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Putin Begins Dismantling Prigozhin's "Empire"

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The consequence of Yevgeny Prigozhin's mutiny will be the seizure of some of his assets by President Vladimir Putin's trusted people. Prigozhin has carried out many activities useful to the Russian power elite, both in Russia and abroad. Thanks to the Prigozhin-led Wagner Group, Russia has been consolidating its influence on the African continent and enjoying some military success on the Ukrainian front. NATO countries can benefit from the weakening of the Wagner Group, but Poland should also prepare for hybrid actions by the mercenaries from Belarusian territory.

Prigozhin's failed mutiny meant that Putin, who had so far considered him <u>useful to the interests of the Russian power</u> <u>elite</u>, began to regard him as a threat to the system. Shortly after the revolt, the Russian government began seizing his assets in Russia. For Putin, however, the dilemma is that Wagner Group's activities abroad, mainly in Africa, benefits the Russian regime financially and politically.

Seizure of Prigozhin's Assets in Russia. Until 2022, Prigozhin operated mainly in the so-called grey zone, where the Russian state officially did not want to get involved. As recently as February 2022, Putin did not acknowledge that Wagner Group was linked to Russian state institutions. At the same time, Prigozhin built his position and influence on the basis of state contracts. According to Putin, RUB 86 billion (about \$1 billion) were transferred from the Ministry of National Defence and the Russian budget from May 2022 to May this year for payments to members of the Wagner Group. About 40-50,000 of the mercenaries <u>served in Ukraine during the war</u>, of which about 30,000 were newly recruited prisoners from penal colonies.

Due to growing disputes between the Russian Ministry of Defence (MoD) and Prigozhin, the Russian authorities began to strip Wagner Group of its autonomy. From February this year, Wagner Group's right to recruit prisoners from penal colonies was curtailed, and from 1 July this year, the mercenaries were to come under the control of the Russian MoD. Following the failure of the mutiny, the group will most likely continue to recruit but its fighters will only participate in armed activities outside the Russian Federation and will withdraw from Ukraine. This is evidenced by the Wagner Group's website going offline and the suspension of its offices for a month, although it continues to accept applications from candidates. However, if many of the mercenaries sign a contract with the MoD, it is possible that the authorities will allow them to serve on Ukrainian territory. Putin also announced that some of fighters may live in camps in Belarus. The aim of these actions may be to use the mercenaries to destabilise the situation along NATO's Eastern Flank.

The Russian authorities are also taking over Prigozhin's media empire. Even during the "march of justice" on Moscow, Roskomnadzor (the state media regulator) blocked communications from the Russian media organisation Patriot Media Group, which includes the RIA FAN agency, where Prigozhin served as head of the supervisory board. Prigozhin's media holdings since 2013 also include "troll farms" and bots, Telegram accounts, and bloggers (around 400 different media entities), all of which form part of Russia's disinformation system in the country and around the world. Prigozhin's media outlets are likely to be taken over by state-owned corporations, led by Putin ally and businessman Yuri Kovalchuk's holding company or one of the directors of state-owned Rostec, possibly Vasily Brovko, among others.

The Future of the Wagner Group Outside Russia. In Africa, Wagner Group's main space of activity outside Russia, Prigozhin has created efficient structures, including related businesses, thanks to years of personal involvement and the experience of delegated personnel. These provide benefits to Russia, such as <u>access to gold</u> and diamonds useful in maintaining financial stability, expanding political influence

PISM BULLETIN

(especially at the expense of France), and strengthening anti-Western sentiment. For the Russian authorities, taking over the group's assets in Africa would be difficult because of a lack of appropriate personnel. It would also pose a political risk of weakening its position in the region and a revolt by fighters loyal to Prigozhin. About 5-6,000 of the Russian mercenaries are operating in the Central African Republic (CAR), Mali, Sudan, and Libya on behalf of local governments or friendly armed groups. While the host countries declare their willingness to cooperate with Russia, they are concerned about the possible takeover of Wagner Group in Africa by newcomers unfamiliar with local realities. This is why, for example, the authorities in the CAR have appealed to Russia to retain their existing partners, notably Vitaly Perfiliev, who is in charge of military operations, and Dmitry Sytii, who is overseeing the civilian aspects of the Wagner Group's operations. These include, in addition to the extraction of raw materials, profitable commercial ventures, and investments in the timber and food sectors, making the Russian presence in the CAR increasingly self-sufficient. Given this, the Russian authorities are increasingly inclined not to alter existing structures there, as they did, for example, in Syria, and even to allow Prigozhin to continue to coordinate them. This will let Russia avoid falling out of its privileged position in the CAR, for example, at the expense of Rwanda, which also cooperates with the country in the same areas. While Russia withdrew in early July about onequarter (500-600) of the fighters stationed in the CAR, which may have signalled a purge, the Wagner Group leaders in the country are confident of continuing on the current basis.

In Mali, Russia does not need to be as concerned about the loyalty of the Wagner Group contingent, as it is only beginning to set up its business base around it and is not as independent militarily and politically as in CAR. In addition, conditions in the country are conducive to increasing regular Russian troop numbers. The dismantling of the UN mission there (MINUSMA), which began on 30 June this year, will increase the demand of the Malian authorities for cooperation with the Russian Federation, currently the country's only security partner. The Russians will be able to take over abandoned UN bases and act as a buffer against separatists in the north of the country. This could include soldiers subordinate to the MoD, as well as, for example, temporarily, participants of Wagner Group's march on Moscow, which would keep Prigozhin away from competition for influence in the Kremlin.

In Sudan, Wagner Group has built links with both parties currently fighting in the civil war that began on 15 April this year

(the army and the paramilitary Rapid Support Forces, RSF). It thus hopes to continue trading Sudanese gold regardless of who wins. However, Prigozhin's mutiny may force a change: on 29 June, a delegation of Sudanese military authorities visited Moscow, presumably to seek a halt to Wagner Group's support for the RSF (which it has been supplying from Libya and CAR). In return, the Sudanese side might be willing to expedite an agreement on the establishment of a <u>Russian naval base in</u> <u>Port Sudan</u>, under the control of the Russian MoD. Thus, it would not be impossible for Wagner Group personnel to remain on the border in the CAR and be exchanged on the Red Sea.

It is also likely that some of the ex-Wagner fighters, for whom there would be no room in the new arrangement, would enter the wider mercenary and security market on the continent on their own, for example in the Democratic Republic of Congo or <u>Burkina Faso</u>.

Conclusions. In Russia and Ukraine, the Russian government will succeed in subordinating the mercenaries and equipment of the Wagner Group and putting it under greater state control. However, the loss of the monopoly on the use of force demonstrated by the Prigozhin mutiny, the operation of other paramilitary groups in Russia as well as the waging of an ineffective war will lead to the erosion and destabilisation of the Putin regime.

The seizure of Prigozhin's media assets will temporarily weaken its ability to conduct disinformation campaigns around the world. This can already be seen in both Africa and Latin America, where pro-Russian social media accounts are less active. In the long term, however, this will not change Russia's hybrid activities in NATO countries. Poland should also pay attention to the possible use of Wagner Group fighters on the border with Belarus.

Preserving Wagner Group's autonomy in Africa will be crucial to maintaining Russia's traction and influence in the post-colonial area. Presumably, therefore, Prigozhin and his people will not be deprived of the management of some of Wagner Group's existing resources on the African continent, like the selffinancing structures in CAR. The collapse of Wagner Group's position would benefit NATO states and the EU (especially France), as it would shake Russia's position as a guarantor of regional security. Poland could support the extension of EU sanctions on Wagner Group to increase the pressure on African states cooperating with Prigozhin in order to limit his capacity to act.

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