Armament of Estonia

Arms Procurements of the Ministry of Defence in the 1990s

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ABSTRACT
An independent state must have its own army. If we don’t defend ourselves, someone else will come and defend us. The conflicts in the border areas of the collapsing Soviet Union and the Balkans in the 1990s as well as the unstable situation in Estonia and neighbouring countries underlined the need for the quick establishment of Estonia’s own army. At the time the state’s independence was restored, there were no people in Estonia who knew Western weaponry or how to carry out weapons procurements. The only things left behind by the Russian army were old gas masks, helmets, fuel and lubricants, a number of buildings and a polluted environment.

The West did provide military assistance to Estonia from 1993–1996, but no weapons were given to us. Estonia received old equipment, uniforms and vehicles from Germany, Sweden, Finland, the US, Denmark and other countries, which also included things that had belonged to the liquidated East-German army. Estonia received a couple of L-410 jets, some helicopters and ships from the ‘bankruptcy estate’ of the latter. Hand guns, Kalashnikov rifles, ammunition etc. were bought from Romania and China. In 1993, Estonia managed to enter into a contract for purchasing weapons from the Israeli company IMI-TAAS. The defence budget comprised ca 4–5% of the state budget from 1993–2000. In 1996 the Estonian parliament set NATO membership as the state’s goal. Estonia participated actively in partnership programmes. From 1996/1997, Estonia finally started receiving aid with weapons from the West, which in addition to handguns included artillery guns, mortars, ships etc. This aid was important, as the state was poor. The first major procurements for weapons after the Israeli weapons deal were carried out at the start of the 21st century.
I. Fragile freedom and the invention of the national defence

The will to protect itself is one of the main features of a real state. The few exceptions there are call for special conditions. However, the threats of 1992 were very real for Estonia. A number of bloody civil wars and border conflicts broke out at the edges of the Soviet Union after its collapse in 1991 as well as in Yugoslavia, reaching their culmination in 1992: Moldova, the Caucasus, Bosnia, Croatia, Serbia and others were affected. The Russian Army, which was critically strong for Estonia, was still here in 1992 and the coup d'état that occurred in Moscow a year before, the march of the Pskov troops to Tallinn and the anti-Estonian movement were a reality. The events of 1993 in Moscow were still in the future. Which prophet could have promised a separate paradise for the Baltic States?

A war waged by all of Russia against Estonia was not the most immediate threat. Local instability in and around our state was a much bigger problem. Estonia’s almost non-existent armed forces couldn’t have protected the state even against the invasion of a separate military unit by our neighbour and/or a conflict ignited within Estonia. Strengthening our self-defence wasn’t the issue here – we had to create it from scratch.

If we don’t defend ourselves, someone else will come and defend us. But how will we do it, and with what? We didn’t have any of the important things we needed at first. We had the knowledge and practical skills for advancement in other areas of life, even if we had inherited them from the previous society – e.g. schools, hospitals, libraries, police, manufacturing – and the people working there were qualified professionals who had the equipment they needed. However, we had almost no idea or knowledge of armament. There were almost no people with the necessary battle experience and knowledge in Estonia’s national defence organisation, and neither did we have any arms or the immediate military support of the West.

We had to create the defence of our state. Since we hardly had anything, making a list of the things we needed was not difficult. However, we had no answers to the questions concerning their use, quality requirements, or staffing and maintenance. In the first years, Estonia didn’t just
lack experienced officials for dealings with the West, but we also had no people with knowledge of Western military equipment or how to procure it. Even an adequate command of the English language wasn't common yet. The connection between weapons and money was rather weakly perceived. The grandest ideas concerned Estonia’s own air force and contemporary air defence. We had to learn everything, even how to give up on some things.

2. False expectations

After the independence of Estonia was restored, it may have looked like our country had a number of cheap armament options, incl. the resources of the Soviet army in Estonia, but also in Latvia and Lithuania – the former Soviet republics further away did receive a big share of them; the quick aid with arms we expected to receive from the West as well as the establishment of a domestic military industry. In reality, we received almost nothing.

All that the Russian army left behind were some old gas masks, helmets, oil and lubricants, and a vast number of buildings that were too difficult to maintain. Even these leftovers weren’t counted before autumn 1994, and they became a burden instead of helping us in any way.

Only some items from the Soviet militia and a very small number of random arms, cartridges, hand grenades and signal flares made it into the ownership of the Defence Forces. They were of no help in actually arming the Defence Forces. The 45-mm obsolete salute cannon was used a couple of times when there were guests approaching from the sea.

Connections with the military industry of Russia were even a possibility. However, the manufacturers were offering their goods with the delivery term of ex works, i.e. they had to be picked up from the factory. Tula, for example, was unfortunately both politically and geographically further away from Estonia than Shanghai or Haifa. Dealing with the Rosvooruzheniye that ruled the vast expanses between Tula and Estonia was out of the question.
Private weapons in Estonia and via Estonia were also not a solution. After exiting the former social order, Estonia gradually entered another world, that of the West, and this also concerned controlling the arms trade on its borders. Estonia had not joined many important treaties yet and a number of domestic legislative acts and institutions still had to be created. Many smaller dealers and fortune seekers noticed the arms trade vacuum on the eastern coast of the Baltic Sea from 1992–1994 and they regarded Estonia as a corridor between the arms trade of the East and the West.

Privately initiated illegal and unlawful arms trade in our region can be divided into three parts on the basis of the goods and those who transported them: attempts to move goods of Russian origin to the West via Estonia during the short winter period of 1991 and 1992, and the uncontrolled movement of European arms to Estonia and through Estonia in two separate stages – from 1993 to spring 1994 and thereafter from 1994 to summer 1995. The state had managed to create order in the area by 1995 and this kind of business fizzled out with the exception of a couple of later triers. This activity could not be combined with the goals of national defence.

Tens of thousands of registered weapons were in civil circulation in Estonia at the time when independence was restored, but the majority of them were smoothbore shotguns used for hunting that were of no use for the Defence Forces. Museum pieces and deactivated arms used for military training in schools didn’t make much of a difference either.

Thousands of firearms, especially handguns and revolvers, and millions of cartridges were brought to Estonia at the height of the legal import of civil arms in 1994. The interest in private weapons started to decrease in 1995 and the number of people wanting to buy them was significantly smaller in the subsequent years. None of this met the requirements of national defence either.

The domestic defence industry was just starting to develop. Targeted work by the companies Eli and Englo in the relevant sector started in the period of 1996–1998 and E-Arsenal increased its production volumes by 1999–2000. However, no military weapons are made in Estonia to this day.
The defence cooperation between the Baltic States also developed much later. The Baltic States Peacekeeping Battalion was launched in 1995, and it didn’t need any aid with arms from the West at first. The Baltic Naval Squadron BALTRON, the Baltic Airspace Surveillance Project BALTNET and the Baltic Defence College were established only in 1998–1999.

3. Weaponless assistance of the West 1993–1996

Boots – coats – cars – vessels – aircraft

The Baltic States received considerable aid from the West from 1993–1995, Estonia from Germany, the US, Sweden, Finland, Denmark, Switzerland and France in particular. But this aid was weaponless and only included innocent, usually old and used items such as the personal equipment of soldiers, cars and equipment for barracks and kitchens. The first shipment of quality boots and older Willys-type jeeps to the Defence Forces of Estonia arrived from France in the winter of 1992/1993. Germany started sending the personal equipment of the soldiers of the former East Germany in spring 1993 and the US bases in Europe also sent uniforms. There were also tents, old radio equipment and field telephones from different countries. A big aid shipment from Sweden arrived in October 1993: several thousands of uniforms and helmets, bicycles, trucks, field kitchens and 13 weaponless armoured vehicles (the 1942 model).

The Defence Forces started with a very modest car fleet in 1992, which consisted of a couple of Soviet motor cars and trucks, but the West helped us with this from the very beginning. The Defence Forces received 600 cars in aid from 1993–1996 and the first of them were 200 East German trucks IFA and Robur. The second third was the aid granted by the US from 1995–1996, mainly in the shape of Chevrolet military vehicles, and the remainder came from Denmark, Switzerland and elsewhere.

The Navy was created a little later. The first usable warship was the 190-ton Mallemukken, renamed Ahti, which was a gift from the Danes
in spring 1994. The two 400 Kondor-type minesweepers, two L-410 aircraft and some Mi-type helicopters came from the stocks of East Germany from 1993–1994. The aircraft equipment went to the Border Guard Aviation Corps. The vessels received from Finland from 1992–1995 were particularly important in the Establishment of the Estonian border guard fleet.

**East German (GDR) equipment – aid from a lost world**

The most important thing for the West in the beginning of the 1990s was to reduce the critically dangerous military tension in the world and in Europe as a whole. One of the main initiatives for reducing the threat of war was launched in 1991 – spreading the vast quantities of troops and arms piled up in Central Europe to the peripheral regions. The Warsaw Pact was also liquidated and the Russian army started its great return home from Eastern Europe, with its weapons, which lasted until autumn 1994. In the opposite direction, the US withdrew some of its units from West Germany. This led to the birth of a special flea market of arms in 1991 – the reunified Germany started giving away and selling the massive estate of one of the main creators of tension in Central Europe – the NVA, i.e. the army of the former German Democratic Republic, which consisted of over 10,000 various armoured vehicles, 5,000 artillery pieces, 700 aircraft and helicopters, and 300,000 tons of munition. 44 countries of the world, including Estonia, had signed up for the East German assets by November 1991.

Most of the NVA’s equipment was sold and distributed from 1991–1994 to tens of countries for the total price of just 1 billion dollars. The quantities of arms acquired by Greece and Turkey were particularly big: hundreds of thousands of automatic rifles, thousands of antitank weapons and hundreds of armoured vehicles. Finland bought a number of tanks, guns and automatic rifles for a very good price whilst Sweden opted for several hundred armoured vehicles. Hungary received tanks, Poland MiG-29 fighter aircraft, Indonesia tens of warships, etc. The prices for
which East German arms were sold were very buyer friendly: for example, a good Kalashnikov automatic rifle cost 40 dollars, which was three times cheaper than the rifles Estonia bought from China. The difference with Western prices was even bigger. Hundreds of 23-mm anti-aircraft cannons of the same type, like the ones Estonia bought from Israel, were also sold cheaply.

But what about the poorer relatives? Like us? There was something for us too. A more or less similar gift package was allocated to all three Baltic States from 1993–1994: each of them got a couple of L-410 aircraft and some helicopters and ships, a couple of hundred trucks and piles of coats, boots and uniforms from the East German army. There was a difference, though – all of this aid was embarrassingly devoid of any weapons.
Non-armament of the Baltic States

The aid given in the first years was diverse but included no weapons. What was the matter? There is no reason to believe that Tallinn, Riga and Vilnius all just forgot to request them and offering them to us just didn’t occur to the West. In the maelstrom of the Soviet Union’s collapse and the changes occurring in Europe, there was one extremely important task: to prevent the outbreak of a major war. And this was achieved with a kind of cooperation and compromises between the West and the East that an entire generation had never witnessed. There was no way that listening to the local concerns of the eastern edge of the Baltic Sea could compete with this, especially since the Russian army was still here. One day, the time will be right for analysing the political background of the non-armament of Estonia and the Baltic States in the beginning of the 1990s.

It soon became evident that there are no such things as free lunches, i.e. there would be no cheap and quick aid with weapons. Finding options for purchasing arms and ammunition, for the full price of course, became the most important task of national defence.

The history of Estonian weapons procurements can be divided into periods of relatively equal lengths according to the manner and results of the procurement:

1st period of 1992–1996 – five years of rushed active self-armament using our own money, as there was almost no aid with arms from abroad;

2nd period of 1997–2002 – the passive period when not much was contributed to armament by the state; however, it was the peak time of free aid with arms and the advancement of the domestic defence industry;

3rd period from 2002/2003 until the global recession – another active period with major purchases of arms.
4. 1st period of armament from 1992–1996: using our own money

The 1st period of armament in Estonia was characterised by the lack of free or affordable foreign aid with arms. Everything had to be procured with the state’s own money in a situation where the number of actual options was very limited.

The first purchase of arms by Estonia after a 52-year interval was the procurement of a larger batch of Romanian AK automatic rifles. The arms arrived in the beginning of autumn 1992 and were immediately taken into use. The price of these rifles corresponded to their quality.

The number of orders for arms placed by Estonia peaked in the beginning of the subsequent winter. Six contracts for purchasing arms and ammunition from China and Israel were signed within five weeks from December 1992 to January 1993. Another four larger contracts were
signed later in the same period, three of them with Chinese companies
and the last one with a Bulgarian company at the end of 1996 for pur-
chasing 120-mm mortars and related equipment. Many smaller procure-
ments, in particular for cartridges, were also organised at the same time.
It would be interesting to find out whether anyone else other than China
and Israel could have offered such a broad selection to Estonia in 1992
and 1993? It certainly wasn’t the Republic of South Africa, especially con-
sidering the UN arms embargo.

It has become customary for people to roll around in tar and feather-
ers when the purchase of weapons from Israel is discussed to make sure
that nobody looks more stupid than an Estonian. Maybe we should take
a different look at this for a change. Estonia broke through to the West
in terms of armament with the well-known purchase of weapons from
the Israeli company IMI-TAAS. The actions that led to this procurement
of weapons lasted longer and involved more people than is usually men-
tioned. However, the most intense and volatile final stage of the contract
preparations took place only in the last couple of months of 1992. The
contract was signed on the 7th of January 1993.

In December 1992, before the contract was signed, the total price of
the goods to be purchased was dropped significantly to 49 million dol-
ars, Estonia was named as the place of destination of the goods and the
first instalment payable under the contract was reduced three times. As
we found out later, finding these 5 million dollars was also a struggle for
Estonia at the time. At first, all of the goods were expected to arrive faster,
incl. by charter flights, and payments were supposed to be made imme-
diately upon the arrival of the goods, i.e. in 1 to 1.5 years. The arrival of
goods and payment for them were later split into two separate sched-
ules. The goods were supposed to be sent in three years (1993–1995)
whilst the majority of instalments were to be made in the subsequent
five years (1996–2000). It seems that in the interests of these changes,
Estonia had to sacrifice a piece of its security in terms of time, i.e. the
speed at which the weapons were delivered. However, this could have
been the first security policy decision whose benefits could be measured
in money.
In retrospect, the amended conditions may be regarded as useful foresight. The rapid growth of the state budget and improvement of other financial indicators (ca four times from 1993–2000) made later payment easier for Estonia despite the interest (11.4 million dollars or 23% of the value of the goods) that had to be paid from the fourth to the eighth year of the contract. Perhaps that wasn’t too much for such a long payment term and Estonia’s international trustworthiness in 1992.

The unit prices of items had been presented in November, but when the total cost was reduced en gros in December 1992, they were not recalculated or entered into the contract. There was no time. This is why the received goods were registered at their earlier prices in Estonia and the calculated totals tended to be different. Most of the agreed-upon equipment arrived on time. Approximately 80% of the goods had been delivered.

*Estonian air defence troops with a Soviet towed 23 mm anti-aircraft twin-barrelled automatic cannon Sergey ZU-23-2 in a German Magirus truck trailer. Estonian bought these anti-aircraft autocannons from Israeli company IMI-TAAS (1997). Rauno Volmar/Estonian Defence Forces*
by September 1995, but Estonia still hadn’t paid 70% of the contracted price. The second, i.e. the correct batch of 23 mm antiaircraft cannons and the majority of the MAPATS antitank system were late, arriving only in 1996 and 1997. Part of the equipment was checked during the last three years of the contract and some little things were taken care of, such as the replacement of bayonet scabbards and obtaining a number of extra magazines for automatic rifles.

The story of the 23-mm antiaircraft cannons is the backbone of the ongoing whinging that surrounds the TAAS procurement. The quantity of Russian-type 23 mm cannons specified in the contract arrived in Tallinn at the agreed time in the beginning of 1994. However, it was immediately obvious that the goods were not new or in good order. This gave birth to the ‘overpaid scrap metal’ claims, which would even deserve some attention if the Estonians had ordered such cannons or put up with them or paid anything for them, or if a brand new batch of the same arms had not been received later.

The second or the correct batch of fully functional new 23 mm cannons, which cost less than 8% of the total price of the purchased goods, arrived in Tallinn in 1996. These cannons had been made for Estonia on the order of TAAS in the factory where they were manufactured. The reason why 23 mm cannons were the only antiaircraft weapons purchased is a simple one: Estonia could afford them. Larger sets of even light antiaircraft missile systems cost about as much as the entire transaction with Israel and remained too expensive for Estonia for a long time to come. Also, control over the spread of surface-to-air missiles is stricter than average and our opinion of ourselves at the time may not have coincided with the way Estonia was regarded by others.

Some additional statements have also kept the mantra of the ‘notorious arms deal’ alive. For example, the concern that the purchased goods were all made for the desert and completely unsuitable for our puddles and snow piles. Most of these concerns are completely unfounded. However, it would probably possible to find a few smaller problems that are more truthful but have never been mentioned. The procurement was large, complicated and rushed, so it’s unlikely that no mistakes were made
somewhere along the line. Additional spares and devices would have obviously been ordered separately as necessary. Unfortunately, the public atmosphere around the procurement turned toxic and the fact that the result of the contract was later never proceed to finish up, did, at the very least, cause a threat of political suicide.

Chinese weapons were cheap, but Europe or the customs service at Rotterdam didn’t like them. The more time passed, the less they liked them. Estonia managed to receive most of the goods it had ordered. However, this squabbling couldn’t go on forever and Estonia’s arms trade with China fizzled out. The last batch of weapons from China arrived in spring 1996 and the very last shipment with simple pyrotechnics arrived in Tallinn in 2001. Several purchases of cartridges from China were also made in-between. However, the weapons purchased from Israel and other countries arrived without any problems.

Regarding Finland, there were some significant similarities with the start of the War of Independence in 1918, but in a different way – back
then we quickly received ‘fish’ in the form of weapons and men from our neighbours, but this time they gave us ‘rather a rod than fish’.

The defence budget comprised *ca* 4–5% of Estonia’s state budget from 1993–2000. The share of the payments made under the Israeli contract in the budget decreased year on year, from the initial one-third to one-tenth by the end of the period. This means that the increase in the state’s revenue and budget was clearly ahead of the payment schedule of the contract. The part of the defence budget allocated to purchases of weapons was planned for the coming years in such a manner that the state would be able to pay all the payments due under the Israeli contract and *ca* one-tenth was added for so-say additional armament expenses, i.e. *ca* 0.5–1.5 million dollars per year. This wasn’t enough for even small developments and training. The large quantities of ammunition previously procured from Israel and China helped here. Most of the defence budget has always been spent on people (wages, uniforms, barracks, etc.).

**Lessons avoided**

It is difficult to say what the proportion between smart foresight and luck was in 1992 and 1993, but Estonia missed out on some lessons in armament. The IMI contract was a substantive sign of a so-called unharnessing and helped avoid the integration of dealers with the state, locking most of the money. The cheap equipment from China was a suitable addition to what the country couldn’t or wasn’t able to buy from the West and also familiar to those who had served in the Soviet army. Estonia would have probably tried to purchase arms elsewhere if these first procurements had failed. But would these deals have been equally reliable, and how much would the weapons have cost? Estonia’s actual armament capacity at the time was smaller than is often suggested.
5. 2nd period of armament – free aid

The armament policy of Estonia was changed cardinally in 1997. The only way to obtain any weapons over the last five years was to buy them for your own money, but there were no major purchases of arms in the long period that followed, and it was fully dominated by free military aid from the West.

The transition period started in 1996 when Western countries sent some small weapons to BALTBAT. But the actual breakthrough occurred in 1997 when M16 automatic rifles from the US and the first 105-mm howitzers and ammunition from Finland arrived in Tallinn. MG3 machine guns from Germany and a large quantity of engineering support equipment were received from Switzerland and Denmark in 1998, followed by M14 rifles from the US and 81-mm mortars from Norway in 1999. From 1997–2000 Estonia received Frauenlob- and Lindau-type minesweepers, Iltis-jeeps and signal guns from Germany, Unimog trucks from Switzerland and precision rifles from France.

The period from 1999–2002 was dominated by large-scale military aid from Sweden, which included automatic rifles, machine guns, grenade launchers, mortars, their ammunition and other similar equipment. The monetary value of the military aid from the Sweden would have increased the cost of the Israeli contract even if calculated at residual value.

The new weapons purchased by Estonia with its own money during this period could be counted on fingers. However, more cartridges and other munition were often procured in smaller batches. The circle of the countries who had sold cartridges and other munition to Estonia expanded rapidly from 1997: the Check Republic, Bulgaria, Austria and others were also added to the list. Estonian companies also intermediated smaller quantities of cartridges and sporting weapons.

The state also tried to actively develop its own defence industry in the 2nd period. Large quantities of training pyrotechnics were made in E-Arsenal from 1999–2005 – blank cartridges reloaded into spent cases of cartridges, training grenade fuses, smoke equipment and blasting devices. It’s true that the attempts to make domestic production profitable
and competitive, or more modern and complex, failed despite the efforts of the authorities. Achieving valuable production without the existence of a civil market would have required a special financing policy.

The 3rd period of armament started in 2002/2003 with major purchases of weapons and was once again different from the other periods. Armament for ca 20 million dollars was ordered in the end of 2002 and the beginning of 2003.

**Summary**

Estonia bought weapons for ca 60 million dollars (weapons and accessories, ammunition, hand grenades, explosives, etc.) in the first decade of independent armament. 49 million of this amount was spent on the goods purchased with the Israeli contract (plus 11.4 million in interest), and other procurements of weapons cost ca 10 million dollars. In the third place is the single procurement from Chinese company China Jing An in 1994, followed by several smaller procurements of Chinese goods from 1992–1995, each of them costing around half a million dollars.

Some of the goods agreed to at the end of 1992 and the beginning of 1993 (Chinese automatic rifles and cartridges, and samples of weapons from Israel) arrived in the first half of 1993. A strong breakthrough in armament occurred in December 1993/January 1994. First of all, the Defence Forces received the first larger quantity of Chinese antitank weapons and their rounds. Secondly, the first larger quantity of Israeli equipment arrived – many automatic rifles, all mortars, radio equipment, harnesses and body armour for soldiers, large quantities of ammo, etc. Six months were left until the departure of the Russian army. Another larger shipment from China with antitank weapons and rounds and hand grenades arrived from China in summer 1994. The Defence Forces and the Defence League became a considerable military force on the first half of 1994. They had the ability to arm ca 10,000 men with millions of cartridges, tens of thousands of hand grenades, antitank rounds and mortar bombs, and hundreds of sets of radio equipment.
Several tens of millions of various cartridges, *ca* 100,000 units of mortar bombs and antitank mines, hand grenades, etc. were purchased in the 1990s, mostly from Israel and China, which weighed *ca* one thousand tons in total. In comparison – after the War of Independence in 1920, Estonia had nearly 10,000 tons of such items (cartridges, mines, shells, explosives, etc.), i.e. considerably more. In some categories of goods purchased from Israel and China, ammunition ended up costing considerably more than the weapons themselves: for example, the price of 81-mm mortar bombs exceeded the price of the relevant weapons multiple times. The ammunition procured in the 1990s were enough for stock and training until the middle of the 2000s, sometimes even for longer.

The price indexes of consumer goods don’t have much to do with the arms trade, as the latter is influenced by different things. The prices of cartridges didn’t change much in the 1990s and even the cost of NATO’s new, 5.56-mm automatic rifle cartridge remained pretty much the same, whether they came from Israel or any other Western manufacturer offering the average price. The rapid price increase of cartridges started in the 2000s as a result of the steep increase in the prices of copper and lead.

In addition to weapons, more than 100,000 metres of camouflage uniform fabric costing 1.7 or 2.7 dollars per metre, boots costing 25 dollars a pair and other items required for military services were procured from China from 1993–1995.

The ordered goods can be interpreted as aid in two ways, depending on needs and options: it’s either free or arrives very quickly and can be paid for afterwards. Time or the speed of deliveries was the most important criterion in the weapons procurements organised immediately after independence was regained. The main part of the decisive foreign aid in the War of Independence (1918–1920) arrived during the first seven months of the war. Both now and back in 1918/1919, weapons were only available for more or less the full price and the possibility to pay in instalments was the biggest bonus.

In terms of speed, quantity and diversity, the results of Estonia’s armament in the first years were unique. The state also managed to carry out all of its plans without any serious failures. The latter is also remarkable
considering the limited experience of Estonians at the time. This took place earlier than most other important defence policy developments in Estonia.

It’s easy to be clever in hindsight – look, it was nothing. Unfortunately, the nations who have thought like that have disappeared along the way.