

**Ukrainian Officials, Illicit Arms Sales and International Responsibility**

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The issue of Ukrainian arms transfers to Western Africa in the 1990s should be discussed within the context of the pervading atmosphere at the time during the post-Soviet transition. The Nicolas Cage film *Lord Of War* (2005) gives a good overview of the atmosphere through the ruthless Brighton Beach émigré Yuri Orlov.

The 1990s were characterised in Ukraine, Russia and the post-Soviet region as one of cynicism, ruthlessness, callousness, and disrespect for human life. A final factor to consider, racism, had always been present in the USSR through the inter-relationship between its Slavic and Muslim and Caucasian peoples.

Another factor to consider is the lack of any ideology of the former Communist ruling elites which in of itself created the grounds for an all pervading cynicism. The Communist Party of Ukraine (CPU) had 3.5 million members in 1985, the year Mikhail Gorbachev came to power, making it the largest republican Communist Party in the USSR (the Russian republic did not have its own Communist Party until the last two years of the USSR). After the CPU was banned in August 1991 it was only allowed to re-legalise again two years later when 150,000 joined the new CPU.

The fact that only 5% of the pre-1991 CPU members re-joined the new CPU shows you the degree to which the majority of the Communist Party had long lost any ideological convictions and had instead joined the party for career and opportunistic reasons.

The 1990s was also conducive to illegal trade because of the socio-economic conditions at the time. Ukraine's economy collapsed by nearly half producing a greater recession than that experienced in the West in the 1930s. The shadow economy represented 30-50% of GDP. There was a blurring of the divisions between the state, organised crime and the newly emerging market economy. The newly emerging state institutions were corrupted, as was law enforcement. Needless to say, it would have been impossible for illegal arms transfers on such a scale without the active involvement and connivance of corrupt officials and law enforcement. With elites above the law, privatising the former Soviet state for personal gain (in what became known as 'grabization' rather than privatisation) there was no state export control in place that could not be circumvented.

In ignoring the frozen conflicts in post-Soviet states such as the Trans-Dniester region of Moldova the West did not assist in blocking illicit arms export. The Trans-Dniester region became Europe's primary black hole for a range of soft security threats, including arms transfers through the Ukrainian port of Odesa.

Western complicity was also evident, and continues to be a factor. The proceeds from illegal trade, whether weapons or raw materials, have to be deposited somewhere. That 'somewhere' is usually in offshore zones controlled by Western

governments (Virgin Islands), Switzerland and new EU member Cyprus. Both Cyprus and the Virgin Islands continue to be in the top ten foreign investors into Ukraine.

Western governments also have no unified approach to illicit funds. The same Ukrainian former prime minister (Pavlo Lazarenko) sentenced for money laundering in the USA would be given the red carpet in Londonski, warned about drinking tea with strangers and then politely asked whether he wished to buy a premier football club? This year, former Ukrainian President Leonid Kuchma's daughter purchased a \$170, 000 million home in London that broke all records for British house sales. Lazarenko's \$6 million home in California is merely a pale reflection.

Western complicity also extended to the use of Ukrainian and Russian arms middlemen such as Leonid Minin and Viktor Bout. As *Charlie Wilson's War* (2007) film showed, the West supplied Soviet weapons to disguise the source of weapons transfers. Weapons transfers to the Croats, Bosnians and Kosovars in their wars against the Serbs must have had the complicit support of some Western governments.

The arrest of Minin in Italy in 2000 and Bout in Thailand in 2008 could be the end of their careers. The arrest of Bout is undoubtedly linked to that of Semyon Mogilevich in Moscow in January, a high profile Mafioso wanted by the FBI and sheltered until recently by Russian governments. Mogilevich, Minin and Bout were not only involved in illicit arms transfers but also in high level energy corruption.

Weapons transfers from Ukraine could also take place because of the huge stocks available at Walmart prices. Soviet Ukraine was in a first echelon Warsaw Pact country in the event of war with NATO and therefore had huge stocks of weapons. This was coupled with a Military-Industrial Complex that covered a third of its GDP.

A Parliamentary Commission headed by army Lieutenant-General Oleksandr Ihnatenko investigated the arms transfers and concluded that of the \$89 billion stocks in 1992, a massive \$57 billion had gone missing. Ihnatenko was stripped of his military rank and threatened with court martial for divulging 'military secrets'.

An inventory of Ukrainian arms was not conducted until the last two years of the Kuchma regime in 2003-2004; in other words, no inventory had ever been undertaken in the decade 1992-2002 when Ukrainian officials were heavily involved in illicit arms transfers to conflict zones like Western Africa. Then Defence Minister Yevhen Marchuk (see later) concluded that Ukraine had no unified accounting system and had never undertaken an inventory of military equipment. In the two inventories undertaken in 2003 Marchuk found hundreds of millions of dollars of weapons stocks missing. Often equipment that had been paid by the West to be dismantled under the CFE Treaty had been illicitly exported.

Detailed information is difficult to find as transparency was obviously not something that illicit arms dealers were interested in. Individuals who know too much have been routinely disposed of. The head of the state Ukrainian arms export agency Valeriy Malyev died in one of many suspicious car accidents as an arms transfer scandal unfolded.

Some information became available on the Mykola Melnychenko tapes made in the Presidents office in the late 1990s. Melnychenko was a member of the presidential guard (the Ukrainian Secret Service) and was given asylum in the US in 2001.

The Melnychenko tapes provide evidence of some illicit transfers but they only cover the 1999-2000 period. They provide information on Ukraine illegally breaking UN sanctions in delivering military radars to Iraq in 2000. The Melnychenko tapes have yet to be fully studied because even the post-Orange Revolution authorities do not wish to open up a pandora's box especially when the President and his close associates faithfully served Kuchma for seven of his ten years in office. They could provide greater evidence of illicit arms transfers and high level abuse of office in the 1990s.

The Melnychenko tapes are inter-linked to divisions in Ukraine's elites. To what degree these are quarrels over the morality of arms transfers to war torn regions or whether the divisions are more to do with divisions of the spoils is difficult to know. The Melnychenko tapes stand in the epicentre of a clash between the former (Yevhen Marchuk) and then (Leonid Derkach) chairman of the Security Service (SBU). Marchuk accused Derkach publicly of being directly involved in illicit arms sales. Derkach was removed as SBU chairman in February 2001 but he has never faced any criminal charges.

During the 1990s Ukrainians arms unofficially ended up in the Balkans, although some shipments organised by Minin and his accomplice Strashynsky were impounded. Ukraine's relations with the US and NATO deteriorated after it continued

to send weapons to Macedonia despite personal assurances given by Kuchma to US Secretary of State Condoleezza Rice. To Africa, Ukrainian arms ended up in Liberia, Sierra Leone, Ivory Coast (for onward shipment to Liberia and Sierra Leone), Angola, Rwanda, Eritrea and Zaire-Democratic Republic of Congo. In the greater Middle East Ukrainian arms were exported to Iraq, Iran, and South Yemen. In Latin America Ukrainian arms ended up in Peru. In Asia, they were exported to Sri Lanka, Burma (despite an international embargo in place), China and Pakistan. In the latter case, some weapons could have been sent to Taliban-ruled Afghanistan at a time in the 1990s when the Pakistani authorities supported the Taliban regime.

In conclusion, Ukrainian illicit arms sales to Western Africa and elsewhere occurred at a time of transition anarchy in Ukraine after the disintegration of the USSR. This does not excuse Ukrainian officials from complicity as arms trade could not have been undertaken without the active involvement of senior officials reaching as high as the President. The same callousness and cynicism that these officials displayed towards their own populations during the 1990s was exported through arms transfers to conflict zones around the world. In the same way that Yuriy Orlov was unperturbed by the suffering brought by his arms transfers to Africa so too were President Kuchma and his oligarchs unperturbed by the suffering they brought down on Ukrainians. During his decade in office the Ukrainian population declined by 5 million and life expectancy fell.

What is more surprising is the continued callous disregard on the question of illicit arms transfers exhibited by Ukraine's Orange Revolution leaders. Ukraine's

diplomats, including those in residence as Visiting Scholars in Columbia, refused to participate in the conference drawing on Soviet era formulations that conferences of this type merely serve to denigrate Ukraine's international reputation. Until Ukraine's diplomats realise the opposite; namely, that a reconciliation with history is good for a country's reputation as it draws a line between the former bad regime and the good new regime.

No country can move on if it fails to deal with the skeletons in its closet, especially when a country's weapons have brought untold misery on the peoples of Western Africa. President Yushchenko's failure to realise that hiding his head in the sand about the Kuchma era (as he has on every issue from the Gongadze murder to arms sales) has served to hurt him politically and will cost him his second term.