The Arms Race

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For the Kremlin, the arms race never really ended. The only difference now is that Russia has absolutely no chance of winning it.

The magic words “arms race” were uttered by Vladimir Putin quite deliberately. In his message to the Federal Assembly on 4 December 2014, he said, “We have no intention of getting drawn into a costly arms race.” At the same time, he added, “You can be completely confident that we will safeguard our country’s defence capability in the new circumstances.” He concluded, “Nobody will succeed in gaining military superiority over Russia. Our army is modern and combat-ready. It is, as they say, polite but formidable. We have the strength, the willpower, and the courage to protect our freedom.”

It would be a mistake to talk about the start of a new arms race, because the last one never stopped. The beginning of the first one, in what we may call the Dreadnought Era, dates back to the turn of the nineteenth and twentieth centuries. In the early twentieth century battleships were the strategic resource the great powers would go to any lengths to possess. Winning that race meant victory in the battle to control the vital sea lanes. For industrialists, the “Dreadnought Saga” was truly a bonanza: a single Dreadnought brought in commissions for shipbuilders and manufacturers of artillery systems, munitions and armour steel which were by an order of magnitude greater than all a nation’s rifles and machine guns put together.

The arms race did not slow down even after the end of the First World War. In this new phase, battleships were still considered essential strategic weapons, but to these were now added aircraft carriers and heavy bombers. Neither tanks nor even submarines were strategic weapons then because, in addition to the earlier goal of conquering and retaining the sea lanes, a new aim appeared: destruction of the enemy’s economic infrastructure, and that was a job for long-range bombers. The key people were no longer only those who conquered sea lanes but also those who built strategic aircraft.

After the Second World War, the arms race continued its endless upward spiral, and was by now primarily a race to develop nuclear weapons and the means of delivering them. The Soviet defence industry willingly and enthusiastically joined in the game, although it has to be admitted that, in almost every heat of the race, the USSR was the runner-up. The initiator is always the party with the greatest stockpile of strategic arms. A contest of this kind tests not only financial but also technological, human resource and raw materials capabilities. In order to square up to the competition in an arms race what is most needed is, of course, money. Additionally, however, you require the latest, most advanced, cutting-edge projects, because in this game you need always to be ahead of the curve. You need industry capable of bringing these plans and projects to fruition, and putting them into production. This already adds a further dimension: the technological basis for manufacturing, the appropriate machinery and equipment, supplies of the requisite raw materials, and the capacity to process them to a high standard. Perhaps most important of all, however, is the general level of technical expertise and the personnel who will translate all this into mass-produced hardware.

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It is difficult to say to what extent the Russian military-industrial complex in its present state meets these requirements. Even before the events in Crimea and the Donbas, on 12 December 2013, Putin said in his previous address to the Federal Assembly, “No one should have any illusions about the possibility of gaining military superiority over Russia. We will never allow that. Russia will rise to all challenges, both political, and technological. We have the capacity to do so.” He went on to quantify this with statistics: “The resources we are allocating to re-arm the army and navy and to modernize the military-industrial complex are, as you know, unprecedented. Overall they amount to a figure of 23 trillion, 23 trillion rubles.” As this statement was made long before the present collapse of the ruble, and the amount in question was arrived at, allocated and partly spent even earlier, we can calculate that we appear to be talking about the equivalent of approximately US$700-750 billion.

In reality, we are talking about far larger amounts than that. According to the 2014 annual report to the enlarged session of the board of the Ministry of Defence (the section on “Provision of modern armaments and military hardware”) it was planned that 55 trillion rubles would be allocated to the National Armaments Programme between the present and 2025. The Ministry of Defence has now agreed to curb its appetite and settle for “up to 30 trillion rubles, while maintaining the necessary levels of equipment.”

The last word goes, of course, to the head of state. Speaking on 10 September 2014 at a meeting “To draft a National Armaments Programme for 2016-2025”, Putin announced that, if 2.5 trillion rubles had been allocated for the programme in 2001-2010 (roughly equivalent to US$80-83 billion – VV), “more than 20 trillion rubles have, as you know, already been allocated for the current programme, which covers the period 2011-2020. In addition, approximately 3 trillion rubles have been earmarked to develop enterprises of the military-industrial complex.”

**One Failure After Another**

In the present instance, the supreme commander-in-chief is taking considerable liberties with statistics. Simply adding up the military expenditure for 2001-2010 officially announced at the time produces a total of over 9 trillion rubles. That is without taking account of secret budget headings, items disguised and dispersed through the budgets of sundry departments, and without including all the supplementary funding which has always been provided. The Russian president chose not to highlight the fact that the armaments programme for 2006-2015, whose official budget amounted to 5 trillion rubles, was a complete failure because, as one of his colleagues rightly noted, the actual state of the arms industry was seriously overestimated. This meant that, “with very few exceptions, it was ill-equipped to fulfil defence procurement orders on the scale planned.”

On 18 March 2011, speaking at the enlarged session of the board of the Ministry of Defence, Dmitry Medvedev acknowledged that, “Unfortunately, some of the agreements under the state defence procurement plan were not fulfilled.” On 10 May that year, Medvedev had thundered at a meeting on how to develop the military-industrial complex, “It is not acceptable when decisions are taken, at the highest level, moreover, money is allocated, but the goods are not delivered. Today I have not been idle. I have looked back at the 2009 Message from the President of Russia. Here is part of the text I read out: ‘In the coming year we need to supply our troops with more than 30 surface- and sea-launched ballistic missiles, 5 Iskander ballistic
missile systems, approximately 300 modern armoured vehicles, 30 helicopters, 28 combat aircraft, 3 nuclear submarines, 1 corvette class battleship, and 11 spacecraft.' As you can imagine, when I gave that speech I had not simply come up with those figures all by myself. They had been agreed by all present here today. Why has this not been done?”

It became apparent that the 2010 defence procurement plan of 1.159 trillion rubles had been underfulfilled by a third, and that in 2009 it had not been fulfilled by a half. The 2011 procurement plan was also not fully realized. When the time came to report the 2012 figures, Deputy Prime Minister Dmitry Rogozin hastened to announce that the procurement plan in 2012 had been met in full. Data presented at a January 2013 meeting at the Ministry of Trade and Industry, however, showed that not everything was quite so rosy. Trade and Industry Minister Denis Manturov reported that the procurement plan had not been fully met because of the failings of 10 enterprises. At 80 state military factories procurement orders had had to be “revised” because deadlines were missed, and budgets were transferred to other projects. If to this we add that from January to November 2012 alone the Ministry of Defence lodged claims amounting to 20 billion rubles against defence enterprises for unsatisfactory fulfilment of their order, we will have an almost complete picture.

2013 too had no lack of similar reports. Already in May, Dmitry Rogozin was warning that the shipbuilders were likely to fail to fulfil the defence procurement plan in respect of ship building and maintenance. In autumn 2013 it was reported that its procurement order had been underfulfilled by the Ministry of Defence’s major supplier of telecommunications services and maintenance, Joint Stock Company Voentelekom, which had carried out only 20% of the work required in 2012 and 2013. The defence procurement plan for servicing military aircraft was also underfulfilled in 2013.

How Impenetrable Is Russia’s Armour?

When relating the achievements of Russian armourers, the purveyors of news love epithets like “unparalleled”, “best in the world”, “unsurpassed”, “legendary”, and indeed it is always bombastically claimed that Russian technology is head and shoulders above that of the United States.

The customers, oddly enough, categorically disagree with this positive assessment. In 2010-11, the top brass of the defence department rained criticism on “the world’s best tank”. First to throw a rotten tomato at the developers and manufacturers was the then deputy defence minister in charge of armaments, General Vladimir Popovkin, who said the army was no longer satisfied with the T-90 tank, the BTR-80 armoured personnel carrier, and the BMP-3 infantry fighting vehicle. Popovkin went so far as to call the latter a coffin. In March 2011, the then commander of land forces, Colonel General Alexander Postnikov, startled everyone by announcing that the specification of weaponry produced by the Russian defence industry, including armoured force armaments, artillery and small arms, was no match for analogous equipment of NATO or even China. The general called the infamous T-90 “the seventeenth modification of the Soviet T-72”, which entered service in 1973. Subsequently, the then defence minister, Anatoly Serdyukov, on the basis of analysis by his subordinates, complained that the T-72, T-80 and T-90 tanks did not meet the requirements specified by his ministry, but unfortunately they would just have to fight with what they had received.
Recently, the Ministry of Defence has resumed procurement of the heavily criticized BMP-3, which has changed not one iota. The army will continue to be supplied with the BTR-82A, a modification of the obsolete BTR-80, and modernized T-72B3 tanks. The latter are just the old T-72B after an overhaul, with the modifications that the communication system has been replaced, and the old Soviet sight has been replaced by one from Belarus. Even the engines are said not to be new, merely refurbished. Incidentally, Russian tanks are equipped with French thermal imaging sights which, needless to say, are by no means the most up-to-date and convenient to use; no one sells cutting-edge technology to Russia. Russian-manufactured analogues still lag far behind Western thermal imagers in terms of detection range, angle of view, image quality and convenience of use. They surpass them only in bulk. Admittedly, a new tank is in prospect, a tracked combat platform, the Armata, which, according to official reports, is unique, “second to none” and even “leaves the US and their Abrams tank far behind.” Except that controversy is already arising around the Armata: the military have criticized it severely, disgruntled by its inflated price and, more importantly, the fact that the prototype does not meet the technical specifications required by the Ministry of Defence.

The situation seems much the same in respect of aircraft. Specifically, there was a scandal in late 2012 when, in the light of experience of the latest Russian frontline bomber, the Sukhoi Su-34, an evaluation was signed by Defence Minister Sergey Shoygu, reporting complaints from aircrews about all 16 of the aircraft which had been delivered to the armed forces. They had significant defects preventing fully effective operational use. In particular, it was said the sighting and navigation system and radar locator constantly failed, and the factory assembly of the aircraft was not up to standard. Moreover, the aircraft, which had by then been being delivered to the armed forces for six years, had still not been standardized: each plane had “its own distinctive characteristics”. Defence industry representatives responded that everything was fine and these were just “teething problems”; the real trouble, they averred, was that the air force personnel were not properly trained and did not know how to program and operate the equipment.

The same problems dog other weapons systems. As regards missiles, the Bulava (Mace) submarine-launched ballistic missile, even according to official reports, seems sometimes to fly and sometimes not. The Iskander mobile theatre ballistic missile system has problems with satellite and drone aided targeting.

The same pattern is repeated in the space industry, rocked by numerous corruption scandals and friction between competing contractors, not to mention a succession of major setbacks with launching satellites into orbit and accidents at launch sites.

The huge cost and inefficiency of the GLONASS global positioning system is a separate issue. The Russian Defence Ministry has still not officially accepted it for operation. It is at least 1.5 times less accurate in positioning than the American GPS system. More than 60% of the GLONASS satellite hardware consists of imported components, with chips purchased in China and Thailand not specifically developed for use in the conditions of space. This results in regular technical failures. The reliability, durability and viability of GLONASS satellites are several times lower than those of the GPS network. If the nominal service life of an American satellite is 10 years, for the Russian system it is 2-3 years. There are additional problems with telecommunications, navigation, avionics, precision weapons, and Russian electronics.
All these “teething problems” are affecting technology designed back in the days of the USSR. In the years following the collapse of the Soviet Union, the Russian defence industry was in effect busily exploiting its Soviet legacy of stock without any innovation of its own, as the head of state confirms with some regularity. Speaking on 10 September 2014 at a meeting to draft the National Armaments Programme, Putin assured his audience he had no doubt it would be a success, not least because Russia “also has everything that we inherited from earlier times.”

**Purely for the Greater Good of the Nation**

Back in December 2013, Putin made a speech in which he assured his audience that, “In the next decade our defence industry enterprises will be working to capacity with procurement orders. They will be able to update their manufacturing plant and create high-quality jobs.” He reminded his listeners that, in the military-industrial complex, “We have some 2 million people working for us. Together with their family members that is almost 7 million people. Specialists in this sector will have stable, highly paid jobs, and hence prosperous families.”

Was he claiming that the arms race was needed primarily to benefit the workers and ensure the Russian economy flourished?

Just one year later, in an interview with *Kommersant* published on 23 December 2014, the same argument was repeated almost word for word by the deputy defence minister responsible for finance, Tatiana Shevtsova: “Neither should we forget that the defence industry employs over 2 million people. Together with their families that adds up to about 5 million people. For enterprises, defence procurement orders will guarantee workers stable, highly paid jobs, and hence prosperous families.” Putin spoke about prosperity for 7 million people, Shevtsova for 5 million. Information presented by the president is invariably at odds with data from the Ministry of Defence, whether the issue is finance, solving the housing problem for service personnel, or the provision of new weaponry. Where exactly the original statistics get juggled, at the Ministry of Defence or in the Presidential Administration, remains a mystery.

By autumn 2014 the only people failing to see the impact of sanctions were those determined not to see it. Finance, the banks, the economy and the social sphere were all visibly crumbling. It might have seemed an auspicious moment to scale back an over-ambitious National Armaments Programme, or at least revise it substantially, but the Ministry of Defence continues in all seriousness to anticipate 30 trillion rubles for the purchase of arms. Through its main financial official, the Ministry of Defence has categorically opposed any reduction in military spending. Tatiana Shevtsova declared, “Calls for a reduction in military spending at the present time are fundamentally misguided,” because “It is precisely thanks to the defence budget that, over the next decade, industry will be able to modernize our manufacturing base and create skilled jobs.” Moreover, “It would be unwise to cut military expenditure,” because “that is what the West hopes to achieve.”

“One of the the West’s goals is to disrupt the upgrading of our armed forces, to make us either abandon it completely, or make a major downward revision of the planned performance indicators. If that were to be done, we would have to admit that they had realized their goal.” The army’s principal finance official assures us, indeed, that increasing military expenditure is unquestionably beneficial because “increased production by enterprises in the defence sector creates demand for metals, electricity, transport services and so on which, over
And Vladimir Putin Will Lead the Fight

One very important development went almost unnoticed. On 10 September 2014, Vladimir Putin surprised many by signing Decree No. 627. He abolished the Military-Industrial Commission of the Government of the Russian Federation, creating in its place and out of it the Military-Industrial Commission of the Russian Federation. He appointed himself to lead it. The previous commission had been headed by Deputy Prime Minister Dmitry Rogozin, now demoted to deputy chairman but simultaneously appointed chairman of the board of the commission. To balance Rogozin’s large political presence, Deputy Minister of Defence Yury Borisov was appointed permanent secretary of the new commission, in charge of the military and technical equipping of the armed forces or, more simply, of arms.

The Military-Industrial Commission has a long history. It was established in May 1938 and originally called the Permanent Mobilization Commission of the Defence Committee of the USSR Soviet of People’s Commissars. From 14 June 1938 it was renamed the Military-Industrial Commission of the Soviet of People’s Commissars. At that time, it was an executive body of the government’s Defence Committee and its main task, as formulated in the founding documents, was “mobilization and preparation of both defence and non-defence industries to fully implement and fulfil the plans and requirements of the Defence Committee to manufacture and supply the Red Army and Navy with armaments”. Put simply, this was the principal organization uniting, coordinating and directing the work and interaction of the customer, designers and manufacturers of arms. The chairman of the commission had the rank of deputy chairman of the Soviet of People’s Commissars (later, Council of Ministers). The Commission several times changed its name and survived until 1991, when it was abolished. There was an attempt to recreate something analogous by President Yeltsin’s Decree No. 2251 of 30 December 1994, which established a State Committee for Military-Technological Policy, but by 1996 this organization had disappeared from the listings of government bodies. A Military-Industrial Commission of the Government of the Russian Federation was reestablished by Putin’s Decree No. 231 of 20 March 2006, but this was never chaired by the head of state, or even the prime minister. By heading a Military-Industrial Commission subordinate only to him, without an intermediate layer of government officials, Vladimir Putin now personally holds all the reins of military organization, management and production. In the whole of Russian and Soviet history we find only one precedent for such a concentration of political, military and military-industrial power. That was in the hands of Stalin, and then only during the war, from 1941 until 1945.

There would seem not to be a war at present, but as Putin explained, “This concentration of resources is logical. [...] It is necessary in short order re-equip the army and navy and to modernize the defence industry.” Why in short order? Putin replied, “I have spoken about this many times: it has nothing to do with an arms race.” According to Russia’s head of state, it has to do with “the fact that both our basic defence systems and strike capability are expiring or already life-expired. Given that they need to be replaced, it is natural that they should be replaced with advanced, modern systems with the prospect of long-term functionality.”

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also spoken about the need to “make up for lost time, when new technology was the exception and enterprises in this sector lost human resources and their manufacturing base.” Putin has said, “It is necessary fully and accurately to assess potential threats to the military security of our country,” and that, “a sufficient, adequate response must be found to each of these threats.” He lost no time in identifying his main fears: the deployment of a US missile defence system, militarization of space, developments in the use of conventional strategic weapons, and the increase of NATO forces in Eastern Europe. “I want to emphasize,” Putin immediately clarified, “that all we are doing is taking countermeasures.” Unable to hold back, however, he returned to a delicate matter: “As I have just said, it sometimes seems that certain people are keen to unleash a new arms race. We will not allow ourselves to be dragged into that, of course. It is completely out of the question. We will proceed on the basis of realistic forecasts of developments.” He urged in passing, “Let us proceed solely on the basis of realities, of our capabilities, without inflating our military spending.” (It would be hard to inflate it more than it already has been!)

So, there is no arms race and, according to Putin, it is purely a matter of creating a “reasonable stock of strike weapons, including a guaranteed solution to the task of nuclear deterrence, of re-equipping strategic and long-range aircraft, and continuing to create a system of aerospace defence.” In passing, the president added the requirement of “ensuring breakthroughs in the development of all components of high-precision weapons.”

On 26 December, Vladimir Putin approved a new version of the Military Doctrine, which states in black and white that the Kremlin considers the main external military threats to be “an increase in the coercive capacity of the North Atlantic Treaty Organization (NATO)”, “movement of the military infrastructure of NATO member countries closer to the borders of the Russian Federation”, “deployment (buildup) of military contingents of foreign states or groups of states on the territory of states contiguous with the Russian Federation and its allies, as well as in adjacent areas, including for the purpose of exerting political and military pressure on the Russian Federation”; “the creation and deployment of strategic missile defence systems”; “the intention to deploy weapons in space”, “the deployment of strategic conventional precision weapon systems”. Neither is that all. A new addition to the list of perceived military threats is “the establishment in states contiguous with the Russian Federation of regimes, including as a result of the overthrow of legitimate government entities, whose policies threaten the interests of the Russian Federation.” Most piquant of all is the wholly unprecedented threat added in the section on “Basic internal military threats”: “Activities to influence the population through information, especially young citizens of Russia, with the aim of subverting historical, spiritual and patriotic traditions in the sphere of defence of the Fatherland”.

“Who pays for us to let our steam off? Dmitry Fyodorovich Ustinov!”

“Compared with ours, the American military-industrial complex is a kid in short trousers,” I was once advised by someone I knew in one of the directorates of the defence department’s central bureaucracy. He was referring to the ability of the heavyweights of the Russian military-industrial complex to influence and act on the regime. We have only to recall that, when in the immediate postwar period Stalin tried to scale back significantly the production of conventional weapons in favour of civilian production, he met fierce opposition from such key figures in the defence industry as Dmitry Ustinov (at the time, 1946-53, the Soviet Armaments
Minister); Mikhail Khrunichev (Minister of the Aviation Industry, 1946-53); Mikhail Pervukhin (Minister of the Chemical Industry, 1946-50 and Deputy Chairman of the USSR Council of Ministers, 1950-53; and Vyacheslav Malyshev (Minister of Transport Engineering, 1946-47, Deputy Chairman of the USSR Council of Ministers, 1947-53, and Minister of the Shipbuilding Industry, 1950-52). They got Stalin to increase the output of new military hardware and to retain “unique” factories. A sharp rise in procurement orders for military equipment dates from 1949. The interests of the military and of those running the defence industry were by no means always identical. Army and naval commanders wanted high-quality, modern weapons; the position of the “generals” running the military-industrial complex was rather different: take what you are given now, and we will iron out the deficiencies when they are in use. That is how inadequately tested rockets, planes, and tanks came to be commissioned and unfinished ships launched, only to be “modernized” for years afterwards.

It was the ideal arrangement for them: every item, every system put into service brought the award of Hero of Socialist Labour; medals; Stalin, Lenin and State Prizes; new career milestones for the bureaucrats in charge of the defence industry, design bureaux, research institutes and factories. And an upward curve of procurement orders and injections of finance and resources.

As a rule, attempts by obstinate officers in the armed forces to stand their ground ended badly. The most telling example was the case of Admiral Nikolai Kuznetsov. Stalin dismissed him in early 1947 and went on to concoct the so-called “Admirals’ Plot”, because Kuznetsov and his team were a pain in the neck of a whole galaxy of defence industry moguls. The naval high command found themselves under fire from the commissars of shipbuilding, iron and steel (who produced armour steel), arms, ammunition, and the electronics industry. Admiral Kuznetsov categorically opposed the construction of heavy cruisers to obsolete designs, had a low opinion of the quality of Soviet shipbuilding, and also insisted on the need to build aircraft carriers. The protagonists of the defence industry found it far more comfortable to carry on building ships using the existing designs, with obsolete armaments and electronics. As Kuznetsov later wrote in his book, *On the Eve*, “The shipbuilders had a material incentive to hand ships over on time, since otherwise the workers lost their bonuses.” Accordingly, “The industry wanted a safe, easy plan whose implementation would ensure payment of the bonuses.” The renowned commander was demoted to the rank of rear admiral to discourage others in the services from standing in the way of “the working class”. Only in 1951 did Stalin reshuffle the pack and appoint Kuznetsov minister of the navy. The obstinate sailor had not learned his lesson, however, and again locked horns with the bosses of the military-industrial complex, who still included Malyshev and Ustinov. As a result, under Khrushchev, Kuznetsov was finally “given the chop” in the wake of the tragedy of the battleship Novorossiysk, which blew up and sank on 29 October 1955 in Sevastopol. Nine years later, it was the generals of the military-industrial complex, led by Ustinov, who played a key role in the overthrow of Khrushchev himself. Then, when the overall leader of the Soviet military-industrial complex, Ustinov, was enthroned at the Ministry of Defence, an extensive programme of missile and warhead production was rolled out. The manufacturers were allocated a huge share of the USSR’s resources. As the diplomat Oleg Grinevsky recalls, during their roisterous parties the missile men would chant, “Who pays for us to let our steam off? Dmitry Fyodorovich Ustinov!” It was the arms race (together with the war in Afghanistan) that broke the back of the Soviet economy, devouring incalculable resources: financial, natural, energy and, let us not forget, human.
If, after the collapse of the Soviet Union in 1991, there was a pause in the arms race, it was only relative, because no conversion or radical restructuring of the military-industrial complex took place. All that happened was that, for a time, Russia’s “red directors” were partially distracted by an exciting game called Privatization. In any case, how could the arms race stop when the “post-Soviet” generals of the military industrial complex, bursting on to the world arms market, were able for the first time to cavort there unfettered by that rule-setting middleman, the state? Although the goods they had to offer were rarely competitive by the standards of developed countries, they were snapped up by regimes constrained by international sanctions or who simply could not afford high-quality weapons. Apart from the detail that the defence industry, initially in the pocket of red directors, passed into the hands of “effective managers”, there has been no fundamental change in the military-industrial complex.

In essence, it is still a purely Soviet entity, unwilling and unable to work in any other way than by constantly pumping money out of the state coffers and churning out, for the most part, relics of the Soviet war chest. What prospect is there of winning in a contemporary arms race when the Russian electronics sector is as dead as it was before? If the electronic components of Russian weaponry have to be imported? Three years ago, Yury Solomonov, the designer of the Bulava missile, in a heated moment said of the Russian industry, “What should we do? Make the stuff ourselves? We are incapable of that, so we have to use the West’s general purpose electronic components, which is why we have all those breakdowns.”

And electronics is the least of it, when production of weapons-grade steel has been discontinued and, since the collapse of the USSR, Russia has not built a single new oil refinery. In fact, all the existing refineries use imported plant, and the entire oil extraction industry is based on imported equipment. What sort of arms race is being contemplated, when a country producing and exporting oil is barely capable of providing fuel for itself? How are the tanks, planes and ships going to be fuelled come zero hour?

**The Ukrainian Factor**

One of the most troubling problems for the Russian military-industrial complex is today being passed over in official silence. It is the breaking of defence industry links with Ukraine. Despite that, on the eve of the New Year, Russia’s deputy defence minister, Yury Borisov, admitted that the break was having an impact. “For two types of aircraft, two types of ships, and two types of munitions, deadlines of the defence procurement plan have been moved back 1-1.5 years.” Of course, he immediately added that the Russian defence industry was “already prepared” to “find parts to substitute for components manufactured in Ukraine.” Is that true?

Radio Liberty has already touched on the possible consequences of the break (“On the Missile ‘Needle’”; “No Russian Helicopters Without Ukraine”; “Sevastopol is Russian, Varyag is Chinese”; “Divorce, Military-Style”). In particular, the Russian defence industry was heavily dependent on cooperation with Ukraine in the fields of space rocket propulsion, aviation and shipbuilding. It is still difficult to judge from open sources the extent to which the break in defence industry relations is considered undeniable and final, and the extent to which it is really critical for implementation of Russia’s National Armaments Programme. The consequences of such events are, in any case, never immediately apparent, the more so
because Russian customers took delivery of substantial orders before the Ukrainian government’s restrictions came into effect. Specifically, Deputy Defence Minister Borisov said Russia had received from Ukraine 3 major propulsion units for frigates under construction, out of an order for 6. First deputy general director of state-owned “Rostekh” and head of the board of directors of the United Drive-Engineering Corporation Vladimir Artyakov has even stated that “deliveries under existing contracts are continuing.” Nevertheless, the problem of gas turbine engines for surface warships is the Achilles heel of Russian shipbuilders.

Russia currently produces nothing analogous to the products of the Zorya-Mashproekt research and manufacturing complex specializing in gas turbines in Nikolaev, Ukraine. So far, the only other developer and manufacturer of marine gas turbines in the world is Rolls-Royce. However, Russian officials are hoping to resolve the issue by expanding production of gas turbine engines for warships at the Saturn Research and Manufacturing Corporation in Rybinsk. Yury Borisov claims that “the company will be ready to step in in 2017.” “Technological renovation” is currently in progress, but meanwhile “we have been obliged to revise deadlines in the National Armaments Programme.” Vladimir Artyakov insists that Saturn has already “developed and will shortly be ready to deliver a number of marine gas turbine engines for patrol and guided missile boats, corvettes and frigates.” There are, however, doubts about the feasibility of a fully-fledged “technological renovation” of the factory. The Russian machine tool industry has long been in a state of collapse, producing little other than scrap metal to obsolete designs. Genuinely modern machinery built entirely from Russian components is nowhere to be found, and nowadays nobody sells cutting-edge equipment to Russia. There have been attempts to mass produce marine gas turbine engines in Rybinsk since 1992, but the plant remains primitive. They do manage to manufacture one-off items, but mass production remains far in the future. As far as one can tell from fragmentary information, the key problem of producing reliable engines with a satisfactory service life in Russia itself has yet to be resolved. Naval chiefs find domestically produced marine engines wholly unsatisfactory because of poor reliability.

Another headache is the manufacture of engines for combat and military transport helicopters. The undisputed leader in this field is Motor Sich in Zaporozhye. Russia’s deputy defence minister, Yury Borisov, tell us, “To cease to be dependent, we have had to speed up, to double or treble the output of engines.” Double or treble? Exactly how many engines are we talking about here? The answer is found in a report by Vladimir Artyakov. The Klimov joint stock company has already launched experimental prototype production of the helicopter engine most in demand: the VK-2500 for Mil and Kamov helicopters. “The challenge now is to increase annual manufacturing output from 50 engines in 2014 to 350 engines by 2017.”

What? They only produced 50 engines in 2014, when they had solemnly promised that in 2012 Klimov would already be assembling nearly 300 engines, and in 2013 manufacturing between 400 and 600 combat helicopter engines a year? And here they are themselves admitting they have managed barely 50, despite the fact that, as we can calculate for ourselves, the Russian aviation industry will, in the foreseeable future, require at least 4,000-5,000 such units if the programme for military helicopter construction is not to be revised or completely scaled down.

Yury Borisov has acknowledged, “We are particularly concerned about deliveries from
NATO countries because we have been receiving, and continue to receive, some of the necessary components from them.” The deputy minister of defence maintains, however, that since “we are participants in the global economy,” there will be no iron curtain. The supply of components from abroad will just carry on as before, and there is nothing wrong with that because “no country, including America, manufacturers all the products it needs on its own territory.”

More worrying for the arms official is something quite different. As he let slip, “We are very concerned about the increasingly strong exchange rate of the dollar.” Purchases of imported components were budgeted for against one exchange rate, but now it is quite different. Accordingly, the Ministry of Defence will “raise with the government the issue of offsetting risks associated with price differentials resulting from fluctuations in the exchange rate. If the government will not agree to compensate for exchange rate costs, we shall have either to reduce the quantity of armaments or abandon certain positions.”

But to Return to “Damned Statistics”

Speaking on 9 December 2014 at a military equipment acceptance meeting at the National Centre for the Defence of Russia, Vladimir Putin announced that during the year the armed services had received more than 4,500 “new weapons and items of military and specialist hardware.” This included, he said, 142 aircraft, 135 helicopters, 4 submarines, 15 surface ships and launches, 19 anti-aircraft missile systems, 590 tanks and infantry fighting vehicles, and 3 Yars intercontinental ballistic missile regiments which were already on combat alert. For the air force, 7 Tu-160 and Tu-95MS strategic bombers had been upgraded.

However, a video report from the Ministry of Defence, shown to Putin on the same day, stated that the strategic nuclear forces had received a total of 38 intercontinental ballistic missiles, including 22 for strategically armed submarines. The arithmetic is not difficult: if we subtract 22 from 38, we are left with 16 land-based ICBMs. That is not enough to equip three regiments. In fact, you could not properly equip two. That is not all. Deputy Minister Borisov on the same occasion gave a very different figure for the additions to the Strategic Missile Forces: not 3 regiments, not 16 missiles, but a mere 5 ICBMs.

The figures for the navy do not add up either. Putin talked about 4 submarines and 15 warships and launches; the Ministry of Defence video mentions two submarines, and Deputy Minister Borisov the same day announced that “in 2014, 6 warships and launches and 1 submarine were delivered to the navy.” So how many new submarines did actually come into service: 4, 2 or 1? To say nothing of the disparity about surface naval vessels: maybe 15, maybe 6?

About tanks it would be kinder to say nothing at all, because here the supreme commander-in-chief has clearly been taken for a ride. In fact, Russia’s armed forces received not a single new tank in 2014. All the “new” tanks were merely repaired (“modernized”) old T-72Bs taken out of storage. There is similar confusion about combat planes and helicopters. If Putin and Shoygu talk about 142 aircraft, one of the top men at the United Aircraft Corporation, Vladislav Goncharenko, boasted that Russia had for the first time surpassed the United States in the production of new combat aircraft. He related that 100 had been delivered, lumping together combat and combat training aircraft. Moreover, the publication interviewing him
calculated from open sources that a total of 42 combat aircraft had in fact been manufactured: 18 Sukhoi Su-34 frontline bombers, 12 Su-30M2 and 12 Su-35S fighters. Altogether, something has to be wrong. According to entirely official reports, in the first three quarters of 2014 the Russian armed forces received 50 aircraft, including transport and modernized aircraft, and just over 20 helicopters of various kinds. During the fourth quarter, Deputy Minister Borisov reported to Putin, “The air force took delivery of 21 planes and 38 helicopters.” No matter how you add them up, the figures presented to the supreme commander-in-chief once again make no sense.

For comparison, in 2014 the US Defence Department received 36 advanced fifth-generation F-35 stealth Lightning II fighter-bombers, and in total Lockheed Martin and its suppliers produced 109 operational aircraft for the United States and its partner countries. This is the second model of the fifth-generation aircraft that the US has produced commercially. As far as one can tell from open sources, the United States can, if necessary, easily scale up production to 300 F-35 planes per year. The Russian defence industry, meanwhile, can barely manage to produce 40-45 units in a variety of models, which does not even count as mass production. They are of the far from ultramodern fourth generation. In Russia, the exuberantly promoted T-50 advanced multi-role frontline aircraft exists in the form of only 5 flight-capable prototypes that are still undergoing testing. Their entry into actual production is far in the future.

According to Putin and Shoigu, two regiments of the S-400 anti-aircraft missile system, with 19 units, have been delivered. The video report of the Ministry of Defence mentions delivery of only 7 S-400 launchers, less than a single battalion, let alone two regiments. (An anti-aircraft missile regiment is 2 battalions, each with 8 launchers.) The statistics of the Ministry of Defence and the president are poles apart. Can it be that even the supreme commander-in-chief does not know how much of what is actually produced, what the quality and genuine combat capabilities of his armaments is, what resources the military-industrial complex genuinely needs, and where they are disappearing to at such a catastrophic rate?
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