I praksis bestod "reformen" i at den eksisterende organisasjonen mistet store mengder folk samtidig som selve strukturen ikke gjennomgikk noen endring av betydning.

I årene 1997 – 2001 ble det imidlertid vedtatt en rekke dokumenter og konsepter som gjorde at man endelig kunne begynne å snakke om en reell reform. Hovedpunktene i denne reformen er at Ukraina ønsker å bygge opp et profesjonelt forsvar etter vestlig modell, og med en samlet bemanning på rundt 120 000 mann.

I dag er det til dels sterk uenighet blant observatører om i hvor stor grad Ukraina har klart å transformere sitt forsvar i henhold til vedtatte programmer og konsepter. Noen mener at det ukrainske forsvaret fremdeles i praksis bare er en utarmet versjon av det man arvet fra sovjettiden, mens andre mener at man nå kan begynne å snakke om en reformert og mer profesjonell organisasjon som allerede er bedre i stand til å forsvare landet enn før og klar til å delta med kvalitetsmessig gode bidrag til internasjonale operasjoner.

Denne rapporten konkluderer med at betydningsfulle fremskritt er oppnådd når det gjelder omstrukturering, undervisning og til dels også trening. Lite har imidlertid skjedd når det gjelder fornyelse av våpenparken. Rapporten peker videre på at de viktigste hindrene for implementering av militærreformen er underfinansiering og det man kan kalle "friksjonsproblemer" innad i organisasjonen og mellom forskjellige deler av det ukrainske statsapparatet. Som eksempler på friksjonsproblemer kan nevnes korrupsjon, tankesett fra sovjettiden det er vanskelig å endre på, og motstridende interesser mellom forsvaret og militærindustrien og mellom Forsvarsdepartementet og Departementet for Industripolitikk. Det er imidlertid viktig å påpeke at det ikke finnes noen form for aktiv politisk motstand blant de ukrainske militære mot reformplanene. Her skiller Ukraina seg klart fra Russland.

Det kan videre synes som om Oransjerevolusjonen var med på å sette ekstra fart i reformene. Utnevnelsen av Anatolii Hrytsenko til forsvarsminister i februar 2005 ser ut til å ha resultert i en ny giv til omstillingen. Samtidig er det viktig å understreke at det meste av grunnlaget var lagt av hans forgjengere, og at Hrytsenko først og fremst bare har gitt mer fart og noe bedre retning til en prosess som allerede var godt i gang.

English summary

In the first 10 years of independence there was no well thought out plan for reform of Ukraine's armed forces. In reality, military reform just meant that the military organization lost huge amounts of personnel without simultaneously making any serious changes to the structure of the organization.

However, in the years 1997-2001 a number of important documents and concepts were adopted. These documents finally made it possible to begin talking about a "reform". The gist of these concepts was that Ukraine wanted to transform its armed forces into an all-volunteer force organized according to Western models of military organization.

Today there are widely diverging opinions on the question as to what extent Ukraine has been able to implement these plans. Some argue that the Ukrainian armed forces still are little more than a depleted version of the Soviet inheritance, whereas others think that these same forces are now better able to defend the country than they used to be, and that they are able to make significant and qualitative contributions to international operations.

This report concludes that important progress has been made, especially in organizational matters, teaching and to some extent also training. There is, however, much less progress in rearmament. The report also highlights what appears to be the main stumbling blocks for the implementation of reform, such as for example corruption, entrenched Soviet mindsets, and conflicting interests between the military industry and the armed forces and between the Ministry of Defence and the Ministry of Industrial Policy. It is nevertheless important to point out that there is almost no open political resistance from the armed forces themselves to the direction of reform. Here the situation in Ukraine is very different from the one in Russia.

In addition, it seems to be the case that military reform has speeded up after the Orange revolution. The appointment of Anatolii Hrytsenko as Minister of Defence in February 2005 appears to have given the reform new impetus. Still, the basic foundations for reform had been laid before he entered office. His contribution seems to be that of accelerating the tempo and giving a better direction to an already ongoing process.

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Introduction

Ukraine has since its independence in 1991 tried to transform the chunk of the old Soviet war machine that the country inherited into an organization of armed forces fit for the country's security needs. This task was, still is, and for some time to come will be, daunting. The Ukrainians inherited a substantial part of a military organization that had been manned, trained and equipped to fight a major war between superpowers. It was obvious from the start that this inheritance needed change in almost every aspect in order to answer the new security challenges of a poor, medium size power in the east of Europe.

The first ten years of reform are not discussed here. They mostly took place in the form of a bleeding of the inherited structure rather than any serious effort to change it. The very substantial reductions in terms of personnel, and to a smaller extent equipment, that took place were indispensable. However, they happened without any real efforts to change the configuration of the armed forces.

Nevertheless, by 2001 there were a number of indications that military reform might finally be moving beyond the "bleeding" stage. The doctrinal foundation for this development was the 1997 National Security Concept and the 2000 State Program for the development of the armed forces. Both these documents have been followed up by later additions, but they still constitute the best identifiable examples of a definitive break with the Soviet military tradition.

Thus, at the beginning of the new century there was considerable optimism, also among long time critics of Ukrainian defence policy, that the process finally was taking off. In the words of Ukrainian military expert Valentin Badrak, "the ice has broken".¹

As of autumn 2007 the picture of what has come of this new boost to military reform is mixed. For example, the severe reductions in the numbers of servicemen have not been followed up by a proportional severe reduction in redundant hardware. This mismatch is a problem mainly because the excessive hardware still draws considerable funds for guarding and maintenance, and because it remains a proliferation risk. Organizationally much has happened, but much more remains to be done. In terms of training, some units are relatively advanced, in particular the ones which have participated in international operations, but for the rest the level is very uneven. Finally, almost no technological modernization of armaments has taken place.

Perceptions among independent observers about the success of military reform vary greatly. As late as July 2004, Sergei Goncharov, one of the most consistent critics of the pace and direction of

¹ Valentin Badrak, "Dilemmy oboronnoho planirovania", *Defense Express*, 2 February 2002, at <http://www.defense-ua.com/rus/hotnews/?id=8851&prn=yes>. For other relatively upbeat contemporary assessments, see also: James Sherr, "A Fresh Start for Ukrainian Military Reform", *Survival*, vol.43, no.1, Spring 2001, and J. Sherr, "Ukraine: A state of reform", *Jane's Defence Weekly*, 17 July 2002. For a much more gloomy but still contemporary assessment see W. Parchomenko, "Prospects for Genuine Reform in Ukraine's Security Forces", *Armed Forces & Society*, Vol. 28, No. 2, Winter 2002.

Ukrainian military reform, claimed that the Ukrainian military organization in broad outlines was little different from what it had been in 1992, except for the fact that it was much smaller.² In stark contrast to this assessment, Deputy General Secretary of NATO John Colston said in July 2007 that “Ukraine today has armed forces of which it can be proud, because they are much more modern and capable than they used to be. Ukraine is today the only partner country that wants to and is able to make contributions in all NATO missions”.³

This report will proceed in three steps. Firstly, we will give a more detailed overview of the state of military reform. Secondly, we will try to identify the main constraints and catalysts to the process of implementing military reform. Thirdly, we will discuss what role international operations have in Ukrainian military policy. This area seems to be of particular importance to countries that have military cooperation with Ukraine.

The writing of this report was made possible by a generous grant from the Norwegian Ministry of Defence.

² Sergei Honcharov, "Pochti amerikanske gory", *Kievskiy Telegraf*, 9 July 2004.

³ *Defense Express news service*, 10 July 2007, at <http://www.defense-ua.com/rus/news/?id=22990&prn=yes>

1 Status in Autumn 2007

1.1 The personnel

By the end of 2006 the Ukrainian armed forces employed a total of 221 000 people. Of these 165 000 were military, the rest civilian.⁴ By 2011 the total number is supposed to be reduced to 143 000, of which 27 000 will be civilians.⁵ So far, however, these planned figures have not been ratified by the Rada. In its 19 September 2006 meeting to discuss the Defence Minister's plans for reductions, the Rada would only accept a plan which implied a reduction down to 200 000 by the end of 2007.⁶

Under the current conscription regime 91 per cent of the relevant manpower pool is exempt from military service. The conscription system was changed in 2005 so that the duration of the obligatory military service for the male Ukrainians is now reduced from 18 months (24 in the Navy) to 12.⁷ By 2010 all personnel, including soldiers, are supposed to be professionals serving on a contract basis. According to the Defence Ministry's own 2006 White Book, pilot projects have proven that all-professional units perform better and tend to avoid some of the problems that traditionally have marred units staffed with conscripted servicemen, like the abuse of junior recruits (*didivshchyna*). However, The White Book also points out that considerable challenges, in particular the issue of funding, must be met adequately if Ukraine's military is to be completely and successfully professionalized.⁸

One task is to reduce personnel costs as a percentage of total expenditure, another is to change the composition of the officer corps in favour of younger officers. There are indeed plans for a major restructuring of the officer corps. It has long been an acknowledged problem that the large surplus of higher officers blocks career opportunities for younger officers, with the result that many of the latter prematurely leave the service. In 2005 Ukraine had 54 911 officers, of which 0,3% were generals, 50,3% higher officers and 49,4% lower officers. By the end of 2006, the ratio between senior and junior officers was 1,0:1,13, which indicates a positive trend although it still falls short of what the MOD calls the "objective" ratio of 1,0:1,5. By 2011 the planned distribution is 39,5% higher officers and 60% lower officers (the remaining 0,5% being generals).⁹

The personnel costs (salaries, accommodation, and others, including military pensions) have most years since independence claimed more than 80% of the defence budget. This has now slowly

⁴ Ministry of Defence 2006 White Book, p.36. http://www.mil.gov.ua/files/white_book_eng2006.pdf

⁵ Ministry of Defence 2005 White Book, p. 29.

⁶ M. Naiem, "Verkhovna rada vzyala pod kontrol' lichnyi sostav", *Kommersant*, 20 Sept 2006. <http://www.kommersant.ua/doc.html?path=\komua\2006\165\10750277.htm>

⁷ "Defense Ministry drafting Armed Forces' reformation program for 2006-2011", *Ukrinform*, 21 Mar 2005, at http://www.kmu.gov.ua/control/publish/article?art_id=14268636

⁸ Ministry of Defence 2006 White Book, pp.41-44, 65-67.

⁹ *Ibid*, p.13.

started to change, and in the first half of 2006 estimates suggested that this percentage was down to 70 (but this is probably just an indication of the fact that the 2006 budget was the highest so far since independence, rather than an indication of cost cuts).¹⁰ Kiev's current plan is to reduce the corresponding figure for Ukraine to 57.6% by 2011.¹¹

One reason why the pace of personnel reductions is hard to sustain is the Soviet surplus hardware heritage. According to a March 2007 report by the Ukrainian International Centre for Policy Studies "further reductions [*in the number of troops*] are currently being hindered by the need to maintain a large number of troops to protect and service surplus weapons and equipment that are awaiting destruction".¹²

At the same time, the armed forces paradoxically also have a problem of holding on to people. While reducing the overall number, the country simultaneously needs to retain its newly recruited officers and contract soldiers. The best and brightest leave the service, in particular the young, and this is an increasing problem. While there are many reasons for this, low salaries is probably the most important. As of May 2007, a contract soldier earned 1000 Hr (Hryvna) a month, a second-lieutenant 1200 Hr, a lieutenant 1680 Hr and a General 4600 Hr. In comparison, the average wage of an industrial worker in May 2007 was 1402 Hr.¹³

1.2 The Hardware

Very little hardware has been purchased by the Ukrainian armed forces since independence. On the other hand, enormous amounts were inherited from Soviet times. In July 2004, then Defence Minister Yevhen Marchuk claimed that the armed forces possessed two to three times more military hardware than they would conceivably ever need.¹⁴ The discrepancy between the huge reductions in the number of personnel on the one side, and the enormous amounts of surplus hardware on the other side, remains a paradox which is partly due to the fact that much of the hardware is too old fashioned to sell, at least to legal customers, and that it is very costly to destroy.

Figures from 2001 suggest that roughly 50% of the present hardware is so worn down or obsolete that it needs to be replaced. Another 30% is substandard but can still be used, and the rest is of reasonable international standard.¹⁵ Estimates from 2002 indicate that above 80% of warships,

¹⁰ Valentin. Badrak, "Vooruzhennyye sily: ot biudzhet nadezhdy k biudzhetu proedania", *Zerkalo Nedeli*, 23 Oct 2006.

¹¹ D.Sanders (2006), "Ukraine after the Orange Revolution: Can it Complete Military Transformation and Join the U.S.-led War on Terrorism?", pp.16-17.

<http://www.strategicstudiesinstitute.army.mil/pdffiles/PUB736.pdf>

¹² *ICPS newsletter* "Ukraine's Armed Forces: Whither reforms?", 19 March 2007 at <http://newsletter.icps.kiev.ua>

¹³ State statistics committee at <http://www.ukrstat.gov.ua/> and *Defense Express news service*, 29 march 2007, at <http://www.defense-ua.com/rus/news/?id=22185&prn=yes>

¹⁴ Sergei Honcharov, "Strategicheskoe bespokoistvo", *Kievskii Telegraf*, 30 July, 2004.

¹⁵ Sergei Zgurets, "My v takie shali dali", *Defense Express*, 6 Dec 2001, at <http://www.defense-ua.com/rus/hotnews/?id=8809&prn=yes>

half of fixed-wing aircraft, 84% of helicopters, 55-67% of artillery pieces and air-defence systems, 11% of tanks and some 3,500 armoured fighting vehicles required repair and modernisation. The annual wear-and-tear was at the same time estimated at 9%, meaning that no more than 10% of the existing inventory could be upgraded before the end of its service life given the level of military spending at the turn of the century.¹⁶

On the other hand, efforts to buy new hardware are limited. The share of military spending used for procurement is still very low, although it did increase from 3% in 2002 to 6-7% in 2005¹⁷. Moreover, the head of the MOD's procurement department Vladimir Grek emphasizes the enormous discrepancy between the amount of funds presupposed in government reform programmes on the one side, and the amount of funds that are actually allocated year by year on the other. For 2006, UAH 191 million were allocated for procurement, instead of the UAH 440 million promised by the government's reform programme. In stead of the UAH 244 million foreseen by the programme for R&D, only UAH 35 million was allocated.¹⁸ Judging by current experience, one can therefore hardly take for granted that resources freed up through the continuing reduction of personnel towards 2011 will be made readily available for procurement of new materiel.

Since Ukraine has a very significant domestic military industry, it is likely that with enough resources the country will be able to produce most of the new armaments itself. First Deputy Defence Minister Leonid Poliakov thinks that most items can be produced in Ukraine, either by Ukrainian companies alone, or in cooperation with foreign arms producers.¹⁹ This would undoubtedly be the least costly way of rearming, but a fully satisfactory level of rearmament will probably not be possible without some import. Independent expert Sergei Sunhurovskii thinks that imports will eventually become more important than it is today in the rearmament process.²⁰

Another important component of the hardware issue is the disproportionate (over-)capacity of a range of repair- and support functions in the form of enterprises owned by the MOD, the so called "repair-industrial base". As the number of troops were reduced over the first decade of independence, the repair-industrial base was left almost untouched. These enterprises require substantial resources and lay a considerable burden on the MOD's budget, despite the fact that many of them have become irrelevant. In addition to being over-dimensioned, some of the repair capacity owned by the Ukrainian MOD is geared towards hardware which is soon to be phased out, no longer in use or not in use by Ukraine at all. For example, in November 2000 Ukraine, according to then Chief of Staff Shchikidchenko, had only three T-55 tanks, and none of these

¹⁶ J. Sherr, "Country Briefing: Ukraine: A state of reform", *Jane's Defence Weekly*, July 17, 2002.

¹⁷ Ibid; G. Holdanowicz, "Ukraine aims for all-professional armed forces by 2010", *Jane's Defence Weekly*, 9 Mar 2005.

¹⁸ Interview with Vladimir Grek in *Defense Express*, July-Aug 2006, pp19, at <http://www.defense-ua.com/rus/bulletin/?id=20359&.pdf>

¹⁹ Authors' interview with Poliakov, Kiev 19.09.07.

²⁰ Authors' interview with Sunhurovskii, Kiev 17.09.07.

were able to drive or shoot. Despite this fact, Ukraine at that time still had two factories specialising in the repair of T-55 tanks.²¹

As of July 2007, a total of 213 industrial enterprises with a work force of 37 000 people belonged directly to the MOD. These included 43 repair plants for military hardware, 44 building companies, 10 forestry companies, 63 companies for providing supplies to the armed forces, 20 companies for helping redundant officers to find other jobs and conversion to civilian use of military objects, and 53 others of various types.²² The management of these enterprises has been reorganized so that most enterprises are made into subdivisions of one out of five larger enterprises depending on their function (whereas under the old system they were managed by larger military units, even those enterprises only vaguely related to the core activity of these units). These five larger entities are said to be created to make the activity of the MOD's enterprises more manageable and efficient, the focal points of their activities respectively being a) aircraft maintenance; b) vehicle maintenance; c) maintenance of surface-to-air weaponry (Protivo-Vozdusjnaja Oborona) and communications equipment (svjaz'); d) construction of military buildings; and lastly e) military trade and service functions (bytovye predprijatija).²³

The Ministry now aims to rid itself of all enterprises not directly relevant to the armed forces, either by transferring them to more relevant ministries or by privatizing them wholly or partially. The current plan is to reduce the number of companies subordinate to the MOD to 143 by the end of 2007, 103 by the end of 2008, 85 by the end of 2009, 70 by the end of 2010 and finally only 48 in 2011.²⁴ At present only 21,4% of the activity of these enterprises caters to the needs of the armed forces.²⁵

The almost total lack of funding for new weapons and equipment is often lamented as the most serious problem of Ukrainian defence reform. However, it could also be argued that new procurement should be a logical last stage in the reform process, and that it has therefore been a wise decision to postpone this until the other steps of the process have been completed. Several independent analysts have made this point, and Sergei Goncharov even claims that the lack of funds for rearmament has been a blessing in disguise. This is because it has helped to "avoid numerous mistakes (...) that would have been made if the money had been there".²⁶ Similar reasoning also seems to be behind the current decision not to start larger scale purchasing of new equipment until 2010.

²¹ Sergei Honcharov, "Nekrepkii tyl", *Kievskii Telegraf*, 22 Oct 2001.

²² Interview with Vyacheslav Kredisov, *Defense Express*, Mar 2006, and *Defense Express*, 26 March 2007, at <http://www.defense-ua.com/rus/news/?id=22151&prn=yes>

²³ Interview with Vyacheslav Kredisov, *Kievskii Telegraf*, 9 Sept 2005.

²⁴ *Defense Express news service*, 26 March 2007, at <http://www.defense-ua.com/rus/news/?id=22151&prn=yes>

²⁵ *Defense Express news service*, 29 May 2007, at <http://www.defense-ua.com/rus/news/?id=22610&prn=yes>

²⁶ Sergei Honcharov, "Vspomogatelnoe neschatye", *Kievskii Telegraf*, 19 Nov 2001.

1.3 Organization and doctrine

As a direct consequence of the Ukrainian military's heritage, the overall organizational model that was applied since independence was reminiscent of the Soviet model. Much of the massive downsizing took place as a "mechanical liquidation of units", implying that the structure only to a limited extent was reorganized in order to fit the much smaller size (the total number of staff in Ukraine's armed forces is now down to as little as one fourth compared to the same figure in 1992). This is why, as mentioned, there still are disproportionately and unnecessarily many higher officers and generals.

At the top level the complicated distribution of responsibilities between the Ministry of Defence and the General Staff is only now being finalized. A durable and unequivocal solution is necessary, and the reform efforts are welcome because of the proven potential for tension. However, the changes made are arguably not optimal, since they might lead to fuzzy command structures and confusing role shifts between the leaders of the Ministry and the General Staff in wartime. One reason why the defined role shifts are perceived as confusing is that they to some extent are contingent on whether the leaders of the Ministry are civilians or not. If the Minister of Defence is a civilian, it is the Commander-in-Chief of the General Staff who leads the armed forces during wartime, while the civilian minister should see to it that the needs of the armed forces are catered for, as he is in charge of defence politics in general and should not directly steer military units.²⁷ If he is a military, on the contrary, then he leads the armed forces at any time (i.e. in peacetime as well as in wartime).²⁸

Critics are confused by this compromise between the Soviet tradition, in which ministers of defence invariably were generals, and the norms of most NATO countries, according to which ministers of defence are civilian by definition. The compromise is clearly spelled out on paper, but it may be harder to interpret in practice.²⁹ However difficult the transition process may be, subordination of Ukraine's armed forces to a civilian Minister of Defence is probably necessary to slim down the higher end of the officer corps, a measure which for obvious reasons is unpopular among the generals themselves.³⁰ A civilian minister instead of a military one, educated in the Soviet system, even seems to be a *de facto* precondition for a reform process which is coherent with the strategic objectives of NATO membership.

On the operational side a Joint Operational Command subordinated to the Chief of the General Staff has been created. This command is now in charge of all Ukrainian units in peacekeeping operations, and according to plan it will "take over responsibility for any joint deployment — national or international — of the Armed Forces" from 2009.³¹

²⁷ Ministry of Defence 2006 White Book, pp.33.

²⁸ Interview with Deputy Chief of the General Staff, Gen.Lt Palchuk in *Defense Express*, 1 Feb 2002, pp.9-10, at <http://www.defense-ua.com/rus/news/?id=9588>

²⁹ Valentin Badrak and Sergei Zhurets, "Grazhdanskiy General Armii", *Defense Express*, 25 June 2003, at <http://www.defense-ua.com/rus/hotnews/?id=9206&prn=yes>

³⁰ Sergei Honcharov, "Shtabnye igry", *Kievskiy Telegraf*, 12 Nov 2001.

³¹ Ministry of Defence White Book 2006, p.33.

Ukraine's military doctrine envisions three different levels of conflict which the country's armed forces may have to handle: Low-intensive conflict in areas directly bordering on Ukrainian territory, medium-intensive conflict in the form of local wars, and high-intensive regional war. Conflicts of the first category are to be handled by the army's rapid reaction force, conflicts of the second category call for the deployment of all the advanced forces (peredovye sily) including Special Forces, while only regional war would involve full mobilization of the main forces and strategic reserve.³² Today, however, it is questionable whether the Ukrainian armed forces would perform satisfactorily, at least in category two and three. In one of the most optimistic official estimates, Chief of the General Staff Sergei Kirichenko said in April 2007 that by 2011 the armed forces will be able to complete successfully "any task asked of them by the political leadership of the country".³³ Although, as argued in this report, the Ukrainian military does demonstrate significant success in a number of areas of reform, Kirichenko's estimate still seems very optimistic. With almost no rearmament having taken place, and with considerable uncertainty regarding the ability to recruit and keep in service a sufficient number of soldiers of acceptable quality, 2011 might be too soon to declare the transformation over.

In addition to the division into rapid reaction, advanced and main forces, in March 2007 the MOD announced plans to create a Command of Special Forces. These will not be new forces, but an integration of the Special Forces components now under the command of the different services.

1.4 Education and training

In terms of education, the fundamental challenge from early independence and onwards was to alter the Soviet Cold War-minded ideological approach to give the personnel skills relevant to the new context. As an important part of this, Ukrainian military personnel needed to be prepared for cooperation with foreign troops in multinational operations.³⁴ (Ukrainian forces have since independence indeed participated in peacekeeping operations in numerous places.³⁵ Moreover, Ukraine deployed approximately 1,700 troops to the Polish-controlled sector in Iraq in 2003.³⁶ See section below on Ukraine's participation in international operations).

Ukraine's MOD itself emphasizes that several measures are taken to reform and improve personnel skills. Notably, the National Defence Academy has established Multinational Staff Officers' courses, and hundreds of officers are given language training.³⁷ Indeed, some observers

³² Interview with Deputy Chief of the General Staff, Gen.Lt Palchuk in *Defense express*, 1 Feb 2002, pp.1-2, at <http://www.defense-ua.com/rus/news/?id=9588>

³³ *Defense Express news service*, 20 April 2007, at <http://www.defense-ua.com/rus/news/?id=22362&prn=yes>

³⁴ M. Peterson Ulrich (2007), "Ukraine's Military between East and West", pp.12. Strategic Studies Institute report, at <http://www.strategicstudiesinstitute.army.mil/pdffiles/pub778.pdf>

³⁵ Ministry of Defence of Ukraine. *The History of the Armed Forces of Ukraine in Peacekeeping operations*, at <http://www.mil.gov.ua/index.php?lang=en&part=peacekeeping&sub=history#1>

³⁶ R. Woronowycz, "Rada OKs Ukrainian troops for Iraq", *The Ukrainian Weekly*, 8 June 2003, No.23 Vol.71, at <http://www.ukrweekly.com/Archive/2003/230302.shtml>, and "Iraq: Will Ukraine pull out?", *Janes.com*, 12 May 2004.

http://www.janes.com/security/international_security/news/jid/jid040512_1_n.shtml

³⁷ Ministry of Defence 2006 White Book, pp.46.

comment that curricula are ‘increasingly Euro-Atlantic in orientation’ and evaluate positively the Ministry of Education’s accreditation of National Defence Academy qualifications.³⁸ The MOD now recognizes diplomas earned from different countries (also NATO member countries) by Ukrainian servicemen. Alongside changes like these, however, the hesitation to reform nonetheless seems to be a persistent phenomenon leading to the presence of multiple standards and consequent confusion.³⁹ It is tempting to interpret this as a heritage from Ukrainian authorities’ previous tradition of multi-vector foreign policies. In this sense, the more recent (and more credible) declarations of Euro-Atlantic integration as the prime foreign policy objective might be expected to produce a more coherent military educational system if the authorities’ new attitude is sustained over time.

Training has increasingly been prioritized. In 2000, Ukraine spent little more than 1% of its military budget on training, meaning e.g. that military helicopter pilots on average had 10 annual flight hours, while fixed-wing pilots had little more than 20 (equivalent to about 10 per cent of the NATO standard).⁴⁰ In 2005, the number of annual flight hours for the latter had risen to 40–50.⁴¹ In the first half of 2006, the amounts spent on training had increased and constituted some 11 per cent of the total defence budget. This amount, however, falls short of the 25 per cent spent in many other countries, and the total amount spent in 2006 was still far below the planned amount.⁴² Minister of Defence Hrytsenko nonetheless announced that the September 2006 “Clear Skies” exercise included elements that had not been performed by Ukrainian forces in 15 years, such as parachute deployment of armoured vehicles, night-time deployment of airborne forces and air-to-surface fire from helicopters.⁴³ The MOD’s own White Book moreover emphasizes the progress made with the Joint Rapid Reaction Forces in terms of their training level and readiness to take on missions.⁴⁴

2 Constraints and catalysts to reform

As stated in the beginning of this report, since 1997-2001 there has been a serious attempt at military reform in Ukraine. In this second chapter we will discuss the factors (variables) that we think have had the most effect on the implementation of reform. We will structure the analysis loosely according to D. Van Meter and C.E. Van Horn’s model of policy implementation: clarity of standards and objectives, the resources and incentives made available, inter-organizational

³⁸ J. Sherr, “Country Briefing: Ukraine: A state of reform”, *Jane’s Defence Weekly*, 17 July 2002, pp.2.

³⁹ M. Peterson Ulrich (2007), “Ukraine’s Military between East and West”, pp.13.

⁴⁰ J. Sherr, “Country Briefing: Ukraine: A state of reform”, op.cit. p.3.

⁴¹ Valentin Badrak, “Tendentsii. Slukhi o perelome iavno pereuvelicheny”, *Voenno-promyshlennyi kur’er*, 19 Oct 2005.

⁴² Valentin. Badrak, “Vooruzhennyye sily: ot biudzheta nadezhdy k biudzhetu proedania”, *Zerkalo Nedeli*, 23 Oct 2006, and Ministry of Defence 2006 White Book, pp.28.

⁴³ Denis Popovich, “Viktor Yushchenko raport prinyal”, *Kommersant Ukrainy*, 20 Sept 2006.

⁴⁴ Ministry of Defence 2006 White Book, pp.25-28.

relationships, characteristics of the implementation agencies, the economic, social and political environment, and the disposition of the implementers.⁴⁵

2.1 Clarity of standards and objectives

All together, the significant documents developed and adapted in the 1997-2001 period, a number of later decisions by Parliament and President, and also later additions and updates to these documents and decisions, present a reasonably clear set of standards and objectives at the politico-strategic level. Ukraine is to build an all-professional military (with somewhere around 120 000 personnel), modelled as much as possible on current military transformations going on in the West, and designed for future membership in NATO. However, despite this progress in doctrine, it is still questionable whether sufficiently detailed standards and objectives necessary for implementation had been created. One example of non-clarity is uncertainty of future NATO membership, and whether present reform decisions should be made on the premises that this will happen or not. Independent defence analysts Sergei Honcharov and Timofei Poddubnyi provide an example of how this uncertainty might hamper reform implementation. According to these observers, if Ukraine becomes a member of NATO, then maintenance of its present park of MiG-29 and some SU-25 fighter aircraft, with some modernization, will be the most logical decision. This is because Ukraine in the context of an allied defence most likely would need FRS (Fighter/Reconnaissance/Strike) capabilities. Modernised MiG-29s and SU-25s would both function reasonably well as FRS fighters. However, if Ukraine ends up not joining NATO, and the country in a potential future conflict will have to provide its own air defence, then a number of other capabilities would be needed from Ukraine's fighter aircraft, for example ability to strike against targets deep in enemy territory. This would demand very different aircraft, such as for example SU-30MK.⁴⁶ While this dilemma so far has been solved by the fact that all Ukraine at present can afford is a very limited modernization of some MiG-29s at the aircraft repair plant in Lviv, it still illustrates the problem that no specific instruction has been given as to whether implementation should proceed from the assumption that NATO membership will come or not.⁴⁷

However, further efforts to clarify standards and objective have taken place under the leadership of current Defence Minister Hrytsenko. In July 2006 the minister announced that the President had approved a document called *The strategic plan for the use of the armed forces until 2011*.⁴⁸ This document contains seven "types of situations" or scenarios, ranging from peace time rescue operation to conventional war. Such scenarios are often used for detailing defence planning in NATO countries and should be of similar help to Ukrainian defence planners and implementers. After the Orange revolution the new leadership decided on the need for further clarification of

⁴⁵ D. Van Meter and C.E Van Horn, (1975) "The policy implementation process: A conceptual framework", *Administration and Society*, pp.464-472.

⁴⁶ Sergei Honcharov and Timofei Poddubnyi, "Stareiuschchii mech Vozdushnykh Sil", *Kievski Telegraf*, 20-26 May, 2005.

⁴⁷ On the status of MiG-29 modernization, see Andrei Feshchenko, "Kriticheskii ugol ataki – programma modernizatsii boevovo samoleta MiG-29 VS Ukrainy riskuet svalitsia v shtopor", *Defense Express*, May 2007, pp.11-19, at <http://www.defense-ua.com/rus/bulletin/?id=22565&.pdf>

⁴⁸ Denis Popovich, "Siloviki — Ministerstvo oborony prodolzhit sotrudnichestvo s SShA", *Kommersant Ukrainy*, 14 June 2006.

standards and objectives relatively soon after taking over the defence ministry. According to Deputy Defence Minister, Leonid Poliakov, “The very general formulations on the character and degree of threats in the *Strategic Bulletin until 2015* made it very difficult to define concrete figures for force levels and structures [...] We therefore had to concretize the whole spectre of potential threats in the military sphere”.⁴⁹

It should be noted here that even if “the spectre of threats” is now more concretized, debate on the rationale of the armed forces often seems absent or deliberately blurred in Ukraine. There is for example very little debate about what priority territorial defence should have in relation to participation in international operations. The ideas of what tasks the armed forces should be able to perform are mostly based on general ideas about the types of challenges that any state might encounter, and not on what challenges that are most relevant to Ukraine. In terms of Ukraine’s neighbourhood this approach probably makes a lot of political sense, but it has the effect of making the defence debate unspecific in character.

2.2 Resources and incentives made available

No military organization anywhere in the world is likely to say that it has sufficient resources to implement reforms. In the case of Ukraine, however, there is strong evidence to suggest that this is more than just officers screaming for more money out of habit. The lack of adequate resources is the single most often mentioned cause for non-implementation of the military reform by the Ministry of Defence, military officers and independent analysts alike. The problem has four main dimensions: the low level of budgetary assignments to national defence in the state budget, the discrepancy between money promised and money actually transferred, the system of money transference itself, and the division of funding into a general fund and a special fund.

As can be seen from figure 1 below, military expenditure as a percentage of GDP has varied between 1,21% and 1,56% in the period studied in this report. *The Military Balance 2007*, calculating slightly differently from the sources applied to aggregate figure 1, puts the Ukrainian military expenditure in 2005 at 1,9% of GDP. In comparison, the NATO Europe average for that year was 1,8%, and the CIS average was 3,4%. Russia has for many years spent between 2,6 and 2,8 % of GDP on the military.⁵⁰ In the CIS, only Kazakhstan (1,3% of GDP) spent less on the military as a percentage of GDP than Ukraine.⁵¹ Thus, Ukrainian military expenditures are comparable to some NATO Europe expenditures, but significantly lower than the expenditures of the other CIS countries, all of which are faced with military transformations of more or less similar magnitudes.

⁴⁹ Leonid Poliakov, “Armiia v liubykh usloviakh vypolnit zadachi po zashchite suvereniteta Ukrainy”, *Defense Express*, June 2005, pp.22-23, at <http://defense-ua.com/rus/bulletin/?id=17190&.pdf>

⁵⁰ Alexei Arbatov, *Russian Military Policy Adrift*, Carnegie Moscow Centre Briefing, Issue 6, Vol. 8, November 2006, p.2.

⁵¹ *The Military Balance*, pp.407-408, at <http://dx.doi.org/10.1080/04597220601167781>.

Figure 2.1: Ukrainian military expenditure 2000-2008

Year	2000	2001	2002	2003	2004	2005	2006	2007	2008
Budget appropriation in bill. H	2,3983	3,5655	3,6940	4,4484	5,5039	5,9257	7,6049	8,7800	14,0000?
Actually received in bill. H	2,0640	3,0298	3,0703	4,1673	5,1588	6,0581	6,4048		
GDP in bill. H	170,10	204,20	225,8	267,3	345,1	441,5	537,7		
Actually received as % of GDP	1,21%	1,48%	1,36%	1,56%	1,49%	1,37%	1,24%		
Actually received as % of budget appropriation	86%	85%	83%	94%	94%	102%	84%		

Sources: *Bila Kniha (Defense White Book) 2005*, *Bila Kniha (Defense White Book) 2006* both at http://www.mil.gov.ua/index.php?part=white_book&lang=ua; Institute for Economic Research and Policy Consulting, *Monthly Monitor No.82, August 2007* at http://www.ier.kiev.ua/English/MEMU/2007/memu2007_eng.cgi; and Valentin Badrak, "Vooruzhennyye sily: Ot biudzheta nadezhdy k biudzhety proedannia", *Zerkalo Nedely*, 23-29 September 2006.

One logical response to the limited funds problem could of course be for the MOD to scale back ambitions to match the level of funds that the country's political leadership is willing to spend on the military. The MOD is currently trying to do this mainly by reducing the number of people on the pay roll, but it is doubtful that the money saved in this way will be enough to pay for the processes of getting rid of the large stocks of unusable armaments and investing in new ones. In July 2007, however, Defence Minister Hrytsenko said that he had been given the task to prepare for a defence budget for 2008 at 14 billion H.⁵² If this figure should survive through the budgeting process, that would mean a nominal increase in military expenditure of 37% from 2007 to 2008. Annual inflation in Ukraine is currently between 8 and 10%. Although the actual amount of money received in 2008 is likely to be much smaller, both because the 14 billion figure is likely to suffer in the budgeting process, and because there still is a danger of *nedoplaty* (actual money received is smaller than budget appropriation), this piece of information at least suggests that there is now a heightening of the political willingness in some political camps to spend on defence.

In spring 2007 a campaign was initiated by the government and parliament to oust Minister of Foreign Affairs Tarasiuk, and Minister of Defence Hrytsenko from the government (the Minister of Foreign Affairs and the Minister of Defence are both appointed to their offices directly by the president). At the same time budgetary funds allocated for defence were not transferred according

⁵² *Defense Express news service*, 2 July 2007, at <http://defense-ua.com.ru/news/?id=22916>

to schedule, and many observers saw the delays as part of the campaign against Hrytsenko. If he did not get money, he would not be able to progress with reform, and it would be easier to argue that he was not suitable for the job. Hrytsenko himself was also convinced that this was the case and angrily told *Kommersant-Ukrainy* that “financial transfers are now in reality blocked,..., and this is the work of the prime minister and the minister of finance”.⁵³ However, the campaign only managed to oust Tarasiuk, and one year later things had improved considerably. In May 2005 the same Hrytsenko could report that “independent of the political turmoil, the armed forces are financed without interruption. For this I am grateful to the finance minister”.⁵⁴

Hopefully this new situation will also help to alleviate the third problem on the financial side of reform implementation, the uneven and illogical spread of the financial flows throughout the budget year. For example, in 2005 budget transfers in the first quarter were 965 million hryvna, whereas in the last quarter they were 2,324 billion hryvna. This system has made it very difficult for the ministry to meet running costs, to live up to contract obligations, and especially to spend allocated money rationally. Consequently, a 2006 Accounts Chamber report stated that in 2005 only 13% of allocated funds had been used rationally, and only 1% had gone to purchasing new arms.⁵⁵

Still, it is now a discernible trend that the actual allocations at least are increasingly in line with the government’s official annual budgets (i.e. the budgets tend to be more realistic), which *per se* is welcome. However, this still does nothing to fill the gap between the actual spending and long-term reform programme, which jeopardizes the credibility of the latter. This gap moreover imposes substantial extra costs on the MOD in the form of penalty payments since the resulting lack of funds renders the Ministry incapable of complying with contractual commitments (which in many cases necessarily are of a long-term character and therefore depend on a realistic and reliable overview of future funding) to hardware manufacturers.⁵⁶

Another problem is made up by the division of military funding into general funding (from the state budget) and special funding. The special funds come from the sale of military property to private hands, and in every state budget the government has calculated that a certain amount of money will come from these sales. This figure has then been taken into account in decisions on the budget assignment for the military. As could be expected, for a number of reasons, significantly less money has been generated by these sales than the government had estimated. Furthermore, the special fund is directly connected to many military housing projects and arms acquisitions. Thus, these programs have often been stalled for long periods of time. For example, in September 2006 the government decided to freeze all sales of military property because of accusations of corruption in the sales process. This ban on sales lasted until August 2007, and

⁵³ Denis Popovich and Aleksandr Khorolskii, “Oboronosposobnosti otkazali v potrebnostiakh”, *Kommersant-Ukrainy*, 31 July 2006.

⁵⁴ *Defence Express news service*, 31 May 2007, at <http://www.defense-ua.com/rus/news/?id=22645&prn=yes>

⁵⁵ Bohdan Bortakov, “Hrytsenko drazniat dengami”, *Delovaia Stolitsa*, 10 April 2006.

⁵⁶ *Ibid.*

according to Minister of Defence Hrytsenko the resulting underfinancing of the special fund made up 2 billion Hr.⁵⁷

In February 2007 the MOD demanded direct control over these sales, in an effort to secure a more steady flow of money into the special fund.⁵⁸ Until then these sales had been administered by the State Property Fund. President Yushchenko said in May 2007 that it was a priority to stop the special fund system and have the armed forces receive all funds directly through the state budget.⁵⁹

In general, even allowing for the natural tendency of any bureaucratic structure to cry for more money, it seems fair to say that insufficient resources has been the most important hindrance for reform implementation. Still, it must also be said that the Ukrainian Minister of Defence has seldom been more positive and optimistic on this account than in the autumn of 2007. This has its background in the improvements in the regularity of the transfer of funds and political signals of increased willingness to spend more on the military, and probably also in the fact that Ukraine is experiencing a relatively solid economic growth. However, it should also be noted that the improvements in transfers and promises of more money come in a pre-elections period. The real test will therefore be whether the positive tendencies and statements survive into the post-election period.

2.3 Inter-organizational relationships

There are a number of agencies besides the MOD and its military organization that are able to affect the progress of military reform, and the military's relations with them are therefore of direct importance to implementation. The most important of these are the military industry (OPK), the Ukrainian Security Service (SBU), and the Ministry of the Interior (MVD). Relations between these four agencies have at times, both for political reasons and because of conflicts of interest, been tense.

Tensions between the military and the OPK is a tradition that goes back to Soviet times, and it is also known from other countries with large domestic military industries. Different conceptions and conflicts of interest between the military and the OPK have survived also into the post-Soviet period. For example, in 2001 Sergei Honcharov claimed that the decision to purchase 60 Antonov-70 transport planes for the Ukrainian air force was a direct result of industrial lobbying of the government, and in total contradiction with the plans for reform of the air force. The latter's plans for increased flying hours for the pilots were put in jeopardy because of the large amounts of money that the Antonov-70 plans would demand.⁶⁰

⁵⁷ *Defense Express news service*, 28 August 2007, at <http://www.defense-ua.com/rus/news/?id=23308&prn=yes>

⁵⁸ *Defense Express news service*, 28 February 2007, at <http://www.defense-ua.com/rus/news/?id=21979&prn=yes>

⁵⁹ *Defense Express news service*, 8 May 2007, at <http://www.defense-ua.com/rus/news/?id=22461&prn=yes>

⁶⁰ Sergei Honcharov, "Vspomogatelnoe neschastie", *Kievskii Telegraf*, 19-25 November 2001.

Another example is the efforts to change the relationship between battleships and support vessels in the Ukrainian navy. In 2003 there were 2,6 support vessels for every battleship. Honcharov claims that for a country like Ukraine, with limited naval ambitions mainly focused on operations close to home, the normal relationship should be 0,5 to 1 support vessels for every battleship. However, such a reorientation was resisted by the naval branch of the OPK because its production profile was better suited for the construction of support vessels than for battle ships.⁶¹

In the spring of 2007 the Ministry of Industrial Policy presented a plan called the Strategy for the development of the military industry. According to one report, “the Strategy is created with maximum consideration to the possibilities and priorities of the defense industry, and minimum consideration for the needs of the armed forces. This is even admitted by the Ministry of Industrial Policy itself, which states that about 90% of the military industry [in the future] will have to survive on export contracts”.⁶² Thus, if this plan is implemented, it becomes very questionable whether Ukraine will be able to enjoy the benefit it thought it had of being able to produce much of the hardware for modernization itself. A military industry that is almost exclusively focused towards export markets will most likely not be able to simultaneously produce many of the weapon systems and components that the Ukrainian armed forces need. Ukraine might then have to import these items at much higher costs than would have been the case if they were produced domestically, and this could seriously slow down the rearmament process. With regard to rearmament, conflicting views between the MOD and the Ministry of Industrial Policy are one of the greatest problems.

A more positive example, however, is the very close cooperation that has developed between the main Ukrainian arms exporter *Ukrspetsexport* and the MOD. Funds from arms sales are now used to provide technological upgrades to among other things MiG-29s and S-300 air defense systems. Both *Ukrspetsexport* and MOD officials are very positive towards this cooperation.

With regard to the SBU and the MVD, Honcharov argues that the “battle for resources and cadres between the different ‘militarized agencies’ becomes more and more aggressive every year”⁶³ To give one example, in 2004 the system for distribution of conscripts was as follows: the MOD was responsible for calling conscripts in for duty, and for allocating them to itself and the other agencies. This should be done according to the following list of priority: (1) SBU, (2) National Guard, (3) Armed forces and (4) MVD.⁶⁴ This system obviously was a recipe for inter-agency conflict. The MOD was accused, rightly or wrongly, of prioritizing itself in complete disregard of the priority list. It is not clear to what extent this system is reformed as of the autumn of 2007.

The existence of parallel militarized structures has on occasion naturally also led to disputes over what functions that should be covered by which service. When Oleksandr Kuzmuk became

⁶¹ Sergei Honcharov, “Vyshaia stepen negotovnosti”, *Kievskii Telegraf*, 13-20 July 2003.

⁶² Valentin Badrak and Sergei Zgurets, “Strategii pretknovenia”, *Defense Express news service*, 8 June 2007, at <http://www.defense-ua.com/rus/hotnews/?id=22704&prn=yes>

⁶³ Sergei Honcharov, “Poluvoennoe reformirovanie”, *Kievskii Telegraf*, 6-13 July 2003.

⁶⁴ Sergei Honcharov, “Parallelnaia armia”, *Kievskii Telegraf*, 16-22 April 2004.

Defence Minister in September 2004, it only took a few weeks before he engaged his agency in a quarrel with the SBU on which agency that should be in charge of military counter intelligence.

Thus, from the examples above it seems fair to claim that inter-agency disagreements and conflicts of interest have been one cause for implementation problems in military reform in the period under investigation. It is of course not possible to quantify the effect of this variable, but there is reason to suspect that it has been significant. Little information is available on whether things in this realm have improved or not after the Orange revolution. During the events of December 2004 and the beginning of 2005 the SBU and the military came down on the side of the Orange forces, whereas the MVD was in support President Kuchma and Prime Minister Yanukovich. However, this seems largely to have been the result of the personal sympathies of the respective leaders of those agencies at the time, and not a reflection of any systematic differences of opinion among the agencies as such. There is little evidence to suggest that the Orange revolution itself had any significant impact on inter-agency relations in the security sphere.

2.4 The economic, social and political environment

Since military reform apparently is a topic of relatively limited interest to Ukrainian public opinion, this section will mostly focus on the relations between the armed forces and the Rada and between the armed forces and the two branches of the executive (government and president).

Under Kuchma's period as president there was a struggle for control over the armed forces between the President and the National Security and Defence Council on the one side and Verkhovna Rada (the Parliament) on the other. Kuchma in 1996 (temporarily) ended the struggle by subjecting all law enforcing agencies to his authority. Moreover, the military was given the right to intervene in the country's domestic politics.⁶⁵ The struggle between the branches of power over the armed agencies has since been looming during several political stalemates, most famously when protesters refused to accept the outcome of the regular rounds of the 2004 presidential elections (what became known as the Orange Revolution).

According to James Sherr, who has been a consultant to NATO on the Ukrainian military, "whereas the *Verkhovna Rada* allocates funds, it is regularly at odds with executive structures. As a result, it does not approve projects of defence reform, and it has generally been shut out of the process. To date [July 2002], this process has moved forward by combining presidential decrees, military resourcefulness, the pressure of non-governmental organisations and the moral and material support of NATO".⁶⁶ There are probably a number of reasons for the somewhat non-constructive behaviour of the Rada with regard to military reform. Compared to many other political issues, military reform has been very low on the political agenda in Ukraine. There has

⁶⁵ O. Strekal (1997), "Civil Control over the National Security Policy-Making Process in Ukraine", research paper prepared in the framework of NATO Democratic Institutions Fellowship, at <http://www.nato.int/acad/fellow/95-97/strekal.pdf>

⁶⁶ James Sherr, "Ukraine: A state of reform", *Jane's Defence Weekly*, 17 July 2002.

also been a lack of expertise on military matters in the Rada. These facts have at times had the effects either that military reform for long periods has been ignored or, that it has been included as political ammunition in political fights in the Rada. It has also had the effect that for long periods it has been left to the military themselves to prepare the concepts and documents for reform. None of these effects have been very positive for the progress of reform. Since the parliamentarians themselves have been absent from the process of preparing reforms, they have also been less willing to fund these reforms.

There are, however, indications that relations have improved between the reform implementers and the Rada after the Orange revolution. In September 2005 Deputy Defence Minister and head of finances in the MOD, Viacheslav Kredisov, praised the very productive and cooperative relationship that had recently developed between the MOD and the Rada committee on national security and defence under the leadership of Communist deputy Georgii Kriuchkov.⁶⁷ In general the Rada is probably more likely to help implementation of reform in periods when new elections are far away. During campaign periods these issues have a higher chance of becoming tangled up in political struggles that have little to do with defence.

The issue about the number of troops has been one of the main bones of contention between the MOD leadership and the Rada, as it has been between the MOD leadership and the generals. Then Defense Minister Yevhen Marchuk, in June 2004 deplored a Rada refusal to accept further troop reductions and said it would more or less completely halt the reform process.⁶⁸ The same problems have also been encountered by the Defence Minister Hrytsenko. In September 2006 he was unable to get the Rada to commit to reductions more radical than 200 000 by the end of 2007. The opposition to his proposals came from different political camps. For example, former Minister of Foreign Affairs and pro-Western politician Hennadyi Udovenko said that he thought Hrytsenko's plans for reductions down to 120 0000 would reduce Ukraine to a pacifist country similar to Costa Rica.⁶⁹

Lately the Rada has also taken a somewhat greater interest in the issue of sending Ukrainian troops abroad. This development was quite naturally instigated by the deployment of Ukrainian troops to Iraq. The Iraq deployment was always politically controversial in Ukraine, and the withdrawal of Ukrainian troops from Iraq was one of the election promises of President Yushchenko. All Ukrainian troops were withdrawn from Iraq after the Orange revolution. As a way of increasing parliamentary influence on the issue of sending troops abroad, the Rada in November 2005 adopted a new law whereby it granted itself the right to initiate withdrawals of troops abroad.⁷⁰ The last word in such matters is still with the president, but the new law indicated a desire by the parliamentarians to be more involved in this issue.

⁶⁷ Interview with Kredisov in *Kievskii Telegraf*, 9-15 September 2005.

⁶⁸ Interview with Marchuk in *Den*, 16 June 2004.

⁶⁹ Mustafa Naiem, "Verkhovna rada vsiala pod kontrol lichnii sostav", *Kommersant Ukrainy*, 20 September 2006.

⁷⁰ Denis Popovich, "Minoborony i Rada soshlis v miortvorcheskikh operatsiakh", *Kommersant Ukrainy*, 4 November 2005.

Ministers of Defence of Ukraine:

Konstantin Morozov (military)	September 1991 – October 1993
Vitalii Radetskii (military)	October 1993 – August 1994
Valerii Shmarov (civilian)	August 1994 – July 1996
Oleksandr Kuzmuk (military)	July 1996 – November 2001
Oleksandr Shkidchenko (military)	November 2001 – June 2003
Yevhen Marchuk (military – SBU)	June 2003 – September 2004
Oleksandr Kuzmuk (military)	September 2004 – February 2005
Anatolii Hrytsenko (civilian)	February 2005 -

In addition, there seems to be broad agreement among observers that at least Oleksandr Shkidchenko did a reasonable good job as Minister of Defence in moving reform forward. There is less agreement on the legacies of Oleksandr Kuzmuk and Yevhen Marchuk. Shkidchenko was generally characterised as professional and uncorrupted, but maybe not able enough in his manoeuvres in the political field. Kuzmuk was often criticised for being uninventive and a man of the old ways. However, there are also independent commentators who have pointed to considerable progress under Kuzmuk. There is little doubt, however, that in the crucial and controversial issues of number of troops and degree and speed of professionalization, Kuzmuk held and continue to hold relatively conservative views. Marchuk was often seen as a strong promoter of cooperation with NATO and for the westernization of the Ukrainian military. He was also very able at playing the political game, but may at times have gotten too involved in this. Beyond these relatively general characterizations, however, it is difficult to quantify the effects of the efforts of these three ministers in pushing the implementation of military reform.

The Orange revolution brought Anatolii Hrytsenko to the post of Defense Minister. Hrytsenko had for some time during the 1990s worked in the presidential administration, but in 1995 he left this job, together with several of his colleagues, including Oleksandr Razumkov, in protest against authoritarian tendencies in the Kuchma regime. This group of defectors from the regime established the independent Razumkov centre. Hrytsenko and present First Deputy Minister Leonid Poliakov focused their research efforts on the issue of military reform and gradually became a Ukrainian “intellectual opposition” on this particular issue. Their research was a mix of analysis of the state of affairs and suggestions for ways forward. Thus, when Hrytsenko became minister in February 2005, it was in reality the military opposition that came to power.

2.5 Disposition or response of implementers and implementing agencies

The implementing agencies of military reform are the MOD and the different units within the armed forces. Potentially many of the characteristics of these agencies might have an effect on the implementation of military reform. Three stand out as being of particular importance. Firstly, the extent to which implementers themselves are interested in and willing to fight or sabotage implementation directives on the grounds of professional or ideological disagreement. Secondly,

to what extent parochial interests among implementers make them halt, slow-track or in other ways inhibit implementation. And thirdly, to what extent entrenched mindsets or existing military culture make implementers unconsciously resist or misinterpret implementation decisions received from above. This point is different from the first in that hindrance of implementation is not a result of active and planned opposition, but rather that “taken for granted” axioms pervert or wrongly readjust the meaning of implementation initiatives.

2.5.1 Degree of professionally or politically motivated opposition from the military

Since independence the Ukrainian military has largely stayed away from politics. During the 1990s it became a truism that the Ukrainian military simply lacked political clout, also in matters such as foreign, security and even defense policy. This state of affairs was in relatively stark contrast to the one in Russia, where the military not only was very vocal on a large number of policy issues, but also had a significant number of officers or retired officers seek political office. It can be argued that the relationship between the political and the military leaderships in Ukraine in the post-Soviet period was characterized by the political leadership largely letting the military to fend for themselves. In return for this favour, the military had to regularly produce documents of intention that were rarely followed up in practice, but at least gave the impression that something was happening. That state of affairs, however, is most characteristic of the early post-Soviet period. The direction of reform that was hammered out in the years 1997-2001 significantly changed the role of the military from “makers of insignificant strategic documents” to implementers of politically produced reform initiatives from above. Still, as argued under 2.1, the remaining level of ambiguity in the strategic documents left a substantial degree of policy making to the military top brass. The higher level of detailing that the post-Orange revolution leadership has tried to insert into the strategic documents has, however, probably forced the military leaders even further towards a purely implementing role.

Nevertheless, this state of affairs does not mean that all Ukrainian officers agree on the direction of reform. There is a considerable level of grumbling in the corridors and mess halls. However, according to retired officer and now independent expert Sergei Sunhurovskii, very few of those who grumble are able to produce any other convincing vision for reform.⁷¹ Thus, there are no alternative programs around which to organize any internal opposition.

There is nevertheless one issue on which even the politically timid Ukrainian military has decided to speak out in public, and that is the issue of the numbers of troops. There was in the 1990s a rough agreement between the generals and the political leadership that because Ukraine was a non-allied state with very limited resources to rearm, this fact had to be compensated for by a relatively large number of troops. From around the year 2000, however, this assumption came under attack, especially by a group of civilian military experts. This group gradually managed to convince a majority in the political leadership of the need for substantial troop reductions. As a consequence of this development, then Minister of Defence General Oleksandr Kuzmuk felt he had to fight back against the experts. He said that the deep cuts in personnel proposed by what he

⁷¹ Authors’ interview with Sunhurovskii, Kiev 17.09.07.

called the “so-called strategists” would be a very risky move that he in no way could support.⁷² Kuzmuk later more or less loyally followed up political decisions for troop reductions, but this did not necessarily mean that he agreed with them.

This conflict has persisted into the post-Orange revolution period. As stated earlier in this report, in September 2006 Defence Minister Hrytsenko failed to get the Rada to accept a reduction in the total number of people employed in the armed forces down to 143 000 by 2010. In February 2007, then Chief of the General Staff Anatolii Lopata, in line with Kuzmuk and others among the top brass, stated that “for us, to have less than 250 000 people in the armed forces, is a disgrace, given our low level of armaments”.⁷³ Later Lopata added that this was not only a question of money. He declared that he saw military service not only as being about filling up a military organization, but that it was also an important means to educate the younger generation, especially those who come from villages. According to Lopata, “if we construct a 100% contract army, we will for ever tear the military organization away from the people”.⁷⁴ Except from the number of troops issue, however, public opposition from the military against reform decisions made by the political leadership has not been much of a problem.

2.5.2 Parochial interests and corruption as an impediment to implementation

A more serious implementation problem comes from implementers’ tendency to be motivated by parochial interests that have led them to sabotage, alter, or slow-track the implementation of reform initiatives. According to Sergei Honcharov, “the political leadership has not been faced with military opposition, but with a demoralised officer corps that for a long time expected nothing good from above, but tried to survive on the commercial exploitation of military property”.⁷⁵ We are here talking about motives ranging from trying to avoid the inconveniences of organizational change to plain corruption. This type of implementation problems can be found within most spheres of military activity, but for natural reasons they have been particularly concentrated in the area of privatization of military property.

The Ukrainian military inherited a very large number of military camps and other facilities. Their gradual privatization has proceeded throughout the post-Soviet period, but by August 2007 the MOD still owned 1932 camps and other military facilities with a total of more than 40 000 buildings. The plans for 2007 are to sell as little as 23 of these camps and facilities.⁷⁶ The large possibilities opportunities of lining private pockets with money from these sales have been a source of conflict within the military. It seems safe to assume that preoccupation with the privatization issue has often taken attention and energy away from the implementation of reform.

⁷² Walter Parchomenko, “Prospects for Genuine Reform in Ukraine’s Security Forces”, *Armed Forces & Society*, Vol. 28, Winter 2002, pp.279-308.

⁷³ “Ykrainskia armia dolzhna imet 250 000 chelovek, schitaiut v BCY”, *Glavred*, at <http://www.glavred.info/print.php?news=archive/2007/02/20/1309>

⁷⁴ *Defense Express news service*, 20 February 2007, at <http://www.defense-ua.com/rus/news/?id=21901&prn=yes>

⁷⁵ Sergei Honcharov, “Oboronnyi tupik”, *Kievskii Telegraf*, 27 August – 2 September 2004.

⁷⁶ “V 2007 g. iz sfery minoborony peredano 23 voennykh gorodka”, *Defense Express news service*, 15 August 2007, at <http://www.defense-ua.com/rus/news/?id=23183&prn=yes>.

One source claims that “privatization-commercial interests” probably has been the main source of conflict and friction within the military organization.⁷⁷ To give one example, then President Kuchma in June 2003 ordered the Ukrainian fleet to vacate its base in Balaklava on the Crimea. However, according to Sergei Honcharov, this decision was simply ignored by the military leadership, most likely because they were reluctant to abandon such a valuable property.⁷⁸ They probably hoped to be able to sell the premises later in a more covert fashion and take out a personal dividend in the process.

Another area that also lends itself to this problem is the support and maintenance services. After becoming Minister of Defence in early 2005, Anatolii Hrytsenko almost immediately started a campaign to clean the organization of corrupt officers. The first wave of dismissals came on 25 March, when 10 officers (from general to colonel) and civilians were removed from duty under suspicion of large scale corruption. Eight of them had worked either with the administration of military property or in the support and maintenance services.⁷⁹ After the Orange revolution there have also been changes of regulations in the system of military purchases of civilian goods and services. Earlier the MOD had 24 different tender committees, and there were strong suspicions that members of these committees were regularly bribed to accept purchases unfavourable to the armed forces. The new MOD leadership reduced the number of tender committees to four, in an effort to make the system more transparent and therefore less easy to exploit for corrupt individuals.⁸⁰ So far, however, little seems to have changed for the better in this sphere. Minister of Defence Hrytsenko angrily stated in August 2007 that he as minister “even with funds ready is not able to purchase fuel for our planes. This is because the sphere of state purchases is in fact paralysed and corrupted”.⁸¹

A third area where corruption has been a particular problem is the Ukrainian participation in peace keeping missions. This probably has to do with the fact that there is more money around than at home, and possibly also that control might be more lax or more difficult to conduct abroad. The September 2005 decision to withdraw the Ukrainian contingent from Lebanon and not to renew the engagement was probably at least partly caused by a major corruption scandal within that operation.⁸²

There have been serious efforts to fight back corruption among the military. For example, General Prosecutor Sviatoslav Piskun tried both in 2003 and in 2005 to abolish the system of

⁷⁷ “Vtoroe prishestvie”, *Defense Express news service*, 24 September 2004, at <http://www.defense-ua.com/rus/hotnews/?id=14339&prn=yes>, and Denis Popovich, “Ministerstvo oborony otchitalos po zloupotrebleniam”, *Kommersant Ukrainy*, 16 November 2005.

⁷⁸ Sergei Honcharov, “Oboronnyi tupik”, *Kievskii Telegraf*, 27 August – 2 September 2004.

⁷⁹ “V otnoshenii desiati chinovnikov minoborony nachaty sluzhebnye rassledovania”, *Defense Express news service*, 28 March 2005, at <http://www.defense-ua.com/rus/news/?id=16229&prn=yes>

⁸⁰ Interview with Viacheslav Kredisov, *Defense Express*, No.3, March 2006, p.41.

⁸¹ *Defense Express news service*, 23 August 2007, at <http://www.defense-ua.com/rus/news/?id=23282&prn=yes>

⁸² Denis Popovich, “Ukraintsy osvobodiat Livan ot svoievo prisutstvia”, *Kommersant Ukrainy*, 26 September 2005.

military prosecutors.⁸³ As in Russia, these military prosecutors are officers that depend on the military organization they are set to investigate for everything from salary and rank to housing. The system thus creates ample opportunities and incentives to put pressure on the prosecutors not to investigate this or that case. Piskun wanted to replace the military prosecutors with a team of civilian prosecutors that would deal only with military matters and also receive the necessary security clearance. However, his efforts met with fierce resistance from the officer corps and did not get the necessary backing from the political leadership.

After the Orange revolution, Defence Minister Hrytsenko has fought corruption both by putting more officers under investigation than ever before, and by trying to make financial transactions and routines more transparent than before. In September 2006, however, he complained that despite sending over to the General prosecutors office hundreds of cases of documented corruption and other misdeeds, “to my great regret, not one official of the MOD, nor any colonel or general that figures in these documents has been held accountable for his deeds and is therefore now serving time behind bars”.⁸⁴ The behaviour of the General prosecutor in this respect therefore seems incoherent. On the one hand the General prosecutor tries to improve working conditions for those that are set to investigate crime in the forces, on the other hand his office seems very reluctant to open cases against those that have been investigated and where charges are ready.

2.5.3 Entrenched mindsets and military culture as an impediment to implementation

In a rather pessimistic assessment of his colleagues’ ability to implement military reform based on politically adopted doctrines and concepts, Ukrainian Lieutenant Colonel Oleksandr Kolisnichenko, in 2004 claimed “it should not surprise anyone, that the armed forces pay only lip service to the Concept (*the 1997 National Security Concept*) when developing plans for force structure and reform.”⁸⁵ Two issues stand out as particularly important in this respect – the reluctance to leave the Soviet mental and ideational inheritance and Soviet military culture.

In a 1999 survey of Ukrainian officers, a majority said that they thought of the Ukrainian armed forces as a modified version of the Soviet armed forces,⁸⁶ and British expert James Sherr has maintained that the military leadership of independent Ukraine “continued to nurture a number of Soviet principles and prejudices about security and war, plainly at variance with Europe’s transformed security environment”.⁸⁷ Similarly, one of the main architects behind Ukrainian defence and security policy, Volodymyr Horbulin, admitted as late as December 2005 that despite progress in reforming the Ukrainian military according to more Western standards, “the organization is nevertheless internally dominated by a post-Soviet mindset. In content this

⁸³ Andrei Kuzmin, “Voennye prokurory meniaiut tsvet”, *Kommersant Ukrainy*, 26 August 2005.

⁸⁴ *Obozrevatel*, 3 September 2006, at <http://www.obozrevatel.com/index.htm>

⁸⁵ Oleksandr Kolisnichenko, 2004, *Military Reform in Ukraine*, USAWC Strategy Research Project, U.S. Army War College, Carlisle Barracks, Pennsylvania, p.6, at

<http://stinet.dtic.mil/oai/oai?&verb=getRecord&metadataPrefix=html&identifier=ADA424058>

⁸⁶ Anatolii Pavlenko, “Voiennaia demokratia ili o kadrovyykh problemakh reformirovaniia armii”, *Defense Express news*, 1 October 2003, at <http://www.defense-ua.com/rus/news/?id=10784&prn=yes>

⁸⁷ James Sherr, “Ukraine: A state of reform”, *Jane’s Defence Weekly*, 17 July 2002.

mindset is much closer to the Russian, or even Soviet mindset than to the mindsets of NATO countries”.⁸⁸

As for the Soviet military culture, Anatolii Pavlenko sees some of its most disturbing effects on current military reform to be absolute subordination to your immediate superior, ability to hide your own points of view and the tendency to adapt to present conditions rather than to change them.⁸⁹ All of these cultural norms will be problematic for an organization that needs to change itself. Still, a new generation of more modern officers is now slowly taking office, including some in high office. Valentin Badrak mentions in particular the Generals Leonid Holopatiuk and Valerii Muntian as representatives of these new “Western” types of officers.⁹⁰ Many Ukrainian officers have returned for duty after military education in the West. Thus, the dominance of the mindsets and cultural traits discussed here might slowly be eroding. This, however, depends on the Ukrainian military’s ability to hold on to the new generation of officers, which is already today a big problem. Under current conditions the best and brightest can easily find better paid jobs elsewhere. Unless modern minded officers become a numerically significant force, the old Soviet mindset might continue to dominate and even partly renew itself.

2.6 Implementation example: The disposal of surplus munitions from Soviet times

A major precondition for a successful transformation of the Ukrainian armed forces from a post-Soviet relic to a modern fighting force is that the country gets rid of the incredible amounts of surplus munitions left over from earlier days. As of August 2007, according to MOD sources, there is an estimated 1,4 million tons of surplus munitions in need of destruction, stored at 154 different locations around the country.⁹¹ In addition, this number will rise with more munitions reaching their expiration date in the years to come. The MOD has estimated that the total amount that has to be destroyed by 2018 is 2,47 million tons.⁹² Under the system chosen for destruction, private or state industry receives munitions from the MOD, converts what can be converted into other valuables, and destroys the rest. Contracts between the MOD and the industry are signed with the winners of tenders for each destruction/utilization assignment.

Defence Minister Marchuk in 2005 estimated that as much as 2.5 million tons of munitions were stored in deposits designed to store far smaller quantities.⁹³ Empirically well-founded fear of

⁸⁸ Volodymyr Horbulin, “Perevooruzhenie vooruzhennykh sil Ukrainy i strategiya sderzhivania”, *Defense Express*, No. 12, December 2005, p.5, at <http://www.defense-ua.com/rus/bulletin/?id=18639&pdf>

⁸⁹ Anatolii Pavlenko, “Voennaia demokratia ili o kadrovyykh problemakh reformirovaniia armii”, *Defense Express news service*, op.cit.

⁹⁰ Valentin Badrak, “Generalny-strelochniki: voennoe vedomstvo riskuiet ostatsia bez kadrov”, *Defense Express*, 27 May 2004, at <http://www.defense-ua.com/rus/hotnews/?id=13075>

⁹¹ Mikhail Samus, “Sindrom Novobogdanovki”, *Defense Express*, 20 August 2007, at <http://www.defense-ua.com/rus/hotnews/?id=23221&prn=yes>

⁹² *Defense Express news service*, 5 July 2007, at (<http://www.defense-ua.com/rus/news/?id=22964&prn=yes>)

⁹³ O. Greene, S. Holt and A. Wilkinson (2005), “Ammunition Stocks: Promoting Safe and Secure Disposal”, SEESAC Brieffing, pp14. <http://www.seesac.org/reports/BTB18.pdf>

accidents and not least the fear of uncontrolled proliferation of weapons and ammunition has prompted Ukraine to initiate large-scale destruction of stockpiles of anti-personnel mines, munitions and small arms and light weapons. Some of this has been done with support from NATO governments through Partnership for Peace (PfP) Trust Fund projects. In a 15-month period in 2002-2003, some 400,000 landmines were destroyed as a first step towards doing away with a stockpile of nearly seven million anti-personnel landmines in compliance with the Ottawa Convention. In 2005, the MOD stated that more than 1.7 million tons of ammunition (including everything from cartridges to missiles), would have to be destroyed.⁹⁴ A project was launched the same year to destroy 133,000 tons of conventional munitions, 1.5 million small arms and other weapons over a twelve-year period.⁹⁵

This is a priority issue both because these storages demand personnel and financial resources that could have been used much more productively, and because these storages constitute a very real danger to the civilian population. Several people have died as a result of explosions in these storages. For example, the storage at Novobohdanovka in Zaporizhzhia *oblast* has exploded at least once a year over the last three years. The disarming of excess munitions has therefore been one of the aspects of military reform most visible in Ukrainian media for years, and as a consequence it has also gotten a lot of political attention and promises of action. Still, although this work has benefited from more attention and allocations (including significant amounts of foreign financial support) than many other implementation projects in the Ukrainian military, , there have been serious implementation problems. The reasons for these problems can be narrowed down to three points that illustrate several of the explanatory factors discussed above.

First, while there is full clarity about what needs to be done – the munitions must be destroyed – there is considerably less clarity as to how the process should be executed. Mikhail Samus has put together the following list of “lack of clarity”-reasons why the implementation of this reform is so difficult:

1. Lack of focus or clarity on the actual end state in government plans for destruction of munitions.
2. No one government structure has overall responsibility for all the aspects of the process. Currently the MOD, the Ministry of Industrial Policy, and the National Ukrainian Cosmic Agency all have responsibilities in this sphere, but do little to coordinate their efforts.
3. Current taxes on the rest products after destruction, such as explosives, make these products non-competitive on the domestic market. Furthermore, current legislation does not transfer property right from the MOD to industrial plants for these rest products. Thus, there is little incentive for private industry to participate in this process.
4. Destruction jobs to private industry are currently allocated by a tender system. Given the lack of incentives described above, this has not worked very well.

⁹⁴ Press spokesman of the MoD quoted by *Kommersant Ukrainy* on 26 July 2005.

⁹⁵ NATO document, *Key areas of NATO-Ukraine cooperation*, at <http://www.nato.int/issues/nato-ukraine/cooperation.html>.

5. Current technologies for destruction are only to a very limited extent able to convert the munitions into commercially valuable products, and most munitions are therefore destroyed rather than utilized.
6. The processing of paperwork in connection with tenders and contracts is very slow.
7. The MOD only gets money to pay for the destruction in the second half of the year. Thus, for the first six months of every year very little happens. Samus has estimated that only 25,5% of the total capacity of the industry to destroy munitions was utilized in 2005, and only 15-20% in 2006.⁹⁶

Second, corruption also seems to have played an important part in halting implementation of reform in this area. The military personnel in charge of guarding these 154 bases know that they guard potentially commercially valuable products. The suspicion is therefore that they slow down transfers of munitions to the industry as best they can at the local level in order to extract the maximum of valuables to sell for private gains at the illegal market. In June 2007 a group of officers from the storage at Novobogdanovka was stopped by SBU (the Ukrainian special service) close to the Southern Ukrainian city of Melitopol with a KamAZ truck loaded with 5 tons of metals that the officers were on their way to sell. Upon inspecting the officers' temporary storage in Melitopol the SBU found another 20 tons. 10 officers and two civilians were arrested in connection with the affair.⁹⁷ This incident is just one in a long chain of similar incidents since Ukrainian independence.

Third, the attempts to transfer munitions from storage to industrial facilities or to destroy munitions at industrial facilities has met with surprisingly strong local government resistance. This is surprising because local residents are the ones most likely to suffer from accidents and explosions at these sites. In spring 2007 local authorities in the town of Shostka in Sumy province successfully halted the destruction of anti-personnel mines at the local Zirka chemical factory. This led the German company in charge of the work, Gesellschaft für Technische Zusammenarbeit, to threaten to leave the project. The project is financed by the European Union, and the plan is to destruct 6 million landmines at a cost of 6 million Euros.⁹⁸ In May 2007 a similar problem was reported at Kalinovki in Vinnitsia region, where local authorities protested the construction of a new facility for the destruction of munitions. In summer 2007, according Nikolai Potapchuk, the director of a Donetsk industrial plant that was waiting for munitions to destroy, Deputy Defence Minister Volodymyr Tereshchenko personally had to go to the storage facility in Western Ukraine to "negotiate" with the local officers in charge of the base to convince them to start sending the munitions to Donetsk.⁹⁹

⁹⁶ Ibid.

⁹⁷ Valeria Lenskaia, "Novobogdanovka torquiert oruzhiem", *Glavred*, 19 July 2007, at <http://glavred.info/print.php?article=/archive/2007/07/19/095618-6.html>

⁹⁸ *Defense Express news service*, 30 March 2007, at <http://www.defense-ua.com/rus/news/?id=22200&prn=yes>

⁹⁹ Mikhail Samus, "Sindrom Novobogdanovki", *Defense Express*, 20 August 2007, at <http://www.defense-ua.com/rus/hotnews/?id=23221&prn=yes>

Thus, we can see that even with a reform project that is politically non-controversial, relatively well funded, including foreign funds, and enjoys both high media and political attention, frictional problems in the organization still can cause substantial delays in implementation.

3 Military reform and international operations

Following the disintegration of the Soviet Union, Ukraine is moving away from a cold-war territorial defence doctrine assuming full-scale war between superpowers.¹⁰⁰ Given the new geopolitical context, policy-makers have had an incentive to change the doctrine, since this would enable the armed forces to deal better with potential threats, and since smaller armed forces can be assumed to cost less than the old territorial defence. In addition to the incentives created by the changed geopolitical context, however, the preconditions for Ukrainian participation in international operations can also affect the kind and pace of military reform. It is therefore worth examining to what extent and how Ukraine is focussing on international operations, and how this focus relates to military reform.

3.1 Ukraine's participation in international operations

Reform of Ukraine's armed forces and their participation in international operations seem to be interrelated in the sense that Kiev's choice of cooperation partners among the armed forces of other states necessitates certain changes in Ukraine's military. Had Ukraine chosen to prioritize military cooperation with Russia and/or other CIS countries, Kiev would have had a rationale to implement defence policies compatible with the ones of these countries. This would have had a broad effect on a range of issues, including the definition of the country's military doctrine, reform of organizational structures, procurement of weaponry, education, etc. Moreover, Ukraine in this case would probably have sought more participation in international operations that also involved Russia (and by implication are politically correct in Moscow). By the same token, official Kiev's increasing priority over the last years to cooperate with Western states and NATO has strengthened the rationale for bringing Ukrainian armed forces closer to the standards and strategies of Western and NATO states.

Participation in international operations has indeed been a priority already from early independence. Ukraine was for several years the largest European contributor of troops to UN peacekeeping missions.¹⁰¹ Forces have been sent on missions to numerous places, and at the end of 2006 personnel and observers were engaged in 11 missions in nine different countries: Congo (UN), Ethiopia and Eritrea (UN), Kosovo (UN and KFOR), Moldova (Common peacekeeping

¹⁰⁰ Interview with Deputy Chief of the General Staff, Gen.Lt Palchuk in *Defense Express*, 1 Feb 2002, pp.9-10, at <http://www.defense-ua.com/rus/news/?id=9588>, and J. Sherr, "Country Briefing: Ukraine: A state of reform", *Jane's Defence Weekly*, July 17, 2002.

¹⁰¹ Ministry of Defence of Ukraine. *The History of the Armed Forces of Ukraine in Peacekeeping operations*.

<http://www.mil.gov.ua/index.php?lang=en&part=peacekeeping&sub=history#1>, and

R. Woronowycz, "Ukraine's troops play key role in peacekeeping operations", *The Ukrainian Weekly*, 7 Jan 2001, No.1 Vol.69. <http://www.ukrweekly.com/Archive/2001/010101.shtml>

forces in Prydnistrovie), Georgia (UN), Lebanon (UN), Liberia (UN), Sudan (UN). Of the approximately 1,700 troops deployed to the Polish-controlled sector in Iraq in 2003, little more than 40 were left (NATO and multinational forces).¹⁰² According to the State Programme for development of Ukraine's armed forces for the period 2006-2011, Ukraine can participate in 4-5 peacekeeping missions at a time, with one tactical battalion group in each (alternatively in 1-2 missions with one tactical brigade group in each).¹⁰³

Ukraine's declaration of NATO membership as a long term goal came in May 2002 (i.e. well before the so-called Orange Revolution), but military cooperation with NATO was even before 2002 unparalleled among other non-member states.¹⁰⁴ All the three/four latest ministers of defence have to varying extent been guided by the idea that cooperation with NATO supports military reform in Ukraine. Even if the participation in Iraq was partly motivated by Kuchma's embarrassment by the Kolchuga affair¹⁰⁵ and his attempt to rebuild his own and his country's image in the eyes of the USA, Ukraine's contribution to operations led by NATO or the US are therefore to be interpreted in connection with this. The benefits that Ukraine perceives to come from such participation must be large, considering the strains it induces on relations with Russia, which fiercely opposed the Iraq invasion and Ukrainian NATO membership.

Besides the political costs involved, the economic burden of contributing to NATO- or US-led operations further strengthens the same point. The US for a period covered some of the Ukrainian forces' expenses in Kosovo, but the Ukrainian political leadership decided in May 2005 to take on all the costs (USD 3.2 million annually) themselves. Maj.Gen. Bezlushchenko, head of the administration of Ukraine's peacekeeping missions, argues that Ukraine should stay on in Kosovo because of the "state's prestige, the experience of peacekeeping operations and the consequent training of personnel".¹⁰⁶

In the case of UN missions, Ukraine's prestige is also an issue even if the incentive to contribute does not necessarily involve the wish to impress certain states in particular. Moreover, states participating in UN missions are compensated for their expenses. This implies that participation in UN peacekeeping missions is a cheap way for cash-poor Ukraine to train her armed forces. The troops themselves also have a personal incentive in that the pay they receive is substantially higher than what they get if stationed at home since they keep receiving their normal wage in addition to the one paid by the UN.

¹⁰² R. Woronowycz, "Rada OKs Ukrainian troops for Iraq", *The Ukrainian Weekly*, 8 June 2003, No.23 Vol.71, at <http://www.ukrweekly.com/Archive/2003/230302.shtml>, and Ministry of Defence 2006 White Book, pp.60.

¹⁰³ Interview with Maj.Gen. Bezlushchenko, head of the administration of Ukraine's peacekeeping missions, in *Defense Express*, 29 Aug 2006, at <http://www.defense-ua.com/rus/hotnews/?id=20523>

¹⁰⁴ J. Sherr, "Ukraine: A state of reform", *Jane's Defence Weekly*, 17 July 2002.

¹⁰⁵ For a summary of the Kolchuga affair, see "Ukraine under pressure over Iraq", *BBC News World Edition*, 26 Sept 2002. <http://news.bbc.co.uk/2/hi/europe/2283620.stm>

¹⁰⁶ Interview with Maj.Gen. Bezlushchenko, op.cit.

3.2 The effect of international operations on military reform

Current military reforms are bound to facilitate cooperation with the armed forces of Western states and generally strengthen foreign relations with these states. In addition it seems that leading Ukrainian policy-makers regard participation in international operations as a process through which Ukraine's armed forces become better prepared also for the role they are to have at home. There is not necessarily a trade-off between participation in international operations and preparedness to take on missions in Ukraine.

Even if the Ukrainian forces deployed in international operations, which mostly come from the Joint Rapid Reaction Forces (JRRF), are not representative of the rest of Ukraine's armed forces, their performance may serve as one indication as to how reform of the Ukrainian military is progressing. The head of the administration of Ukraine's peacekeeping missions himself admits that lack of language skills is a problem, but stresses that Ukrainian peacekeepers are adequately prepared in terms of military training.¹⁰⁷ However, some argue that Ukrainian forces deployed abroad are poorly prepared, in particular the forces that were deployed in Iraq. Already as these forces were about to be deployed, Sergei Goncharov commented that the setup of the Ukrainian contingent reflected poor planning and unrealistic assessment of the situation it would face: they had too limited fire power (the battalions' mortar batteries were left behind in Ukraine, meaning that 30mm grenade launchers were their most powerful weapons) and lacked adequate medical capacity.¹⁰⁸

Events in Iraq in April 2004 arguably proved Goncharov right. The Coalition Provisional Authority's compound in the Wasit region, where the Ukrainians were based, came under heavy attack by insurgents. Ukrainian forces failed to defend the compound in spite of orders from high-ranking coalition commanders. Representatives of the CPA's leadership either claim the Ukrainian forces never were prepared or equipped to cope with such a challenge, or question the troops' and/or Ukrainian political leaders' will to engage in "more robust strategic peacekeeping".¹⁰⁹ Indeed, then Minister of Defence Yevhen Marchuk afterwards said Ukrainian forces never were intended to engage in hostilities.¹¹⁰ The impression of poor planning and coordination of Ukraine's participation in the international operations in Iraq was strengthened further in 2005, when USD 300,000 intended for the operations were confiscated from peacekeepers that had misappropriated the funds and were returning to Ukraine.¹¹¹

On the other hand, operations in Iraq are atypical compared to previous missions, and the performance of Ukrainian contingents in other operations may deserve more positive assessment. Moreover, the political leadership seemingly learns from the experience of participating in

¹⁰⁷ Ibid.

¹⁰⁸ Sergei Honcharov, "Pokhod polubrigady", *Kievskiy Telegraf*, 3 Aug 2003.

¹⁰⁹ Deborah Sanders (2006), "Ukraine after the Orange Revolution: Can it Complete Military Transformation and Join the U.S.-led War on Terrorism?", pp.31-32, at <http://www.strategicstudiesinstitute.army.mil/pdf/PUB736.pdf>

¹¹⁰ Ibid.

¹¹¹ Ibid.

international operations and increasingly appreciates the need to ensure the quality of Ukrainian contributions before deployment. A 2005 scandal involving embezzlement of money and fuel by several Ukrainian servicemen in Lebanon triggered Defence Minister Anatoliy Hrytsenko's instruction to tighten the selection process when recruiting commanders and staff officers for peacekeeping missions. Officers are now supposed to be recruited from a new reserve pool of officers designated especially for such missions. According to the minister's instruction they are handpicked on basis of their health, professional training, attitudes and language skills. There should be at least three applicants for every one admitted to the pool, and those admitted are attested by a commission appointed by the General Staff.¹¹²

Better performance in international operations is also encouraged through a conscious approach to dissemination of experience gained abroad to relevant units. Lessons learnt by the thousands of Ukrainian troops who have served abroad are, according to a directive issued by Hrytsenko, supposed to be shared with other servicemen through the different training programmes taking place in Ukraine's armed forces. For example, the Iraq experience provides lessons on tactics for patrol units.¹¹³ It is hard (and anyway still too early) to evaluate the effects of an initiative of this kind, but measures like this in any case indicate the political leadership's belief in participation in international operations as a way of gaining momentum for the reformation of Ukraine's military.

The present Ukrainian commitment to international operations is strong, but that does not have to be the case in the future. Debora Sanders argues that while democratization is helpful to the transformation of the armed forces, it might at the same time make Ukrainian participation in international operations, especially the more demanding ones, less likely.¹¹⁴ Popular opinion might be against such operations, and in a democracy this opinion is naturally more influential than in various types of authoritarian regimes. At present a large proportion of the population has a negative or skeptical attitude to NATO, and is not likely to support the spending of their tax money on participation, at least in NATO-led operations. And this will probably be the case in particular if there is a high risk of casualties.

4 Conclusion

Military reform in Ukraine was largely haphazard and without direction during the first 7-8 years of independence. Basically, what happened was that the number of troops fell drastically, mostly due to poor economic conditions. In the years 1997-2001, however, a number of important concepts and documents were adopted, which laid the foundation for more serious and guided reform. These documents also indicated that the political leadership of the country had finally turned its eyes to the military. In the most general terms it can be said that "westernization" became the catchword for the direction of military reform. Despite considerable indecisiveness in the general Ukrainian foreign policy orientation, especially under President Leonid Kuchma,

¹¹² D. Popovich, "Siloviki. Mirotvortsev vystavyat na konkurs" in *Kommersant Ukrainy*, 2 Nov 2005.

¹¹³ D. Popovich, "Siloviki. Minoborony i Rada soshlis' v mirotvorcheskikh operatsiyakh" in *Kommersant Ukrainy*, 4 Nov 2005.

¹¹⁴ D. Sanders (2006), "Ukraine after the Orange Revolution...", p.30.

“Westernization” remained the model for military reform at both rhetorical and practical levels. Military cooperation with Russia in certain spheres has continued and is still valued by the Ukrainian military, but no serious efforts have been made in Ukraine to try to turn military reform in the direction of a Russian blueprint. The two political forces that could potentially have been expected to do so, the Soviet educated Ukrainian military elite and the – at least rhetorically – pro-Russian Eastern-Ukrainian political and economic elite, never tried anything like that.

Thus, when military reform still only progressed very slowly from 2001 until the Orange revolution, this cannot be explained by political opposition to the direction of reform. Rather, the slow pace of reform in this period can be attributed to the following five factors:

- under-financing
- insufficient levels of detail and clarity in reform plans
- problematic inter-agency relations, such as between the armed forces and the SBU, the Ministry of the Interior, and the military industry
- parochial interests and corruption within the military organization
- entrenched mindsets and military culture from Soviet days among substantial parts of the officer corps

The state of Ukrainian military reform as of October 2007 can, based on the findings of this report, be summarised as follows:

- substantial progress in the area of troop reductions
- significant progress in the areas of military education, training, organization and adoption to NATO standards
- very little progress on the issue of rearmament

The driving forces of military reform are:

- active and reform-oriented leadership of the MOD
- lack of political opposition to the direction of reform, except on the issue of number of troops
- lack of open opposition from the officer corps
- support for reform from the president, and from summer 2007 increasingly also from the government
- support from Western countries bilaterally and through NATO

The most important factors that slow down reform are:

- under financing
- frictional problems that implementation initiatives face on their way down through the organization (parochial interests and corruption, entrenched Soviet mindsets and military culture and sometimes problematic relations with other state agencies such as the SBU or Ministry of the Interior)
- that military reform on occasions becomes a tool in political struggles that have little to do with military matters

Interview rounds in Kiev in May 2006 and September 2007 left the impression that most independent local observers of military reform think that this reform received a substantial boost as a result of the post-Orange revolution leadership of the MOD. Hrytsenko has at times, nevertheless, been controversial, and the government made a serious effort to get rid of him in May-June 2007 (the Defence Minister is appointed to the government by the President). The opposition to him, however, was probably motivated by a mix of disagreement with his outspoken pro-NATO views and reactions to his anti-corruption efforts from those who were targeted. Beyond that, the way he conducted military reform was seldom mentioned by his opponents.

Ukrainian politicians have the power both to improve the financing of military reform and to stop using the reform as a tool in political struggles, and they can probably do this relatively quickly. The frictional problems analysed in some detail in this report, however, are harder to solve, and will probably take longer to get rid of. Some results can, nevertheless, most likely be achieved by education and by a more robust struggle against corruption.

5 Suggestions for partner countries

Based on the analysis above, we think that countries who want to help Ukraine in the reform process should look at two areas in particular. Firstly, important and valuable assistance can be given in education and training. This is an area where there already exist a large number of initiatives, but where more can still be done. Independently of whether Ukraine will become a member of NATO or not, the country has made a decision to transform its armed forces according to Western models. Education and training according to these models is therefore of the essence. A significant number of Ukrainian officers now study in Western countries, and these are highly valuable to the Ukrainian armed forces when they return. In addition, there are also projects that help officers who leave the armed forces to get an alternative education and find employment. One such Norwegian-funded initiative among former naval personnel in the Crimea boasts a success rate of 70%, i.e. 70% of those who went through the program got new employment outside the forces.¹¹⁵

Secondly, constructive assistance and advice would probably be especially welcome at what might be called the “intermediate” level — in practice the MOD. The higher “political” level is the prerogative of Ukrainian politicians themselves, and at the lower “operational” level, albeit slowly, things appear to be moving in the planned direction. There seems, however, to be a room for foreign assistance on the intermediate level. This is the level of defence planning, where politically adopted concepts are to be transformed into implementation plans. Western experience in long term defence planning, personnel management, cost analysis, and other “intermediate” topics would probably be of great benefit. An example of such a program is the JWGDR

¹¹⁵ Interview with Norwegian Military Attachè, Tommy Johansen, Kiev 16.09.07.

Programme for Professional Development of Civilian Personnel employed in the Ukrainian security institutions under the Ukraine-NATO commission.

6 Note on sources

The main sources for this study have been Ukrainian newspapers and internet news service articles. Since Ukrainian military affairs are far from being the top priority of most Ukrainian print and Internet media, there are relatively few journalists who specialize on this topic. Thus, the range of alternative independent sources has not been as wide as we could have wished. In addition, the study probably also relies more on the single source *Defense Express news* service than such a study should. We do think, however, after meeting with the people behind *Defense Express news*, and comparing their reports and analyses with other sources, that they are both relatively objective and reliable. The main bias in their products comes from their sympathy for the Ukrainian military industry and armed forces, and we have tried to take account of this bias in the use of their products.

The analysis and main conclusions were formed based on evidence from the sources discussed above, and then these conclusions were tested during two rounds of interviews in Kiev in May 2006 and September 2007, i.a. with First Deputy Minister of Defence, Leonid Poliakov, other Ukrainian officers and foreign officers working in Ukraine, and independent experts, not all of whom wanted to be mentioned in this report.