UKRAINE-CANADA POLICY AND TRADE MONITOR





QUES: Does your Institute offer courses in information systems?

Yes, in order to be effective, you have to be informed. You have to have computers and so on. If you don't have this, then there is no point in offering large-scale courses. But we do it. We are lucky in that in Ukraine there is a broad familiarity with high levels of technology There are huge numbers of people who are experts in math and computers; they can dismantle and put together a computer in no time. The large problem is systems. This becomes very important in certain ministries - the Ministry of Finance and The Ministry of Health.

COMMENT: Perhaps we would do well not to rush with information technology in Ukraine too quickly, because we have seen in other countries how, all of a sudden, this computer technology can take over the entire way of thinking rather than acting a tool to serve the way of thinking. It would be wiser to start with substance before introducing the technology.

In this case that is not a problem because there is no money for this technology.

QUES: With all the problems that one of the largest countries in Europe is facing, how do you explain its obsession with the army and with the huge numbers of soldiers?

The short answer is that the army gets \$3 a month and it's the best social welfare program around, just to keep people in uniform. This basically is the case. Yes, Ukraine does have a very large army of about 750,000 people. I think if you include people like border guards and others in uniform, you come close to 1 million people. You have to tread very carefully with an army! About 60-70% of the officers of the army were Russian, non-Ukrainian. Ukrainians were never the officers of the army in their own country. Now, try to build an independent state under those conditions where, let's say, 85% of the officers of the Canadian army are American and many of whom think that Canada should belong to the United States. Under those conditions, is the President going to say, "OK., boys, thank you, but now you are out," and launch two to three to four hundred thousand people into the streets. This would be the recipe for disaster! Or do you just let them stay on, let their numbers fall from normal attrition or until they individually realize that \$3 or \$4 a month is not a good salary and that they would be better off to resign and do something in the private sector. Look at what happened in Yugoslavia. One of the secrets of the Ukrainian state is that it established effective control over the army, and over an army whose officer core belonged to another nation. Very few countries in the world have ever pulled this one off. And when all is said and done. Ukraine's first Minister of Defence, Morozov, who himself is not Ukrainian, will deserve a huge statue in his honour. Ukraine's independence did not involve the loss of a single life, and that with one of the largest standing armies in the world. Now comes the very big problem of retraining the military that are about to be demobilized, and that involves tens of thousands of people. It's a huge problem.

QUES: This is an army which serves no purpose really, except some kind of welfare. When you take all the available young men and enlist them in the army for one or two years, what kind of message are you sending to the society?

If you have 400,000 officers they actually have to have soldiers, and economic calculations have been made and it's actually much cheaper to have this large conscript army than to have a professional army. Ukraine's declared goal in the next 3 years is to achieve a professional army of 250,000 people. In order to do that you have to invest massively in equipment. and the irony in Ukraine is that it is too poor at this stage to entertain a wellequipped, highly mobile professional army. And so it compensates for that by having large numbers. If Canada also lived next door to Russia, whose Parliament has territorial claims on your country, you'd also think twice about rapidly demobilizing. I don't know if you heard Mr. Kozyrev (former Russian Foreign Minister) say these things in the Globe and Mail - apart from whatever he said on the nuclear weapons which is a different question - he said, "Sevastopol must be a Russian naval base." Imagine if Chanev or Christopher Warren said, "Halifax must be an American naval base." It sends shudders down people's backs to hear a foreign minister talking this way, and unfortunately that is the case.

QUES: We hear that most of the republics of the former East Block still haven't hit rock bottom. The perception that there is a huge need for humanitarian aid. What's your advice on how one can apply that strategically in terms of avoiding the dependency and moving towards self-sufficiency?

Apart from countries in the Caucasus. where there is absolute ruin and the country is near starvation, I don't think that humanitarian aid - apart from medical aid such as vaccines - is terribly effective. It hasn't been effective in the past and I don't think it's needed. What you need is a kind of serious engagement. The countries have to be told, "Look, start economic reform and there will be backing for you through structural adjustment loans, etc." I don't think anything else is going to work. People are very resourceful. Last year's harvest was the best in 30 years, even though there was 1/3 less fuel. In the case of Ukraine, I think the economy is close to rock bottom, but it's still going to go lower, unfortunately in the next 3 or 4 months. When all is said and done, Ukraine has to take the first step. And once that step is taken, it's very important to give this kind of serious assistance.

QUES: What, in your opinion, is the possibility for democracy, stability and peace in this region?

I think it's better not to speak of the region because it's like talking about the British Empire. From the Caucasus to Estonia, Uzbekistan to Belarus these are countries which have very little in common. The logic behind their development is completely different. I realize that for bureaucratic reasons it is simpler to speak of the "region", they were all part of the FSU, but for questions of peace, of social tranquillity, the processes are different in each of them. If we look where there is no peace, I personally see the largest danger - this is Russian revenge. We see this in the Trans-Dniester and in the Caucasus, in Abkhazia. It's thanks to the presence of the Russian army that all this happened. It is grotesque to speak of the peace-keeping role of the Russian