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Ukraine's Arms Sector Remains Tightly Controlled, Highly Secretive

By The Editors, on 26 Jun 2013, [Global Insider](#)

This month, there were reports that Ukraine was considering seeking arms deals with both [Mexico](#) and [Turkey](#). In an email interview, [Taras Kuzio](#), a fellow at the Johns Hopkins School of Advanced International Studies and an expert in Ukrainian security and politics, explained the recent history and current state of Ukraine's arms industry.

WPR: Who are the main buyers of Ukrainian arms, and in which categories of arms?

Taras Kuzio: Developing countries such as Pakistan, Sri Lanka, Thailand, countries in the Middle East and former Soviet client states are the main buyers of Ukrainian arms. The main products are light weaponry, updated Soviet-era helicopters, armored personnel carriers, tanks (especially for Pakistan) and artillery, as well as repair and technical maintenance of old Soviet military equipment.

WPR: How successful has Ukraine been recently at selling newly produced goods as opposed to surplus equipment?

Kuzio: In the 1990s, Ukraine primarily sold surplus Soviet equipment, which it had inherited a lot of because it was a front-line country with three-quarters of a million Soviet troops. Since the beginning of the 21st century, most of Ukraine's arms exports have been of new types produced since 1991 or repairs and technical servicing for Soviet weaponry that many countries still use. The Ukrainian economy overall is not fulfilling its full potential and remains at only 75 percent of its Soviet-era GDP in 1990. With poor economic management and a prioritization of short-term gain, the question of investing in the military-industrial sector to receive future dividends is not a priority for presidential administrations and governments. Ukraine therefore has been successful only up to a point in exploiting its military industry and high levels of technical expertise to produce new weaponry.

WPR: How transparent are Ukrainian sales, and how much has been done to address

concerns about selling arms into destabilizing conflict zones?

Kuzio: Transparency does not exist in the political, legal or economic spheres in Ukraine, and therefore it cannot exist in the world of arms exports, especially because this field is secretive even for many long-established democracies. Corruption has always remained high in Ukraine, except during the post-Orange Revolution euphoria of 2005-2006, and this high level of corruption also contributes to ensuring that transparency remains practically nonexistent.

Ukrainian presidents tend to tightly control the arms export sector by appointing their allies to positions in state export agencies. This is for two reasons. First, they want to ensure they control the rents that are received from arms sales. Second, they want to control where arms exports are sent if those countries are sensitive destinations; for example, Russia was heavily critical of Ukrainian arms exports to Georgia under President Mikhail Saakashvili. Since 2010, when Viktor Yanukovich was elected Ukrainian president, Ukrainian and Russian military industries and arms exporters have become more willing to cooperate, whereas in the 1990s they often competed in the arms trade.

In light of the above, there is no willingness to deal with the question of not sending weapons to conflict zones. There is certainly no moral outcry about this in Ukraine and the subject is hardly ever raised in the Ukrainian media, because there is so little open source information about it. In the 1990s, the issue was more prevalent, because surplus Soviet stock was dumped into conflict zones such as those in West Africa, whereas today, with these stocks depleted, there is greater interest in seeking markets for new arms or old Soviet equipment that has been modernized.

Photo: Ukrainian Mi24 helicopter, Aug. 24, 2009 (photo by Wikimedia user Sergienkod).