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## 9. Military–technical cooperation between the CIS member states\*

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### I. Introduction

According to the Russian foreign policy concept adopted in January 1993, the CIS countries have first priority in Russian foreign policy. The aim is to establish fully fledged cooperation with the other CIS countries in economic, military, scientific and technological areas. However, this document points out that scientific and technical cooperation should be oriented to peaceful purposes and civilian use.<sup>1</sup> It includes no special provision on military–technical cooperation. This may be explained by two factors. First, at the time the Russian leadership was preoccupied by converting the defence industry. Second, Russia was cautious about stressing arms transfer policy and military cooperation within the CIS, anticipating a negative reaction from the West.

The Russian leadership very soon changed its mind. It was realized that conversion was impossible without proper funding—hence a new stress on an active arms export policy. At the same time, President Boris Yeltsin began a new policy aimed at further economic, political and military integration in the CIS.

Military integration had been among the first forms of integration—in the framework of the Tashkent Treaty on Collective Security of 15 May 1992 and the Principal Guidelines for the Evolution of CIS Integration adopted by the CIS heads of state in 1992.<sup>2</sup> By 1993 the former Soviet republics had made great strides in fostering economic, political, military, humanitarian and cultural ties through the CIS mechanism and bilateral relations. However, it had become clear that the integration process had to be based on a well-developed infrastructure and institutional network rather than on declarations and intentions. Without material and technical support, many of the agreements reached existed only on paper.

<sup>1</sup> 'Kontseptsiya vneshney politiki Rossiyskoy Federatsii' [The foreign policy concept of the Russian Federation], Special Issue of *Diplomaticheskiy Vestnik*, Jan. 1993, p. 6 (in Russian).

<sup>2</sup> For the text of the Tashkent Treaty, see *Izvestiya*, 16 May 1992, p. 3. The original signatories were Armenia, Kazakhstan, Kyrgyzstan, the Russian Federation, Tajikistan and Uzbekistan. By the spring of 1994 Azerbaijan, Belarus and Georgia had also joined. See also Samsonov, V., 'Political and military integration of CIS member states', *Military Parade*, Sep.–Oct. 1996, pp. 38–39.

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This chapter deals with military–technical cooperation within the CIS framework. Its evolution is described and a number of important issues are addressed. The legal bases for cooperation both in Russia and within the CIS and the process of decision making between Russia and CIS bodies are explained. Different forms of cooperation are identified and the impact of cooperation in the military–technical sphere on bilateral relations is examined.

First, it is necessary to make some observations about the information on which these analyses must be based. Recent events make it very difficult to compile a reliable database on this subject. The collective CIS agreements and bilateral agreements between states are available. However, published information on the establishment of financial–industrial groups is rare. Specific bilateral agreements on individual military–technical cooperation projects as well as detailed information on arms transfers are usually classified. Many reports in the media of the CIS countries and elsewhere are not confirmed by the official data available to the public. Study is also complicated by differences of opinion between experts about the credibility and methodology of official Russian and other CIS statistics and between assessments of arms transfers and defence industry development.

Section II examines the situation in which the defence industries of the newly independent states found themselves immediately after the dissolution of the USSR.

## II. The impact of the break-up of the Soviet Union

### **The impact on the armed forces**

The division of the military assets of the former USSR was a very important issue during the first stage of existence of the CIS, and a number of military–technical programmes, including arms and equipment transfers, were carried out. Most attention has been paid to agreements related to the nuclear inventory of the former Soviet Union, which are not discussed here. However, there was also very significant legal transfer of conventional military assets.

The scale of the transfer can be indicated by the quotas established at the Tashkent summit meeting of 15 May 1992 by Georgia and seven CIS states—Armenia, Azerbaijan, Belarus, Kazakhstan, Moldova, Russia and Ukraine—for items limited under the 1990 Treaty on Conventional Armed Forces in Europe (CFE Treaty). Kazakhstan also signed the agreement as a state, part of whose territory is covered by the treaty. The quotas are indicated in table 9.1.<sup>3</sup>

There were cases of armaments and military equipment being seized from Russian units deployed on the territory of the former union republics. For example, in 1992 military depots in Tbilisi and Akhaltsikh were seized by Georgians. While control of the depots has been returned to the Transcaucasus Military District (MD), the vehicles and equipment have not. According to the

<sup>3</sup> See also the text of the Tashkent Document in *SIPRI Yearbook 1993: World Armaments and Disarmament* (Oxford University Press: Oxford, 1993), pp. 671–77.

**Table 9.1.** The quotas for armaments under the Tashkent Agreement

Type of armament	Armenia	Azer.	Belarus	Mold.	Georgia	Russia (in the area of employment)	Ukraine
Combat tanks	220	220	1 800	210	220	6 400	4 080
Incl. in regular units	220	220	1 525	210	220	4 975	3 130
Armoured combat vehicles	220	220	2 600	210	220	11 480	5 050
Incl. in regular units	220	220	2 175	210	220	10 525	4 350
Of which APCs and combat vehicles with heavy weapons	135	135	1 590	130	135	7 030	3 095
Incl. combat vehicles with heavy weapons	11	11	130	10	11	574	253
Artillery	285	285	1 615	250	285	6 415	4 040
Incl. in regular units	285	285	1 375	250	285	5 105	3 240
Combat aircraft	100	100	260	50	100	3 450	1 090
Strike helicopters	50	50	80	50	50	890	330

*Note:* Azer. = Azerbaijan; Mold. = Moldova.

*Source:* *Rossiyskiye Vesti*, 21 Dec. 1992, p. 2 (in Russian).

district command authorities, equipment worth more than 1 billion roubles (in 1993 prices) has been stolen in the Georgian capital alone.<sup>4</sup> In turn, the Georgian Government has accused Russia of making arms deliveries to Abkhazia (especially from the Russian military base in Gudauta). In Moldova, Russian forces are accused of transferring equipment of the 14th Army to the 'unconstitutional troops in Tiraspol'.<sup>5</sup>

In spite of these changes in distribution, the armed forces of the other CIS member states remain entirely equipped with weapons of Soviet origin.

### **The impact on the defence industrial base**

The collapse of the Soviet Union had many implications for the defence industrial base of Russia and other CIS member states.

First, the role of the defence sector in their economies has significantly decreased and the sector has found itself in deep crisis. The Soviet military-industrial complex employed roughly 7.5 million people in 2000 enterprises. The defence sector represented around 20 per cent of the total Soviet industrial

<sup>4</sup> Immediately after the dissolution of the Soviet Union there was particularly high tension between Russian and local populations in the Caucasus. In 1992 alone there were about 600 attacks against Russian military personnel in the 'near abroad', 80% of which took place in Azerbaijan and Georgia.

<sup>5</sup> *Rossiyskiye Vesti*, 21 Dec. 1992, p. 2 (in Russian).

labour force, 16 per cent of gross industrial output and 12 per cent of national industrial capital, and consumed 75 per cent of industrial R&D funds.<sup>6</sup>

Two years after the collapse of the Soviet Union, the number of people employed by the defence sector had shrunk by 3 million to 4.5 million. In 1992, the total output of the defence industry—including the nuclear industry—fell by 18 per cent with a further fall of 16 per cent in 1993. Military output fell by 38 per cent in 1992 and 30 per cent in 1993. During the first half of 1994, military output declined by 43 per cent and civilian by 40 per cent compared to the same period of 1993. As a result, in 1994 the output of weapons and other military hardware in Russia was less than 30 per cent of its 1990 level and the civilian share of total defence industry output had risen from 50 per cent to almost 80 per cent.<sup>7</sup> According to the Russian Ministry of Defence, by the end of 1993 around 70 per cent of defence plants were standing completely idle.<sup>8</sup> The situation has not improved since then. In the first half of 1996 military output fell by 26.8 per cent and the number of people employed in the defence sector declined by 13.6 per cent.<sup>9</sup>

Table 9.2 illustrates the economic decline of the Russian defence industries in 1992–96.

Second, the disruption of traditional economic ties had a severe impact on the new national economies of these states. The former Soviet Union consisted of a number of regions which differed greatly from each other in levels of economic development, specialization, raw materials, energy resources and climate. As parts of an integrated national economy these regions had a high degree of interdependence. In the early 1990s, about 23–30 per cent of the economic needs of any of the regions that subsequently became independent states were met by goods produced within what is now Russia.<sup>10</sup>

Third, the system of organizing economic management by sectoral branches created in the former USSR (and still applied today in many CIS countries) meant that the horizontal linkages between enterprises were not managed at the enterprise level. A medium-sized enterprise might have between 50 and 300 suppliers and customers in the total production–distribution chain.<sup>11</sup> This interdependence made inevitable the decline of production along the whole chain once relations with the centre were severed.

<sup>6</sup> Martel, W. and Hailes, T. (eds), *Russia's Democratic Moment? Defining US Policy to Promote Democratic Opportunities in Russia*, Air War College Studies in National Security, no. 2 (Air University: Montgomery, Ala., 1995), p. 187.

<sup>7</sup> Cooper, J., 'Transformation of the Russian defence industry', *Jane's Intelligence Review*, Oct. 1994, p. 445.

<sup>8</sup> Després, L., 'Financing the conversion of the military–industrial complex in Russia: problems of data', *Communist Economies and Economic Transformation*, vol. 7, no. 3 (1995), p. 334.

<sup>9</sup> *Krasnaya Zvezda*, 3 Aug. 1996, p. 3 (in Russian).

<sup>10</sup> Volosov, I., 'The Russian economy after three years of reform', *Peace and the Sciences*, Mar. 1995, p. 29.

<sup>11</sup> Krivokhizha, V., 'The reconstruction of the Russian military–industrial complex', *Peace and the Sciences*, Dec. 1994, p. 27.

**Table 9.2.** Indicators of economic decline in Russian defence industries, 1992–96

	Total output				Employment				Salaries	
	1992 as % of 1991	1993 as % of 1992	1994 as % of 1993	1996 as % of 1995	1992 as % of 1991	1993 as % of 1992	1994 as % of 1993	1996 as % of 1995	1992 as % of 1991	1993 as % of 1992
	Aircraft	84	81	49	..	91	90	85	..	71
Ammunition and special chemicals	70	82	62	65.7	90	89	81	..	71	63
Armaments	84	82	54	..	93	91	85	..	68	64
Atomic industry	100	103	77	..	97	97	94	..	114	119
Communications equipment	74	78	55	57.7	87	82	82	..	56	51
Electronics	72	66	49	60.6	92	81	76	..	54	44
Radio technology	84	93	55	..	87	86	82	..	53	53
Shipbuilding	89	88	76	..	90	90	86	..	77	87
Space	94	95	71	..	89	89	82	..	66	69
Total defence complex	82	84	65	73.2	91	88	84	86.4	69	67

Sources: Sköns, E. and Gonchar, Ks., 'Arms production', *SIPRI Yearbook 1995: Armaments, Disarmament and International Security* (Oxford University Press: Oxford, 1995), p. 473; and *Krasnaya Zvezda*, 3 Aug. 1996, p. 3 (in Russian).

Among the former Soviet republics, Russia has the most serious adjustment problems as it inherited three-quarters of all the defence plants (and roughly 90 per cent of the plants making finished products). The remaining 25 per cent were in Ukraine (14 per cent), Belarus (2 per cent) and other republics (8 per cent).<sup>12</sup> More than 70 per cent of workers engaged in weapon production were in Russia as against 17.5 per cent in Ukraine, 3.2 per cent in Belarus, 1.7 per cent in Kazakhstan, and between 1.4 and 0.1 per cent in the remaining republics.<sup>13</sup>

In Ukraine, 700 defence enterprises employing roughly 1.3 million people were inherited from the Soviet Union. This accounted for about one-third of Ukraine's GNP and 28 per cent of the industrial sector of the economy, and employed 18.6 per cent of all industrial employees by 1990. In 1992 Ukraine's defence production declined to only one-third of the level of 1991.<sup>14</sup>

The Ukrainian machine-building and metal-working industries made sub-assemblies that were sent to Russia rather than being used in local system integration. Plants in Ukraine produced half the total Soviet output of tanks, missiles, military optical products and radio communication systems. Ukraine also made half of all combat vehicles and the Nikolayev shipyards produced the majority of combat ships. Not only did these products include a high Russian content; they were made in enterprises concentrated in the east and south—a region with a high concentration of ethnic Russians that has generated the strongest opposition to Ukrainian nationalism and the strongest support for restoring ties with Russia.<sup>15</sup>

There were 196 industrial enterprises in Kazakhstan that were involved in military production. While some, mostly situated in the north, had thousands of employees, none had a complete circle of production or was able to produce finished products. With the collapse of the Soviet Union these enterprises were left without the defence contracts that formed the basis for their existence. This has produced disastrous consequences for enterprises such as the Petropavlovsk heavy-machine-building plant where 80 per cent of the output used to consist of military items that were to be incorporated in products that were made elsewhere in the Soviet Union.

Throughout Kazakhstan military orders have decreased by 82 per cent but the Petropavlovsk plant lost 100 per cent of its contracts. To make things worse, none of the military enterprises was capable of undertaking conversion without outside help. It is no wonder that thousands of their workers were living under conditions of heavy socio-economic and psychological strain in 1995.<sup>16</sup>

According to some Russian experts, the Kazakh Government bears a certain responsibility for creating this difficult situation. First, it has not established any

<sup>12</sup> Cooper, J., *The Soviet Defense Industry: Conversion and Economic Reform* (Council on Foreign Relations Press: New York, 1991), p. 21.

<sup>13</sup> *Strategic Digest* (New Delhi), Feb. 1994, p. 211.

<sup>14</sup> Kuzio, T., 'Ukraine's military industrial plan', *Jane's Intelligence Review*, Aug. 1994, p. 352.

<sup>15</sup> Kuzio (note 14).

<sup>16</sup> Kortunov, A., Kulchik, Yu. and Shoumikhin, A., 'Military structures in Kazakhstan: aims, parameters, and some implications for Russia', *Comparative Strategy*, vol. 14 (1995), pp. 301–309.

workable system of reciprocal payments with Russian clients and suppliers. Slow in introducing market reforms, the Kazakh Government has retained a pricing system for military equipment which does not compensate defence enterprises for the rapid increases in their costs due to inflation in the wider economy. Second, the Kazakh authorities have failed to extend any tax breaks to defence enterprises while prevailing interest rates have made all industrial production highly unprofitable. Under these conditions the prices of finished goods, including those produced at defence enterprises, have sky-rocketed. Third, since no law on conversion was adopted in Kazakhstan, managers in the defence industry are deprived of any legal protection should they make any important decisions about restructuring.<sup>17</sup>

### III. Incentives for military–technical cooperation

Russia and the other CIS countries all have reasons for promoting greater military–technical cooperation.

#### **Russia**

Russia's vision of the role of the CIS in its new foreign economic policy is quite contradictory. The economic significance of the CIS for Russia is not obvious. The other CIS countries are insolvent and cannot be viewed as a potential source of investment: on the contrary, by 1996 they owed Russia \$9 billion.<sup>18</sup> However, Russia has underlined that it is interested in developing production and technological relationships with the other CIS countries on the basis of cooperation and will not reserve the role of management exclusively for itself.

Russia has a number of specific interests in military–technical cooperation with the other CIS countries.

First, Russia needs access to certain types of strategic raw material that were traditionally obtained from the regions that now form the rest of the CIS—in particular, non-ferrous and rare-earth metals, cotton and foodstuffs. Russia also needs to ensure that some of the main transport routes through the territories of other CIS states function without interruption.<sup>19</sup>

Russian interest in chromium and silica from Kazakhstan and manganese and ferro-alloys from Georgia is partly determined by the opportunity to use these materials as part of a non-currency payment system. However, these resources also represent important inputs for the metallurgy complexes in the Urals and Western Siberia. Turkmenistan is rich in fossil fuels and at present is dependent upon Russia to transport these fuels to the market. Uzbekistan has enormous

<sup>17</sup> Kortunov *et al.* (note 16), p. 302.

<sup>18</sup> *Novoye Vremya*, no. 16 (1996), p. 16 (in Russian).

<sup>19</sup> *Kommersant Daily*, 3 Oct. 1995, p. 20 (in Russian).

gold deposits (one-quarter of the reserves of the former Soviet Union), is a leading cotton grower and is rich in natural gas.<sup>20</sup>

Second, Russia is interested in keeping and restoring a number of important technological chains and production facilities located outside Russia. It is advantageous for Russia to develop the space and aviation industries in cooperation with the other CIS countries. For example, production of Ilyushin aircraft is not possible without access to the output of the Tashkent Aircraft Plant and production of Antonov aircraft is not possible without the inputs of the Kiev Design Bureau. Russia depends on the Zaporozhe Aircraft Engine Plant in Ukraine to produce some civilian and military transport planes. However, in the longer term the need for this cooperation may diminish in most cases since only Belarus and Ukraine have significant scientific potential.

Third, the other CIS member states with their total dependence on Soviet equipment are a logical market for Russian weapons. The analytical memorandum of the Ministry for Cooperation with CIS Member States (Minsotrud-nichestvo) of 22 September 1995 states that the other CIS countries are almost the only markets for Russia's finished products, and especially its machine-building output.<sup>21</sup>

Since the other CIS countries are insolvent, Russia usually transfers arms on a grant basis. While this is a burden for the Russian federal government, it helps to keep the Russian defence industry afloat. In addition, Aman Tuleyev, the new Russian Minister for Cooperation with CIS Member States, put it, Russia hopes to redeem part of the debts owed by other CIS member states with property, assets and shares in companies in debtor countries.<sup>22</sup>

Fourth, from a political and strategic point of view military–technical cooperation with the other CIS member states is important for Russia as an instrument of strategic control over the 'near abroad'. It has become especially important in view of the debate over NATO enlargement. Russia is not only trying to attract its neighbours into a new security arrangement but is also trying to ensure that the national armies of the other CIS member states are supplied with arms, infrastructure and an officer corps that are compatible with those of Russia and dependent on Russia.

The other CIS member states—which inherited equipment from the Soviet armed forces as well as some production capacities—offered arms for sale, thus competing with Russia. Ukraine established a new centre under the office of the President to coordinate arms exports and pursued many of the same clients as Russia—namely China, India and Iran.<sup>23</sup> Ukraine has sold artillery shells to Pakistan and helicopters to Algeria and upgraded Libyan warships.<sup>24</sup> Ukraine and Pakistan have reached agreement on the transfer of 330 T-80UD tanks.<sup>25</sup>

<sup>20</sup> Olcott, M. B., 'Sovereignty and the "near abroad"', *Orbis*, summer 1995, p. 355.

<sup>21</sup> *Kommersant Daily*, 3 Oct. 1995, p. 20 (in Russian).

<sup>22</sup> Russian television programme *Vremya*: interview with Aman Tuleyev, Minister for Cooperation with the CIS Member States, 9 Sep. 1996.

<sup>23</sup> Kuzio (note 14), p. 352.

<sup>24</sup> *Izvestiya*, 16 Apr. 1996, p. 3 (in Russian).

<sup>25</sup> *Krasnaya Zvezda*, 11 July 1996, p. 3 (in Russian).



In 1994 Moldova delivered 12 MiG-29 fighter aircraft to South Yemeni separatists during the civil war in that country.<sup>26</sup> Belarus has transferred 21 BMP-1 armoured vehicles to Bulgaria which were then re-exported to Angola, as well as transferring T-72 tanks to North Korea.<sup>27</sup> Kazakhstan has exported Su-25MK fighters to some Middle Eastern countries.<sup>28</sup> Apart from the competition that these sales offer to Russian exporters, the quality of armaments and services offered by other CIS states has sometimes discredited Russian weapons. Russia is trying to develop a common CIS arms export policy and promote defence industrial cooperation partly to offset these negative developments.

*The use of arms transfers as a policy instrument: the Caucasus*

A very specific use of arms transfers by Russia as an instrument to achieve political and strategic objectives has been the supply of arms and ammunition to certain political groups in newly independent countries. For example, Russia supported either the government in power or the opposition in each of the three Transcaucasian republics (Armenia, Azerbaijan and Georgia), as well as in Moldova and Tajikistan.

During the conflict in Nagorno-Karabakh a large amount of firearms and ammunition from the 147th Motorized Division located at Akhalkalaki in Georgia was transferred into the hands of the Armenian *fedayeen*. The T-72 tanks from this division, which had Russian crews, launched successful offensive actions against Shusha, Lachin and other places. Military equipment belonging to both the 147th Motorized Division and Armenia damaged in the fighting was brought by train to the tank repair factory in Tbilisi.<sup>29</sup>

By March 1995, Russia and Armenia were ready for closer cooperation in the military field and the two presidents, Boris Yeltsin and Levon Ter-Petrosyan, signed the Russian–Armenian Treaty on Military Cooperation.<sup>30</sup> Also in March 1995 the two countries conducted joint exercises in the Armavir district, bordering Turkey. The then Russian Defence Minister, Pavel Grachev, noted that the military and military–technical cooperation between Russia and Armenia could serve as a model for other CIS countries.<sup>31</sup>

After the division of Soviet military assets, Azerbaijan showed little interest in cooperation with Russia. Reports by Armenian officials (including the Armenian President) that illegal arms transfers from the Russian 4th Army to Azerbaijani forces were taking place were denied by Russia. In March 1992,

<sup>26</sup> Anthony, I., Wezeman, P. D. and Wezeman, S. T., 'The trade in major conventional weapons', *SIPRI Yearbook 1995: World Armaments and Disarmament* (Oxford University Press: Oxford, 1995), p. 495.

<sup>27</sup> United Nations, General and complete disarmament: transparency in armaments. UN Register of Conventional Arms: Report of the Secretary-General, 11 Oct. 1993, UN document A/48/344, p. 12.

<sup>28</sup> *Rossiyskaya Gazeta*, 17 Mar. 1992 (in Russian).

<sup>29</sup> Tbilisi 7 DGHE, 22–28 Sep. 1995, pp. 1–2 (in Georgian) in Foreign Broadcast Information Service, *Daily Report—Central Eurasia* (hereafter FBIS-SOV), FBIS-SOV-95-194, 6 Oct. 1995, p. 74.

<sup>30</sup> Armenia became the first CIS country to sign an agreement with Russia on the deployment of a Russian military base in the republic. A motorized rifle division and a squadron of all-weather multi-purpose MiG-23 fighter-interceptors will be deployed in Armenia. *Moscow News*, 31 Mar.–6 Apr. 1995, p. 4.

<sup>31</sup> *Krasnaya Zvezda*, 25 Mar. 1995, p. 1 (in Russian).

General Sufian Beppayev—then deputy commander of the Russian forces deployed in the Transcaucasus—stated that the creation of a national army in Azerbaijan would not be in Russia's interests.<sup>32</sup>

Russia supplied arms to opposition groups in Azerbaijan. For example, the Russian 104th Paratroop Division supplied military hardware (including tanks) to Suret Guseinov, a mafia member-cum-warlord operating in Gyandzha, who ousted President Ebulfez Elcibey. In 1994 Guseinov, then prime minister, organized a failed coup against President Geidar Aliev.<sup>33</sup>

The military rapprochement between Russia and Armenia affected the position of Azerbaijan. It tacitly supported the Chechen separatists, even allowing them to deploy assault aircraft and training bases and acting as a conduit for arms transfers from Islamic countries. Russia was irritated by this position and protested officially on a number of occasions.

Given Russian–Armenian defence cooperation, many observers anticipated that Azerbaijan would try to foster military ties with Turkey and Iran. Instead it approached Ukraine. In March 1995 President Aliev received a Ukrainian delegation headed by Vice-Premier and Defence Minister Valeriy Shmarov, who stressed that bilateral military and military–technical cooperation were promising areas to develop.<sup>34</sup>

This cooperation seems most likely to consist of Ukrainian arms transfers to Azerbaijan. In September 1993, in response to an official protest by the Armenian Foreign Ministry, the Ukrainian Foreign Ministry declared that Ukraine was repairing and returning Azerbaijani tanks rather than providing any new material. However, in its return to the UN Register of Conventional Arms, Ukraine lists 100 tanks and 10 combat aircraft transferred to Azerbaijan in 1993. Late in 1994 there were additional reports of new shipments of tanks from Ukraine to Azerbaijan.<sup>35</sup>

Immediately after Georgia became independent Russia used arms transfers to influence both Georgia's domestic and its foreign policies. Before the Tashkent Agreement, the Transcaucasus MD transferred to Georgia 70 T-72 tanks and 20 attack helicopters.<sup>36</sup> At an early stage of independence Georgia lacked an effective regular army. Two paramilitary units—the National Guard and the Mhedrioni, loyal to Tengiz Kitovani and Dzhaba Ioseliani, respectively—were the most significant non-Russian armed forces operating in Georgia. Russian military intelligence favoured the National Guard and sold arms from the inventory of the Transcaucasus MD, military maps and other documents to Kitovani. He also received assistance in the form of training.<sup>37</sup>

The Georgian President, Eduard Shevardnadze, initially resisted military cooperation with Russia because of Russian assistance to the Abkhazian rebels. The Russian military base in Abkhazia, the Bombora military airfield near

<sup>32</sup> TASS, 18 Mar. 1992 (in English) in FBIS-SOV-92-054, 19 Mar. 1992, p. 17.

<sup>33</sup> *Novoye Vremya*, no. 5 (Feb. 1996), p. 12 (in Russian).

<sup>34</sup> *Moscow News*, 31 Mar.–6 Apr. 1995, p. 4.

<sup>35</sup> Anthony *et al.* (note 26), p. 496.

<sup>36</sup> *Novoye Vremya*, no. 27 (July 1996), p. 19 (in Russian).

<sup>37</sup> *Novoye Vremya*, no. 27 (July 1996), p. 18 (in Russian).

Gudauta, reportedly played a key role in the defeat of Georgian armed forces in Abkhazia. As early as 14 August 1992 (the date when Georgian operations began in Abkhazia), Abkhazian separatists received up to 1000 assault rifles and machine-guns from the air defence unit stationed near Gudauta. In addition, Su-27 fighter aircraft, Su-25 close-support aircraft and Mi-24 attack helicopters based at Bombora airfield bombed Georgian Army positions in Sukhumi. Some of the pilots used in these operations were Abkhazian. The Bombora airfield also played an important role in delivering ammunition and supplies to the Abkhazians in preparation for the assault on Gagra on 3 October 1992. The airborne assault unit stationed here took a direct part in the assaults on Sukhumi in March, July and September 1993.<sup>38</sup>

When the status quo in Abkhazia had been restored, the Russian Government began pressing separatists to abandon their demand for independence and stay with Georgia. According to some accounts Russian military equipment was delivered to the Georgian armed forces through the Vaziani military airfield (including the comparatively modern Uragan multiple rocket-launcher). This equipment gave Georgian forces the possibility of attacking the Abkhazian separatists' command headquarters in Gudauta (30 km from the front line) for the first time.<sup>39</sup>

Russia also served as a mediator in the talks between Abkhazia and Georgia and deployed 3000 peacekeepers in a security zone separating the forces. This created favourable conditions for a gradual rapprochement between Russia and the government in Tbilisi, which was consolidated after Russia backed Shevardnadze during an abortive attempt to regain power by ousted president Zviad Gamsakhurdia in 1993.

Georgia turned to its giant northern neighbour for economic and military help after two years of trying to go it alone. Shevardnadze stated, 'we realize more and more that the temporary coolness in relations between [Georgia and Russia] was a serious mistake which must be corrected'.<sup>40</sup>

### **The other CIS countries**

In turn, many of the other CIS member states are interested in military-technical cooperation with Russia.

According to leaders of the Progress machine-building design bureau in Zaporozhe, Ukraine (which builds aircraft engines) in the time of the Soviet Union this organization had production ties with 822 partners in the former Soviet republics of which 550 were in Russia. Ninety per cent of the materials used in production were received from Russia. Each engine crossed what is now the Russian-Ukrainian border between five and seven times during the process of its manufacture.<sup>41</sup> Under current conditions with high customs tariffs,

<sup>38</sup> See note 29.

<sup>39</sup> See note 29.

<sup>40</sup> *International Herald Tribune*, 2 Feb. 1994, p. 1.

<sup>41</sup> *Krasnaya Zvezda*, 20 July 1996, p. 4 (in Russian).

trade quotas and lack of cooperation between financial institutions, co-production with former partners is unprofitable.

Russians who worked in the factories that are now running at low capacity have suffered disproportionately from the decline, making local élites particularly eager to see the old inter-republic connections restored.

The coming to power of new élites connected with the local defence industry was one factor that gave momentum to renewed military–technical cooperation. For example, Leonid Kuchma (first Prime Minister and now President of Ukraine) was formerly the Director of the Southern Machine Construction Plant in Dnepropetrovsk—the largest rocket and missile production plant in the world.

None of the newly independent states other than Russia has the necessary prerequisites to develop a wide range of weapon systems and to compete internationally. Ukraine is unable to sustain the powerful missile production and military shipbuilding facilities which exist on its territory and Kazakhstan does not need its vast nuclear, missile and space test sites. These problems can only be solved on the basis of interstate cooperation programmes.

Repairing military hardware is another acute problem for the CIS armed forces. According to Colonel-General B. Y. Pyankov, First Deputy Chief of Staff for Coordinating Military Cooperation among CIS States, ‘hardware goes out of commission, but repair plants are scattered across the territory of the former Union. Some states are able to repair only armoured vehicles, others only aircraft . . . Henceforth we will repair all hardware together’.<sup>42</sup>

To create national armies the other CIS countries need not only Russian arms and supplies but also well-trained officer corps. Many lack a system of military education and training. In addition, the ethnic composition of the officer corps is far from homogeneous. This sometimes leads to ethnic tensions in the army and the migration of Russian and other Slav officers from the Central Asian and Transcaucasian states.

According to some accounts, 98 per cent of Kazakhstan’s officer corps are Russian or representatives of Slavic ethnic groups.<sup>43</sup> However, only Kazakhs are being promoted to the level of general in the new republic. A wall of mistrust is being erected between the army high command and the rest of the officer corps. At the same time the officer corps has problems attracting Kazakh nationals. There is one military school and one border guard school in Kazakhstan.

Around 2000 Russian officers are serving in the Turkmenistan border forces but neither money nor early promotions have succeeded in keeping them there. This is threatening a long delay in the formation of the army.<sup>44</sup>

Whether Russia or the other CIS member states are more interested in military–technical cooperation depends on the specific situation. Azerbaijan and Turkmenistan are reluctant to cooperate with Russia while Belarus and

<sup>42</sup> *Rossiyskiye Vesti*, 20 Sep. 1994, p. 3 (in Russian) in FBIS-SOV-94-184, 22 Sep. 1994, p. 1.

<sup>43</sup> Kortunov *et al.* (note 16), p. 306.

<sup>44</sup> *Rossiyskaya Gazeta*, 18 May 1995, p. 7 (in Russian).

Kazakhstan are willing to develop all forms of military–technical cooperation. Ukraine is eager for bilateral defence industry cooperation with Russia but fears the integration of its armed forces into the CIS. Accordingly, Russian strategy varies from country to country.

#### IV. The legal basis and procedures for military–technical cooperation

The Russian draft military doctrine issued in November 1993 contains a special section on military–technical cooperation with foreign countries. It defines military–technical cooperation as including: (a) export and import of weapons and military hardware, military technologies and results of scientific and technical projects in the military sphere; (b) sending military advisers and specialists on official trips; (c) implementing commissioned and joint research and design projects to create new types of weapon and military hardware; (d) technical assistance in building military facilities and defence enterprises; and (e) other military–technical projects and services.<sup>45</sup>

The document describes the aims of cooperation in pragmatic terms: (a) to strengthen Russia's military–political position across the world; (b) to earn hard currency reserves for the state's needs, for the development of conversion and the defence industries, for the dismantling and salvaging of weapons, and for restructuring defence enterprises; (c) to maintain at the requisite level the export capabilities of the country as regards conventional weapons and hardware; (d) to develop the scientific–technical and experimental basis of defence industries, their research and design establishments and organizations; and (e) to provide social guarantees for the staff of enterprises, establishments and organizations which develop and produce weapons, military hardware and specialized equipment.

The doctrine states clearly that 'priority will go to the restoration and expansion on a mutually advantageous basis of co-production ties with other CIS countries'.<sup>46</sup>

Despite the significance of the CIS that this suggested, the Russian Government initially adopted little special legislation on arms transfers to the former Soviet republics. The other CIS countries were subject to general arms export–import regulations, although Russian regulations sometimes included special mention for the CIS member states. For example, under the Regulations on Military–Technical Cooperation of the Russian Federation with Foreign Countries (12 May 1992), all Russian executive agencies responsible for shaping arms transfer policy should coordinate their proposals on military–technical

<sup>45</sup> Quoted in 'Basic provisions of the military doctrine of the Russian Federation', *Jane's Intelligence Review*, Special Report, Jan. 1994, p. 12.

<sup>46</sup> See note 45.

cooperation with the CIS Joint Armed Forces Supreme Command.<sup>47</sup> On 24 July 1992 the Russian Government adopted regulations on licensing special assembly transfer for production of armaments and weapon systems in other CIS member states in order to foster cooperation between defence industries.<sup>48</sup> On 4 September 1995 the government issued new regulations which essentially liberalized arms and technology transfers between its defence plants and state organizations of other CIS countries. Fees for granting licences to plants and organizations cooperating with other CIS countries under intergovernmental programmes were also waived.<sup>49</sup>

The Ministry of Defence plays a special role in arms transfers to other CIS member states. For example, before October 1996 the principal government body responsible for licensing arms exports was the State Committee on Military–Technical Policy (Gosudarstvenny komitet po voyenno-tekhnicheskoy politike, GKVTTP) and the state trading company Rosvooruzhenie had a leading role in negotiating, concluding and implementing agreements on arms and technology transfer.<sup>50</sup> However, during this period the Ministry of Defence transferred quantities of arms and ammunition to the armed forces of other CIS states on the basis of bilateral formal and informal agreements without the participation of either the GKVTTP or Rosvooruzhenie.

In April 1995 the Russian Government adopted the Statute on the Procedure for Provision of Goods (Work, Services) Within the Scope of Production Cooperation and Specialization of Production between Enterprises and Sectors of the Russian Federation and other Members of the Commonwealth of Independent States.<sup>51</sup> It applies to Russian enterprises, associations, joint enterprises, financial–industrial groups and organizations, regardless of their form of ownership, which conclude contracts with enterprises and analogous structures in other CIS states which have adopted the standard documentation for orders for and customs certification of goods delivered under cooperation.

Provision of goods is understood to mean the delivery of raw materials, assemblies, parts, spares, intermediate products, semi-finished products, components and other goods necessary for technologically interrelated types of production and joint manufacture of finished products. The provision of services is

<sup>47</sup> ‘Polozhenie o voyenno-tekhnicheskoy sotrudnichestve Rossiyskoy Federatsii s zarubezhnyimi stranami’ [Regulations on military–technical cooperation of the Russian Federation with foreign countries], *Rossiyskaya Gazeta*, 16 May 1992 (in Russian).

<sup>48</sup> ‘O poryadke litsenzirovaniya v Rossiyskoy Federatsii postavok spetsialnykh komplektuyushchikh izdeliy dlya proizvodstva vooruzheniya i voyennoy tekhniki v ramkakh gosudarstv–uchastnikov SNG’ [Regulations on licensing in the Russian Federation of special assembly transfer for production of armaments and weapon systems in the CIS member states], *Sobranie Aktov Prezidenta i Pravitelstva Rossiyskoy Federatsii* [Collection of legislative acts of the President and Government of the Russian Federation], no. 5 (1992), p. 247 (in Russian).

<sup>49</sup> ‘Polozhenie o poryadke litsenzirovaniya v Rossiyskoy Federatsii eksporta i importa produktsii, rabot i uslug voyennogo naznacheniya’ [Regulations on licensing in the Russian Federation of export and import of military products, works and services], *Kommersant Daily*, 10 Oct. 1995, pp. 68–69 (in Russian).

<sup>50</sup> ‘Polozhenie o Gosudarstvennom komitete Rossiyskoy Federatsii po voyenno–tekhnicheskoy politike’ [Statute on the State Committee on Military–Technical Policy], *Rossiyskaya Gazeta*, 10 Jan. 1995, p. 4 (in Russian).

<sup>51</sup> *Rossiyskaya Gazeta*, 5 May 1995, p. 14 (in Russian).

understood to be design and repair work, technical servicing and technology transfer.

The state entities identified in the statute as chiefly responsible for concluding and implementing agreements with CIS partners included the Ministry of Defence Industry (Minoboronprom, previously Goskomoboronprom, the State Committee on Defence Industries). Minoboronprom was the Russian representative on the Council on Defence Industries. Once an agreement has been concluded, the Ministry for Economic Cooperation with CIS Member States (Minsotrudnichestvo), the Ministry of the Economy, the Ministry for Foreign Economic Relations (MFER) and the State Customs Committee all perform certain specific technical functions in fulfilling agreements.

The Ministry for Economic Cooperation with CIS Member States and the Ministry of Economics are responsible for analysing the agreements concluded with a view to supporting and developing mechanisms to enhance production cooperation on the part of enterprises and sectors of the Russian Federation with their CIS counterparts.

Agreements usually include lists of enterprises and products and specify the volume of deliveries of the most important types of products or services. The lists of types of products and strategically important raw materials on which quotas are set are first submitted to the Ministry of Economics and the MFER by the Ministry of Defence Industry. Delivery from Russia of such products and materials must comply with separate legislation. Ensuring compliance and recording statistics of the trade are the responsibility of the State Customs Committee.

Accounting and payment between enterprises for the goods and services supplied under contracts are carried out through the Russian Central Bank or duly authorized Russian commercial banks.

To further CIS integration, President Yeltsin issued decree no. 940, 'Strategic policy of Russia towards CIS member states', dated 14 September 1995. The document itemizes the main tasks of Russia's policy towards its CIS partners as: (a) to ensure reliable stability in all its aspects, political, military, economic, humanitarian and legal; (b) to promote the establishment of the CIS states as politically and economically stable states pursuing a friendly policy towards Russia; (c) to consolidate Russia as the leading force in the formation of a new system of interstate political and economic relations in the post-Soviet space; and (d) to boost integration processes within the CIS.<sup>52</sup> It also states the intention to form 'a unified scientific and technological space' within the framework of the CIS and to implement agreements between the CIS member states in the defence sphere.

Within the framework of the document the Ministry for Economic Cooperation with CIS Member States, which is responsible for implementing Russia's economic and social policy on the CIS, obtained new powers. It coordinates the activity of federal agencies in the development of economic cooperation with

<sup>52</sup> *Rossiyskaya Gazeta*, 23 Sep. 1995, p. 4 (in Russian) in FBIS-SOV-95-188, 28 Sep. 1995, pp. 19-22.

other CIS states and assists the foreign economic activity of Russian enterprises. However, the new institutional system does not eliminate overlapping competence or rivalry between executive agencies. Military–technical cooperation is still subject to a bureaucratic ‘tug of war’ between various executive and governmental bodies. The Ministry for Economic Cooperation with CIS Member States is seeking its own place in the administrative system. Apart from wasting time and resources this rivalry prevents the execution of genuinely promising co-production projects and arms transfer programmes. In addition, smugglers are using loopholes in the federal legislation and the general weakness of Russian state power to export armaments, technologies and strategic and raw materials illegally.

Military–technical cooperation with the other CIS countries is expensive for Russia since many programmes effectively represent military assistance. According to Colonel-General Vladimir Zhurbenko, Deputy Chief of the Russian General Staff, the other CIS states owe the Russian Ministry of Defence \$6.7 million, mostly for training their officers at Russian academies. Nevertheless, the Russian Government decided to earmark funds in the 1997 federal budget to finance the training of up to 1000 cadets from other CIS countries.<sup>53</sup>

Military–technical cooperation is developing both through multilateral efforts at the CIS level and through bilateral relations.

## V. The CIS legal and institutional framework

It took a long time to establish a functioning CIS legal and organizational basis for joint military–technical policy.

In retrospect, the Kiev meeting of the CIS heads of state on 20 March 1992 proved to be a crucial moment for the development of CIS military integration in general and military–technical cooperation in particular.

The Agreement on the Powers of the CIS Supreme Defence Agencies of 20 March 1992 was the first document to touch on this problem. It established the CIS Council of Heads of State as a supreme defence agency. Among its tasks were: (a) to determine, together with the CIS Joint Armed Forces (JAF) Supreme Command, a coordinated programme of weapon manufacture and combat technology for the JAF, the volume of funding for the programme within the appropriations for defence and the maintenance of the JAF, and military contract handling priorities; (b) to establish the procedure for the standardization of weapons, combat technology and other *matériel* for the JAF, and corresponding logistic routines; (c) to determine defence R&D procedures to ensure, acting via member states’ corresponding organizations, the provision of the JAF with weapons, combat technology and other *matériel* and services; and

<sup>53</sup> Open Media Research Institute, *OMRI Daily Digest*, no. 37, part I (21 Feb. 1996), URL <<http://www.friends-partners.org/friends/news/omri/1996/02/960221I.htm>>. Hereafter, references to the *OMRI Daily Digest* refer to the Internet edition at this address.



(d) to produce war-oriented economic plans, *matériel* accumulation plans and reserve mobilization plans.<sup>54</sup>

The Council of Defence Ministers was set up to coordinate military developments within the CIS. In addition the JAF Supreme Command was formed to implement defence decisions of the CIS higher bodies.

It should be noted that this agreement was signed by only 7 of the 11 initial CIS members—Armenia, Belarus, Kazakhstan, Kyrgyzstan, the Russian Federation, Tajikistan and Uzbekistan. Four members were not ready for military integration in 1992.

At the same time Ukraine—which did not sign the document—proposed the Agreement on the Principles Governing the Provision of Arms, Military Equipment and Other Material Supplies for the Armed Forces of the Commonwealth Member States and the Organization of Research and Development Work, which was signed by the eight CIS countries on 20 March 1992. The representative of Moldova made the following entry: ‘Moldova will decide matters set out herein only on a bilateral basis’.<sup>55</sup>

Nevertheless, at this early stage the heads of state acknowledged the need to preserve and extend partnership ties in the manufacture of military products, long-term economic relations and direct contacts. It was resolved that the development, production, delivery and procurement of weapons, munitions, technical production items and other *matériel* supplies to CIS states and their accumulation should be carried out in accordance with joint plans agreed between member states and paid for out of a common defence budget.

At the same time R&D, arms production and export–import regulations were to be the responsibility of the member states’ governments. Arms, munitions and military–technical equipment should be repaired and manufactured at JAF depots. Under the agreement arms and munitions held in repair enterprises located in a country other than the owner may not be unilaterally reattached, reassigned or privatized.

Shipment of arms, munitions and other *matériel* to the JAF on the territory of member states should be effected by mutual agreement without hindrance or imposition of any duties. Member states must exercise the right of control over military cargoes being moved.

The agreement retained the institution of military representatives at industrial plants engaged in the development, manufacture, assembly and delivery of arms, munitions and other equipment for the JAF. They were considered to be part of the JAF and subject to ‘the appropriate competent bodies of member states’.<sup>56</sup> Quality guarantees for enterprise output were to be fixed under the contractual obligations of both parties. A representative of a customer might be provided at the manufacturer plant for signing contracts.

<sup>54</sup> *Military News Bulletin* (Moscow), Mar. 1992, p. 2 (in English).

<sup>55</sup> See note 54.

<sup>56</sup> See note 54.

The agreement also left unchanged old normative–technical documents on the standardization and unification of arms and munitions. However, it was resolved to prepare new regulations on arms standardization.

As for logistic support, the JAF had to proceed from the rates of supply, accumulation and distribution of arms, munitions and other *matériel* then in use. The JAF Commander-in-Chief was responsible for proposing specific procedures to implement this requirement for approval by the Council of Heads of State.

The document urged the member states to introduce measures for the top-priority supply of material resources, including consumer goods, to the JAF via state deliveries and on the basis of contracts.

R&D work undertaken for the JAF must be carried out on the basis of a joint development programme and contracts with appropriate plants and research institutions. The co-signatories agreed to conduct a constant exchange of scientific and technical information on specimens of arms and *matériel* in development and exploitation. R&D for the JAF was funded on the basis of a separate item in the common defence budget.

On the face of it, these arrangements created the basis for military–technical cooperation between the CIS countries. However, in reality this cooperation developed slowly and in a sporadic manner. A number of factors prevented cooperation, including the decline of the defence industrial base in the CIS countries, the lack of a proper legal basis for economic and military cooperation, mistrust of the CIS and its institutions and suspicion about the objectives of military integration.

The next step in developing the legal and regulatory framework occurred when the CIS leaders met in Ashkhabad, Turkmenistan on 23 December 1993 and signed the Agreement on the General Conditions and Mechanism for Support of the Development of Production Cooperation of Enterprises and Sectors of Commonwealth of Independent States Participating States. The protocol on the mechanism for the realization of this agreement was signed in Moscow on 15 April 1994.<sup>57</sup> These documents paved the way for both economic and defence industry cooperation at the enterprise and sector levels.

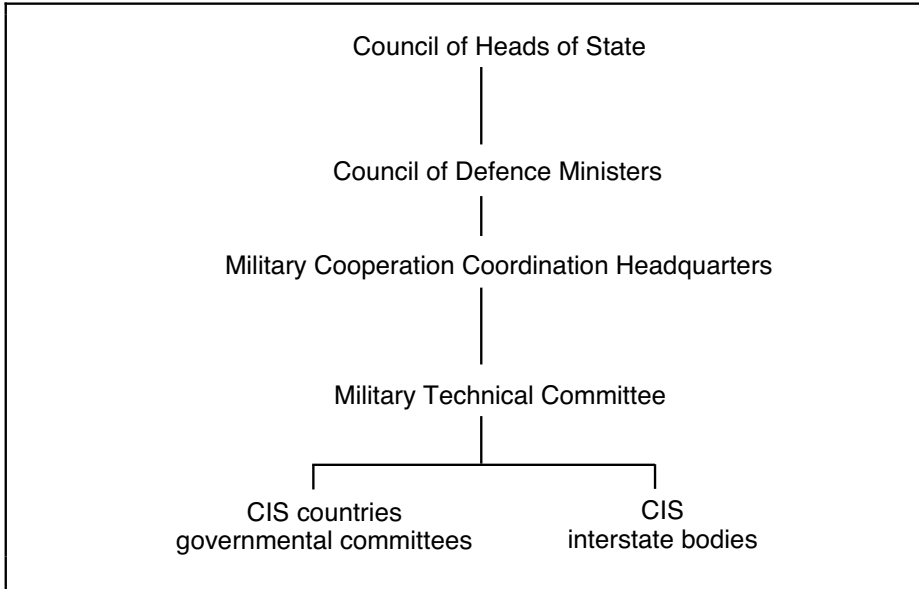
At the Almaty CIS summit meeting of 10 February 1995 a Concept of Collective Security of Participating States was adopted. The document proposed three stages for forming the CIS system of collective security. A programme of military and military–technical cooperation among participating states was one of the elements to be included in the first stage.<sup>58</sup>

At the level of institutions, the CIS also took a series of decisions. In December 1993, the CIS Council of Defence Ministers created a CIS Military Cooperation Coordination Headquarters (MCCH) in Moscow, with 50 per cent of the funding provided by Russia.<sup>59</sup>

<sup>57</sup> *Rossiyskaya Gazeta*, 5 May 1995, p. 14 (in Russian).

<sup>58</sup> *Diplomaticheskii Vestnik*, Mar. 1995, pp. 36–37 (in Russian).

<sup>59</sup> Olcott (note 20), p. 358.



**Figure 9.1.** CIS organs involved in military–technical cooperation

As shown in figure 9.1, a Military–Technical Committee (MTC) was established within this body. Its sessions were usually attended by deputy defence ministers responsible for armaments along with representatives of other bodies coordinating work in the military–technical sphere (such as, in Russia, the then State Committee for Defence Industries, the State Committee for Military–Technical Policy, now dissolved, and the Ministry for Economic Cooperation with Members of the CIS) and officials from CIS interstate organs (such as the Interstate Economic Committee of the Economic Union of the CIS).<sup>60</sup>

According to some reports, the immediate priority tasks for military–technical cooperation are to support: (a) the rehabilitation of armaments, military equipment and ammunition that are currently unfit for use, and (b) the development of a concept for providing an information, command and control system for the armed forces of CIS countries.<sup>61</sup> The MTC drafted a document setting out the basis elements of this cooperation and referred it to the Council of Defence Ministers for endorsement in June 1996.

## VI. The CIS joint air defence system

Section V suggests that a legal and institutional basis for military–technical cooperation at the CIS level has been created. However, in reality most countries have preferred to develop bilateral channels for this cooperation. This is caused by at least two factors. First, as mentioned above, some CIS member

<sup>60</sup> *Krasnaya Zvezda*, 26 Aug. 1995, p. 3 (in Russian).

<sup>61</sup> *Novoe Vremya*, no. 8 (Feb. 1995), pp. 8–9 (in Russian) in FBIS-SOV-95-058-S, 27 Mar. 1995, pp. 13–15.

states are still afraid of the implications of too rapid a tempo in CIS integration. There is a suspicion that either Russia or some new supranational organ will undermine their newly gained sovereignty. Second, in practice the CIS bodies that have been created are rather ineffective in carrying out agreements and joint programmes. By 1996 about 400 of the roughly 500 agreements concluded by the CIS had not entered into force because one or more parties had not ratified them.<sup>62</sup> For that reason many countries regard bilateral relations as a more effective instrument for cooperation than the CIS.

The CIS member states are likely to combine collective and bilateral efforts to develop their military–technical ties in future. The creation of the CIS unified air defence system exemplifies this approach.

After the disintegration of the Soviet Union, the assets and forces of the Soviet air defence system were divided between the former Soviet republics. What had been an integrated system became less efficient.<sup>63</sup> Moreover, the division of *matériel* and armaments was not conducted in an orderly way everywhere. In some places, components of the system such as missile fuel, parts of anti-aircraft guided missiles and aircraft were abandoned.<sup>64</sup>

In the view of Colonel-General Viktor Prudnikov, Commander-in-Chief of the Russian Air Defence Forces, the non-Russian CIS states are unlikely to be able to build credible air defence forces without help from Russia. Russian air defence personnel are currently serving in Azerbaijan, Belarus, Kazakhstan, Latvia, Tajikistan, Turkmenistan and Uzbekistan, none of which has the independent capacity to train replacement cadres of personnel. Air defence installations are manufactured and for the most part repaired in Russia. At the strategic level, the monitoring of airspace depends on a network of assets scattered over Armenia, Azerbaijan, Belarus, Kazakhstan, Russia and Ukraine.<sup>65</sup>

The Russian Ministry of Defence began to study the question of creating a unified air defence system for the CIS member countries in 1994 and this initiative was immediately backed by Kazakhstan. Finally, the Agreement on the Creation of a Unified Air Defence System of CIS Member States was signed by the CIS heads of state on 10 February 1995 in Almaty.<sup>66</sup> CIS countries with the exception of Azerbaijan and Moldova have decided to pool their efforts to protect the common CIS airspace and to assign means and forces from each state to the combined air defence system. It is expected to have a coordinating committee to include air defence commanders from each member state, their deputies and other high-ranking officials. Military–technical cooperation should provide for the delivery of *matériel*, repairs to armaments and training of per-

<sup>62</sup> *Budushchee Postsovetskogo Prostranstva* [The future of the post-Soviet space], (Council on Foreign and Defence Policy: Moscow, 1996), p. 11 (in Russian).

<sup>63</sup> Col-Gen. Viktor Prudnikov, Commander-in-Chief of the Russian air defence troops and then Commander-in-Chief of the CIS allied air defence system. ITAR-TASS, 17 Feb. 1995 (in English) in FBIS-SOV-95-034, 21 Feb. 1995, p. 1.

<sup>64</sup> Karatchenya, I., CIS Executive Secretary, *Narodnaya Gazeta*, 6 Dec. 1995, p. 1 (in Russian) in FBIS-SOV-95-238, 12 Dec. 1995, p. 21.

<sup>65</sup> FBIS-SOV-95-238, 12 Dec. 1995 (note 64).

<sup>66</sup> The text is reproduced in *Rossiyskaya Gazeta*, 25 Feb. 1995, p. 5 (in Russian) in FBIS-SOV-95-040, 1 Mar. 1995, pp. 2–4.

sonnel. Article 6 of the agreement states that 'air defence armaments and military hardware shall be supplied on the basis of bilateral agreements between the member states' governments, while repairs of air defence armaments and military hardware shall be effected under the procedure laid down by the CIS Council of Heads of State'.<sup>67</sup> The agreement thus emphasized bilateral relations rather than unified CIS structures as far as military–technical cooperation was concerned. Training of specialist personnel for the unified air defence forces should also be provided for by bilateral agreements.

Elements of a multilateral export control system were also set up under the same agreement. Member states pledged not to sell or transfer air defence armaments and military hardware defined on a list ratified by the CIS Council of Heads of State to states which are not party to the 10 February agreement.<sup>68</sup>

The details of cooperation were not specified in the agreement and were to be worked out later during meetings of air defence commanders. According to General Prudnikov, the CIS joint air defence force will initially concentrate its efforts on air surveillance and the exchange of information. In the first stages neither anti-aircraft rocket launchers nor combat aircraft are expected to be under the command of the joint air defence force. Each CIS member will decide which units and which equipment will be dedicated to air defence.<sup>69</sup>

At the January 1996 CIS summit meeting Russia agreed to finance upgrades of the air defence forces of Armenia, Georgia, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan. According to Colonel-General Sergey Sapegin, First Deputy Commander of the Russian Air Defence Forces, Russia planned to provide Georgia with 10 billion roubles (\$2.1 million) for its air defences.<sup>70</sup>

In August 1996 the CIS Interstate Economic Committee approved the establishment of the Granit international financial–industrial group to execute air defence projects. Under this arrangement 10 Russian and four Ukrainian companies as well as enterprises from Armenia, Belarus, Georgia and Kazakhstan formed a group to provide the joint air defence system with armaments, service and repairs.<sup>71</sup>

The integrated air defence system began operations in the spring of 1996. On 1 April Russia and Belarus started joint patrols of the western air border of the CIS and on 1 May Russian and Kazakh air defence troops began joint patrols of the southern border. On 1 June Russian and Georgian air defence forces began joint patrols of the airspace along the border with Turkey and by the end of 1996 it was anticipated that other member states would be involved in joint patrols.<sup>72</sup>

In the view of many Russian defence experts there is no alternative to the creation of a unified air defence system even though this is a costly project for

<sup>67</sup> See note 66.

<sup>68</sup> See note 66.

<sup>69</sup> See note 63.

<sup>70</sup> *OMRI Daily Digest*, no. 28, part 1 (8 Feb. 1996).

<sup>71</sup> *Krasnaya Zvezda*, 21 Aug. 1996, p. 1 (in Russian).

<sup>72</sup> Moscow Mayak Radio Network, 27 Mar. 1996, p. 8 (in Russian) in FBIS-SOV-96-061, 28 Mar. 1996, p. 8.

Russia. It will help settle many problems in stabilizing the conditions of national air defence forces and consolidate the sovereignty of CIS member states in the face of external threats to the group.<sup>73</sup>

Military analyst Nikolay Plotnikov has identified four arguments in favour of the project. First, unified and centralized control over all air defence forces is in the interests of each state and the CIS as a whole in the event of an external threat. Second, the comprehensive employment of forces in the framework of a single concept and the preservation of a unified system for reconnaissance, tactical surveillance, and command and control will provide timely information to military and political leaders. Third, a coordinated military–technical policy and standardization of weapons and equipment can bring considerable financial savings. Fourth, a unified training programme can both raise personnel standards and reduce costs.<sup>74</sup>

## VII. Bilateral cooperation

Bilateral relations between Russia and each of the members of the CIS remain the main channel for military–technical cooperation within the CIS. However, the scope and nature of and the motives for cooperation vary from country to country.

Several different levels of bilateral cooperation can be identified. In some countries fully fledged cooperation covers arms transfers and defence industrial cooperation (perhaps even at the level of joint design and co-production). This type of cooperation is inbuilt in relations between Russia and Belarus and between Russia and Kazakhstan. The second type is based on a preference for defence industry cooperation. Ukraine is interested in restoring former defence industrial links with Russia but opposes other forms of military–technical cooperation. Third, Russia is assisting in the creation of national armies through arms transfers and the provision of services and training. This type of cooperation does not imply broad defence industrial cooperation or technology transfer. Central Asian republics such as Kyrgyzstan, Tajikistan and Uzbekistan are involved in this kind of cooperation with Russia. A fourth type is limited to repair and maintenance needed to sustain capabilities such as air defence networks or equipment inherited from former Soviet arsenals. This is an option for countries which are not happy about full military rapprochement with Russia: Armenia and Georgia exemplify this type of relations with Russia. Finally, a number of CIS countries are indifferent or hostile to military–technical cooperation with Russia but for various reasons see no alternative. Azerbaijan, Moldova and Turkmenistan are in this category.

Table 9.3 offers an index of the interest among CIS countries in cooperation with Russia.

<sup>73</sup> Prudnikov (note 63).

<sup>74</sup> *Nezavisimaya Gazeta*, 21 Feb. 1995, p. 2 (in Russian) in FBIS-SOV-95-036, 23 Feb. 1995, p. 3.

**Table 9.3.** Index of the level of military–technical cooperation between Russia and the CIS member states in select areas

	Armenia	Azerbaijan	Belarus	Georgia	Kazakh.	Kyrgyz.	Moldova	Tajik.	Turkmen.	Ukraine	Uzbek.
Defence industrial cooperation	Low	None	Very high	High	Very high	None	None	Low	None	Very high	High
Conversion	Low	None	Very high	Low	High	None	None	Low	None	Very high	High
Arms transfers	High	Low	High	High	High	Low	High	Very high	High	Low	High
Division of Soviet arsenals	Very high	Very high	High	Very high	High	Low	Very high	Very high	High	High	Low
Air defence	High	None	Very high	Very high	Very high	High	Low	High	None	High	Very high
Russian military bases	High	None	None	High	None	None	None	Very high	None	None	Low
Russian military advisers	Low	None	Low	High	High	Low	None	Very high	None	None	High
Military training	High	Low	Very high	High	Very high	High	Low	Very high	Low	Low	Very high

*Notes:* Kazakh. = Kazakhstan; Kyrgyz. = Kyrgyzstan; Tajik. = Tajikistan; Turkmen. = Turkmenistan; Uzbek. = Uzbekistan.

Military relations between Russia and *Belarus* have always been relatively good. Belarus was and is in favour of military integration with Russia. On 6 January 1995 the two countries signed a number of agreements on military cooperation which covered some military–technical aspects.<sup>75</sup> This was the first step in what seemed to be an accelerating dialogue in this field. The Russian–Belarussian Treaty on Friendship and Cooperation of 21 February 1995 stipulated that the two countries would develop industrial cooperation, including cooperation between their defence industries.<sup>76</sup>

On 8 December 1995 Russian Defence Minister Grachev visited Minsk and, according to the concluding press release, discussed issues related to military–technical cooperation. At a final plenary session the Russian and Belarussian military delegations signed a number of documents raising cooperation to a qualitatively new level. Belarussian President Alexander Lukashenko noted that there were no difficulties in their military and military–technical cooperation and underlined that the two sides ‘have decided to cooperate and cooperate very seriously!’<sup>77</sup>

The main avenues of bilateral military–technical cooperation have been defined in the first stage. Contracts between defence industry enterprises will lead to the supply of spare parts, the repair and servicing of military equipment and the refurbishing of munitions unfit for combat use. Another element of the agreement is how to resolve the problem of the existing debts owed to enterprises by the Russian and Belarussian defence ministries for past repairs of arms and military equipment. For the future, Russian defence analysts believe that cooperation in the production of attack helicopters in Belarus is the most attractive for Russian industrialists.<sup>78</sup>

According to some reports, the two countries also agreed to conduct a joint arms trade policy.<sup>79</sup> For Russia this is an issue of some importance because Belarus has been active in exporting second-hand arms to other countries: it has, for example, sold China tanks and ammunition and China has apparently shown interest in purchasing air defence and optical weapon systems as well as repairing aircraft in Belarus. China has sent officers for training in the Belarussian Military Academy.<sup>80</sup> This policy cannot continue indefinitely since the arsenals of Soviet-made weaponry will be exhausted. However, it can undermine the Russian policy of not exporting single items or technical documentation where these can be used by the defence industry of the importing country.

Since Belarus has no complete circle of military production, in the longer term it also has an interest in cooperating with Russia in arms export policy.

The Russian–Belarussian Treaty on Confederation of 2 April 1996 confirmed the importance of military cooperation between the two countries. It included

<sup>75</sup> *Novoye Vremya*, no. 9 (Mar. 1995), p. 14 (in Russian).

<sup>76</sup> *Diplomaticeskij Vestnik*, Mar. 1995, p. 40 (in Russian).

<sup>77</sup> *Krasnaya Zvezda*, 10 Dec. 1995, p. 1 (in Russian). Emphasis in original.

<sup>78</sup> *Novoye Vremya*, no. 18–19 (May 1996), p. 27 (in Russian).

<sup>79</sup> Minsk BTK TV Network, 10 Dec. 1995 (in Belarussian) in FBIS-SOV-95-238, 12 Dec. 1995, p. 60.

<sup>80</sup> *Nizhegorodskiy Novosti*, 27 Apr. 1996 (in Russian).



special provision on common principles of military construction and use of military infrastructure.<sup>81</sup>

The development of military–technical cooperation between Russia and *Ukraine* has been hindered by a number of unresolved problems related to nuclear weapons and strategic forces and the division of the Black Sea Fleet.

As of mid-1996 the issues of the Black Sea Fleet had not been finally resolved. Nevertheless, under the presidency of Leonid Kuchma conditions for developing military–technical cooperation between Russia and Ukraine have become quite favourable. Under his administration, joint ventures with Russia have gained in favour. On 28 March 1996, the then defence ministers of Russia and Ukraine, Pavel Grachev and Valeriy Shmarov, finalized 10 documents on expanding military–technical cooperation. These included agreements on defence industry cooperation to repair equipment, but no further details were disclosed.<sup>82</sup>

The two countries have begun to use financial–industrial groups intensively as instruments of cooperation between defence industries. In April 1996 they established the International Aircraft Engines group which consists of 50 Russian and Ukrainian enterprises, design bureaux and banks. The total number of employees is 215 000, of which 140 000 are in Russia and 75 000 are in Ukraine.<sup>83</sup> The group has received special concessions to ease its operations. For example, both value-added tax and customs tariffs are waived for transactions within the group and the debts of the enterprises participating in this group have been liquidated. The priority of the group is the development of two new aircraft engines designated the D-27 and D-436.

Another financial–industrial group, the International Aircraft Project, was formed in August 1995 to develop and produce civilian and military transport aircraft. Production of the Tu-154M, Tu-156, Tu-334, Tu-354, Tu-230, An-72, An-74, An-70 and An-140 is the responsibility of this group. It was established by leading Russian and Ukrainian organizations including the Tupolev and Antonov design bureaux, the Aviakor industrial association, the Kiev Aircraft Plant (Aviant), the Kharkov State Aircraft Enterprise, the Inter-regional Volgo-Kama Bank of Reconstruction and Development, Prominvestbank and the Savings Bank of Ukraine.<sup>84</sup>

Russia and Ukraine both regard the creation of joint financial–industrial groups of this kind as a promising method of developing cooperation not only in the military–technical field but also in the economic and financial sphere.

The division of the property—including hardware, weapons and munitions—of the Russian 14th Army in *Moldova* became a central issue in relations between Russia and *Moldova* after the decision that the army would withdraw.<sup>85</sup> This issue has not been finally resolved. Along with the fact that *Moldova* has

<sup>81</sup> *Diplomaticeskii Vestnik*, May 1996, p. 40 (in Russian).

<sup>82</sup> *OMRI Daily Digest*, no. 64, part II (29 Mar. 1996).

<sup>83</sup> *Izvestiya*, 21 Feb. 1995; and *Krasnaya Zvezda*, 20 July 1996, p. 4 (in Russian).

<sup>84</sup> *Vybor*, 7 Sep. 1995 (in Russian).

<sup>85</sup> According to some reports there were around 400 000 tonnes of supplies that would require c. 3000 freight-car trips to transport them to Russia. *Izvestiya*, 21 Feb. 1995, p. 2 (in Russian).

not shown any desire to develop significant armed forces of its own, this has effectively blocked dynamic military–technical cooperation with Russia.

Military–technical cooperation between Russia on the one hand and *Armenia* and *Azerbaijan* on the other was prevented for a number of years by the conflict between those countries and Russia’s role in it. The military rapprochement between Azerbaijan and Ukraine was one more obstacle to Russian military–technical cooperation with them both.

As noted above, immediately after *Georgia* became independent the issue of military–technical cooperation was subordinated to other issues confronting the new state. Apart from the war against Abkhazian separatism, internal changes in the Georgian armed forces also prepared the ground for rapprochement between Russia and Georgia in this area. Shevardnadze dissolved the units loyal to Kitovani and Ioseliani and formed a regular army. General Varden Nadibaidze, the former Deputy Commander of the Transcaucasus MD, became the new Georgian Defence Minister. Nadibaidze—who had been responsible for logistics and armaments in the Transcaucasus MD—had participated in the creation of the Georgian armed forces and was a personal friend of Grachev.<sup>86</sup>

The military–technical cooperation between Russia and Georgia has three elements: defence industrial cooperation, arms transfers, and agreements on bases and support facilities.

The elements of defence industry cooperation between Russia and Georgia are to be found under Article 15 of the Russian–Georgian Agreement on Trade and Economic Cooperation of March 1996, which states that ‘the parties will undertake measures to develop cooperation between defence enterprises on a mutually advantageous basis’.<sup>87</sup> Russian designers have assisted the Tbilisi Aviation Industrial Association to develop a two-seater trainer version of the Su-25UB aircraft.<sup>88</sup> However, the prospects for cooperation between enterprises are limited because the plants in Georgia have been almost completely destroyed since 1992.

In March 1996, Russia and Georgia concluded an agreement on sending Russian military advisers and specialists to Georgia to train Georgian servicemen and repair military hardware.<sup>89</sup>

In February 1994 Russia and Georgia signed a Treaty of Friendship and Military Cooperation. The agreement allowed Russia to maintain three military bases in Georgia and called for Russian forces to help train and equip a new Georgian Army.<sup>90</sup> However, the leaders of every faction in the Russian State Duma, citing domestic instability in Georgia, signed a letter to President Yeltsin opposing the treaty and warning that it might not be ratified.<sup>91</sup> The Russian

<sup>86</sup> *Novoye Vremya*, no. 27 (July 1996), p. 19 (in Russian). After Grachev’s resignation in 1996 some analysts noted that Russia had lost an important channel of communications with and influence on Georgia.

<sup>87</sup> *Diplomaticheskiy Vestnik*, Apr. 1996, p. 55 (in Russian).

<sup>88</sup> *Krasnaya Zvezda*, 11 July 1996, p. 2 (in Russian).

<sup>89</sup> *Diplomaticheskiy Vestnik*, May 1996, pp. 47–48 (in Russian).

<sup>90</sup> *International Herald Tribune*, 2 Feb. 1994, p. 1.

<sup>91</sup> This treaty was ratified by Georgia in Feb. 1996.

President said he would not submit the treaty to the State Duma until two ethnic conflicts involving tiny breakaway republics within Georgia but on Russia's border (Abkhazia and South Ossetia) had been resolved.

In March 1995 the Russian and Georgian defence ministers signed an agreement on airfield technical support services and discussed the details of future military–technical cooperation. Details of their discussions were not disclosed.<sup>92</sup> However, it took another year and half to conclude a special treaty on military bases. This was signed during the visit of Russian Prime Minister Viktor Chernomyrdin to Tbilisi in September 1995. The treaty provided for Russian control over military bases at Akhalkalaki, Vaziani, Batumi and Gudauta for 25 years. In exchange Georgia would receive economic assistance, especially in the energy sector, and support in regaining control over Abkhazia.<sup>93</sup>

Anti-Georgian forces in the Russian Duma have also blocked the ratification of this treaty and, as of late 1996, neither Russia nor Georgia had ratified it.<sup>94</sup>

The issues of arms transfers and Russian access to bases and facilities have become intertwined. According to some reports, Grachev promised to transfer to Georgia about 100 T-72 tanks in exchange for assistance from Nadibaidze in concluding the bilateral agreement on military bases.<sup>95</sup> Two additional issues have complicated military–technical cooperation between Russia and Georgia. First, all decisions on both deployments and arms transfers must be consistent with the 1990 CFE Treaty.<sup>96</sup> Second, because of the fighting going on in Georgia, some equipment declared under the CFE information exchange has been destroyed or is not fit for use.<sup>97</sup>

Alongside Belarus, *Kazakhstan* has been the most eager for economic and military integration with Russia. The legal basis for military–technical cooperation was laid on 25 May 1992 when Presidents Yeltsin and Nursultan Nazarbayev signed the Treaty of Cooperation and Mutual Assistance. Kazakhstan strongly supported the 1992 Tashkent Treaty on Collective Security and since late 1993 cooperation between the armed forces of Kazakhstan and Russia has gradually assumed greater importance. On 28 March 1994 the two countries signed the Treaty on Military Cooperation. Russia and Kazakhstan agreed to pursue a coordinated policy in the areas of joint design, production, repair and supply of arms, military equipment, and material and technical resources. This was to include efforts to preserve and establish cooperation between enterprises designing and manufacturing arms and military equipment.

<sup>92</sup> *Krasnaya Zvezda*, 25 Mar. 1995, p. 1 (in Russian).

<sup>93</sup> *New Europe*, 24–30 Sep. 1995, p. 40.

<sup>94</sup> *Krasnaya Zvezda*, 27 July 1996, p. 3 (in Russian).

<sup>95</sup> *Novoye Vremya*, no. 27 (July 1996), p. 19 (in Russian).

<sup>96</sup> If the Russian side accumulates treaty-limited items in excess of its permitted quotas in the North Caucasus MD (which includes Chechnya), Russian forces stationed in Georgia will automatically be deprived of this quantity of equipment. The treaty allows up to 220 tanks, 220 armoured combat vehicles, 100 combat aircraft, 50 combat helicopters, and over 280 artillery systems of a calibre of over 100 mm to be stationed in Georgia. One possible solution is for Georgia to transfer part of its quota for treaty-limited equipment to Russian forces on a temporary basis. The Georgian Government has indicated that it can accept this solution. *Krasnaya Zvezda*, 24 Nov. 1992, p. 2 (in Russian).

<sup>97</sup> *Krasnaya Zvezda*, 25 Mar. 1995, p. 1; *Krasnaya Zvezda*, 10 Feb. 1996, p. 2; and *Pravda*, 15 Nov. 1995, p. 2 (in Russian).

In order to implement a coordinated policy, Kazakhstan and Russia established an interstate commission for military–technical cooperation.<sup>98</sup> However, this document was a declaration of intent rather than a concrete programme. Each provision relating to military–technical cooperation needed additional agreements and further detailed work. It was agreed that supplies and services should be provided duty-free at prices agreed by the parties and specified in each case in a separate agreement. Specific issues of coordinating policy and the supply of work and services should be determined on a project basis.

The two countries decided to cooperate in defence industry research and on experimental and design work. Each side would retain and develop existing specializations. They also agreed to cooperate in such fields as training officers and military transport.

On 24 December 1994, after nearly two years of negotiation and hard bargaining, the prime ministers and defence ministers of the two states signed a number of additional documents of a technical nature: Procedures for the Maintenance and Use of the Balkhash Missile Warning System in Kazakhstan; the Agreement on Air Defence Facilities of the Russian Federation and Kazakhstan, and their Joint Operation; and the Agreement on Issues of Joint Planning of the Armed Forces in the Interest of the Mutual Security of the Russian Federation and Kazakhstan.

At a meeting on 20 January 1995 between Presidents Yeltsin and Nazarbayev military cooperation between the two countries was placed on a long-term footing. Of 17 the documents which they signed, 8 dealt specifically with military cooperation. The two countries decided to start forming joint armed forces on the basis of common armaments. Defence industrial cooperation will develop alongside programmes of standardization.<sup>99</sup>

As noted above, Kazakhstan has a significant defence industrial potential inherited from the Soviet past. In mid-March 1995 senior officials of the Defence Industry Committee of Kazakhstan and the Russian State Committee on Defence Industries concluded an agreement on economic, scientific and technical cooperation in the defence sector. The Russian state agency Oboronresurs [Defence Resources] and the Kazakh state agency Kazkontrakt will be responsible for implementing this agreement.<sup>100</sup>

In July 1995, the Russian and Kazakh governments agreed on procedures to compensate for hardware and armaments withdrawn to Russian territory from Kazakhstan. Kazakhstan is transferring to Russia equipment (strategic systems) which could be better utilized by the Russian armed forces. In return, Russia is sending to Kazakhstan a number of types of arms, including MiG-29 fighter aircraft, which would be more effectively used under Kazakh conditions.<sup>101</sup>

On 26 January 1996 the Russian and Kazakh defence ministers signed a package of 16 documents on cooperation in the military sphere, including

<sup>98</sup> See the English translation of the treaty in FBIS-SOV-94-206, 25 Oct. 1994, pp. 56–60.

<sup>99</sup> *Diplomaticheskii Vestnik*, Feb. 1995, p. 41 (in Russian).

<sup>100</sup> Woff, R., 'Kazakh–Russian relations: an update', *Jane's Intelligence Review*, Dec. 1995, p. 568.

<sup>101</sup> *Izvestiya*, 13 July 1995 (in Russian).

agreements on the organization of communications, procedures for reciprocal payments, cooperation in the air defence system and collaboration in military science.<sup>102</sup> In essence, Kazakhstan will receive supplies of Russian arms and equipment in exchange for allowing Russia to use test ranges in Kazakhstan. There is also a programme of assistance for the creation of a Kazakh naval base on the Caspian Sea.

Kazakh maritime forces are centred on the naval base opened on 17 August 1996 in Aktau. Russia has transferred to Kazakhstan two coastal defence vessels of the Sunkara Class, and a further Griff Class vessel is under construction. This programme involved contracts with 800 Russian plants.<sup>103</sup>

At the same time Russians have expressed concern that alongside its military ties with Russia Kazakhstan is also developing defence cooperation with Western countries. Nazarbayev has irritated Russia with his firm support for the NATO Partnership for Peace programme.<sup>104</sup> Russia was also worried about the implications of the Charter of Democratic Partnership between the Republic of Kazakhstan and the United States of America according to which the United States promised 'to support Kazakhstan's efforts to meet its legitimate defence requirements'.<sup>105</sup>

Another subject for concern for both countries is the development of illegal arms traffic. Some corrupt high-ranking military officials have been involved in illegal arms transfers to a number of Central Asian countries. In 1995, two senior Kazakh officials, former Deputy Defence Minister General Valeriy Sapsayev and a Ministry of Defence official, Colonel Zhailaubai Sadibekov, were jailed for illegally exporting weapons to an unidentified country. Newspaper reports also suggested that a Russian general was involved in the \$2 million deal.<sup>106</sup>

Like Azerbaijan, *Turkmenistan* has been reluctant to participate in the process of CIS military integration. Turkmenistan has not signed the Treaty on Collective Security within the CIS and generally keeps aloof from the other former union republics. However, it has a small army which is in need of combat equipment and cannot end military cooperation with Russia entirely. In 1994 Rosvooruzhenie concluded a contract to supply weapons in exchange for 5 billion cubic metres of natural gas to be supplied to southern regions of Russia, but this agreement has not been implemented and the Russian Government has since renounced its commitment to modernize the Turkmen air force and air defences.<sup>107</sup>

<sup>102</sup> Almaty Kazakh TV, 26 Jan. 1996 (in Russian) in FBIS-SOV-96-019, 29 Jan. 1996, p. 56.

<sup>103</sup> E.g., the diesel engines for the Griff Class were built at the Zvezda plant in St Petersburg. *Krasnaya Zvezda*, 20 Aug. 1996, p. 3.

<sup>104</sup> In particular, Nazarbayev's statement that active Kazakh participation in the programme 'will give us great assurances as to Kazakhstan's future as a sovereign state'.

<sup>105</sup> Kortunov *et al.* (note 16), pp. 307–308.

<sup>106</sup> *Asian Defence Journal*, Dec. 1995, p. 138.

<sup>107</sup> This may have been a response to the statement of President Saparmurat Niyazov that Turkmenistan wishes to be a neutral state. *Rossiyskaya Gazeta*, 18 May 1995, p. 7 (in Russian).

In May 1995 the Russian and Turkmen presidents signed a package of documents on military cooperation including agreements on military–technical cooperation, air defence and military interstate transport.<sup>108</sup>

In contrast with Turkmenistan, *Uzbekistan* favours military integration within the CIS. It has signed all the major agreements on military cooperation between CIS member states and accepted Russian assistance in restoring and upgrading the joint air defence system. During the visit of Prime Minister Chernomyrdin to Tashkent an agreement on Russian–Uzbek military–technical cooperation was signed. The most important element of defence industrial cooperation is the decision to establish a transnational financial–industrial group, Ilyushin, to produce civil and military aircraft.<sup>109</sup>

The needs of the Uzbek Army are quite modest and it is not a major market for Russian arms transfers. This country does not intend to develop large-scale armed forces and the scope for Russian–Uzbek cooperation is not wide.

## VIII. Conclusions

A number of important factors have dictated the need to develop military–technical cooperation between the members of the CIS. These include the need to restore elements of defence industry cooperation and supplies of certain raw materials, the dependence of the other CIS countries on Russia for continued supplies of arms and spare parts and for repairs and maintenance of equipment in their inventories. Russia has had some success in re-establishing an integrated air defence system with its associated infrastructure on parts of the territory of the former Soviet Union and several CIS states (Georgia, Kazakhstan, Tajikistan and Uzbekistan) have created new national armies.

Since 1992 the legal and institutional basis for cooperation has been established in Russia and at the CIS level. Russian interest in and commitment to the further development of the CIS have grown steadily and Russia now places great importance on the organization. It has used both the CIS framework and bilateral relations to develop cooperation with its new neighbours. The approach used by Russia to stimulate interest in cooperation and the precise nature of the programmes undertaken vary from country to country. Some important defence industrial links have been restored. Financial–industrial groups have proved to be an effective instrument for resuming and developing defence industrial relations between CIS member states.

Military–technical cooperation within the CIS faces many problems and is far from ideal. The legislation in this field is often different in different CIS countries, which makes cooperation more difficult. Defence industrial cooperation still exists only in embryo. Joint conversion projects currently exist only on paper. Providing military assistance to the other CIS member states is a heavy burden for Russia to carry given its own economic problems. At the

<sup>108</sup> *Diplomatičeskij Vestnik*, June 1995, p. 36 (in Russian).

<sup>109</sup> *Diplomatičeskij Vestnik*, Aug. 1995, p. 20 (in Russian).

political level, Russia has often shown a tendency to follow the old imperialist principle of 'divide and rule' in managing its relations with its new neighbours.

The development of the CIS will challenge decision makers both inside and outside the member states for the foreseeable future. It is still unclear whether the objective of military-technical cooperation is to restore Russian power or to create stability in the post-Soviet strategic space through cooperation. It is also important to find a level of CIS military integration which could help to restore natural and traditional ties between the members and meet their legitimate defence needs without threatening the security balance or undermining relations with countries in adjacent regions.