

## Graft and Corruption in Ukraine Military

Ukraine Says \$450 Million Was Stolen from Its Military in 2014 President's Aide Says Far Right Refuses to Obey the President

By [Eric Zuesse](#)

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Region: [Russia and FSU](#)

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Yury Biryukov, an aide to Ukraine's President Petro Poroshenko, [said on January 6th that during the year 2014, up to \\$450 million was stolen from Ukraine's military](#). This amount happens to be precisely the same maximum amount of money that the U.S. Government, [in legislation that was supported by more than 98% of U.S. Senators and Representatives and that was signed into law by U.S. President Barack Obama on December 18th](#), will donate to Ukraine's military for this year, 2015. Biryukov, who spoke on Ukraine's Channel 5 TV (which had formerly been owned by Poroshenko), said that the amount stolen in 2014 constituted "about 20 to 25 percent" of Ukraine's military budget for 2014, which was a total of \$1.8 billion. During 2015, that budget is scheduled to be \$3.2 billion (in constant dollars), or a 78% increase, in order for the Government to prosecute its war against [the Donbass region, where the residents had voted 90% for President Viktor Yanukovych](#), whom the Obama Administration [overthrew in February 2014 in a coup that was disguised as being the result of popular demonstrations for democracy but were actually anti-corruption demonstrations](#) — and corruption now is even higher than it was under President Yanukovych. Indeed, Biryakov admitted that in the Ministry of Defense there is now "total corruption."

However, this phrase might also be applied to the entire Government; for example, recently 'gold' bars in a Ukrainian Central Bank vault in Odessa were found to be [actually lead bars covered with gold-colored paint](#). Prior to the discovery that these gold bars were fakes, the Ukrainian Central Bank had [said on November 14th](#) that it cannot account for why Ukraine's gold reserves were only \$123.6 million, when what was alleged to be there was supposedly instead \$988.7 million. Now that some of those bars are known to be fakes, even the \$123.6 million must have been an overestimate. At the time of the overthrow on February 22nd, there was \$1.8 billion of gold in Ukraine's Central Bank main vault, in Kiev. [On March 7th at 2 a.m., \\$1.8 billion of gold was observed being loaded onto a plane at Borosipol Airport near Kiev](#) and was allegedly being sent to the U.S. Federal Reserve basement at Wall Street (33 Liberty Street), but the Ukrainian Central Bank has never confirmed this, [and the U.S. Federal Reserve also hasn't](#). All that's known is that Ukraine's Central Bank now [cannot demonstrate that it has any gold](#), though until the coup last February, it had \$1.8 billion in gold.

Clearly, the "total corruption" goes beyond merely Ukraine's military.

Biryukov [also said](#) that Ukraine's Right Sector, which is a nazi organization that has contributed enormously to the Government's war-effort and provided troops against the residents in the Donbass region, is refusing to obey President Poroshenko, and Biryukov

charged that they insist upon their independence from his Government. Biryukov went on: "The armed forces mean first of all discipline, order and the subordination and command system. And when a patriotic union wants to be sort of a legal, but at the same time autonomous, unit, which subordinates to nobody, this is pure fiction." However, he could not deny that this same "fiction" has been [terrifically effective at slaughtering the people who live in Donbass](#), nor [that its fighters had overthrown the former President, Yanukovych, in February](#), in [a coup that Poroshenko acknowledged at the time to have been a coup](#).

So, President Poroshenko is heavily indebted to Right Sector, and dependent upon it, [as the Right Sector's chief has constantly stated in public](#).

However, Poroshenko wasn't Obama's choice to win the Presidency, and the Obama Administration had instead preferred Poroshenko's rival Yulia Tymoshenko, who was much clearer in her expressions of hating Russians, and who was also preferred by the Right Sector and the other nazis in Ukraine. [The Obama Administration on February 4th chose Arseniy Yatsenyuk to run the post-coup Government](#), and he was appointed immediately when Yanukovych was overthrown 18 days later, overthrown by gunmen mainly from the Right Sector. [Yatsenyuk then appointed Right Sector and other nazis to all national-security posts and to head the Central Bank](#) (which promptly disposed of that \$1.8 billion in gold, to the U.S. or elsewhere). Yatsenyuk had been chosen by Obama largely because "Yats" was Yulia Tymoshenko's protégé. One of the first things "Yats" did was to free Tymoshenko from prison (after a corruption-conviction), and she promptly entered the Presidential race. So: Obama sides with Right Sector, and Yatsenyuk, and Tymoshenko, against Poroshenko, who had been insufficiently anti-Russian until he became elected (in the rump remaining Ukraine after the most pro-Yanukovych regions bolted) as Ukraine's President on May 25th, and [Poroshenko continued the extermination-program in Donbass that Yatsenyuk had begun](#). But now, the United States, and Ukraine's nazis or racist-fascists, want Poroshenko to intensify the war (America's war) against the residents in Donbass, even though the money needed for that hasn't been supplied, and isn't likely to be.

The bottom line on all of this is that Poroshenko probably won't last much longer at his post. However, if there is so much theft from Ukraine's military, and Right Sector won't obey Poroshenko — both of which were confirmed on January 6th by Poroshenko's aide — and if the Central Bank has little if any gold left and the only remaining source of outside funds now is the United States, which has allocated only \$450 million, when this year's Ukrainian defense budget calls for \$3.2 billion and all other Ukrainian Government expenses are being slashed, then the question is: What is Obama's game-plan? Is he expecting to [crush Putin and the Russian economy](#) before the Ukrainian Government collapses?

*Investigative historian Eric Zuesse is the author, most recently, of [They're Not Even Close: The Democratic vs. Republican Economic Records, 1910-2010](#), and of [CHRIST'S VENTRILOQUISTS: The Event that Created Christianity](#).*

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### About the author:

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