The Wagner Group in Syria: Profiting Off Failed States

by Emad Bouzo (/experts/emad-bouzo)

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Despite discord between the Wagner Group and the Russian government, the entrenched economic and military engagement of Wagner forces in Syria is unlikely to change soon.

n June 24, 2023, the Wagner Group—which has played a key military role in Russia's war in Ukraine—staged an armed revolt against Russian forces. Wagner forces seized the headquarters of the Southern Military District in the city of Rostov, and set up checkpoints in and out of the city. They subsequently threatened to advance towards Moscow to overthrow Russian military leadership in the Ministry of Defense.

It seems that the official Russian stance will remain complex and contradictory. Several days ago, the Russian government announced that Yevgeny Prigozhin's mansion in St. Petersburg had been raided and Russian state television broadcast images of the cash and gold that had been seized. This coverage aimed to erode Prigozhin's popularity in Russia. Shortly after, it was announced that President Vladimir Putin had hosted Wagner leaders, including Prigozhin himself, within days of the rebellion, during which they pledged their allegiance to Putin. It is an open question whether Wagner will continue its work with or without Prigozhin, and whether the Wagner Group will be as effective if its founder is no longer at the helm. This question is particularly on the minds of Syrians, given the significant presence Wagner forces continue to play in the country.

Over the past decade, Wagner forces have expanded beyond their initial role as a group of green-clad mercenaries that the Russian Ministry of Defense or intelligence agencies used to carry out operations for which they did not want the Russian government to be held responsible. The Wagner Group has now grown into a major force with tens of thousands of fighters engaged around the globe in diverse activities including economic investment. Its ongoing role in Syria helps highlight the potential future of the group there even as its role back in Russia is being renegotiated.

Although the Wagner Group had previously been active in former Soviet republics, its intervention in Syria marked the first time it became involved beyond the Soviet sphere. This was because Putin needed fighters on the ground after he announced that Russia would become involved in Syria during a September 2015 session of the State Duma.

He stated that Russia did not intend to become embroiled in the Syrian conflict and that its intervention would be limited to air power without ground operations. However, it proved difficult for air power alone to decisively shift the balance of the conflict, especially since Syrian regime forces were depleted and on the brink of collapse. Putin therefore turned to the Wagner Group to spearhead necessary ground operations in Syria.

Accounts from Wagner fighters, including Marat Gabidullin

(https://www.npr.org/2022/06/06/1102603897/wagner-group-mercenary-russia-ukraine-war), attest to the extent of the group's early engagement in Syria. With regard to the first battle of Palmyra in early 2016, Gabidullin stated that Wagner fighters became involved first, then the Russian army, and eventually the "Arab" forces—i.e., the Syrian army—at which point the reporters' cameras appeared. As a result, it appeared to the world that the Syrian forces, rather than the Wagner Group, were the ones fighting against ISIS. Gabidullin added that hospitals in the Hmeimim Air Base and in Russia were full of wounded Wagner fighters, to the extent that Russian doctors were asking whether the Russian army or private military companies were the ones doing the fighting.

In his interview, Gabidullin also stated that Wagner forces had committed atrocities such as beating Syrian army deserters with a sledgehammer and beheading them, and filming these acts in order to intimidate others. This appears to have been part of the Wagner Group's approach more generally, since news reports mentioned the use of similar tactics during the long Battle of Bakhmut in eastern Ukraine.

The Wagner Group's central role in the Syrian war is clear from the relative number of casualties it sustained compared to the Russian army during this period of fighting. A document <u>obtained by Reuters</u>

(https://www.reuters.com/article/us-mideast-crisis-russia-syria-casualtie/exclusive-death-certificate-offers-clues-on-russian-casualties-in-syria-idUSKBN1CW1LP) indicated that 131 Russian civilians had been killed in Syria during the first nine months of 2017. Reuters also conducted interviews with the friends and family of some of those killed and it became evident that these civilians had been military contractors fighting in Syria. At that time, the official tally of Russian military casualties for this period was only 16, although this number might not be accurate given concerns about the credibility of official Russian military data and an order from Putin prior to the Russian intervention in Syria that made Russian army casualties a military secret and banned reporting on these numbers.

However, the most important shift for the Wagner Group in Syria was its entry into the economic sphere. The group ordered the Syrian government to give Wagner 25% of production from gas and oil fields and phosphate mines in areas that it was liberating or protecting. The remaining revenue from these fields was split between Russian companies and the Syrian government. The Wagner Group learned that it could take economic advantage of failed states or those dealing with internal conflicts or civil wars through making deals with corrupt local leadership.

The Wagner Group has used this experience to negotiate long-term investment contracts with militia leaders in Africa. Its investments have grown beyond petroleum, gas, and phosphate to also include gold and diamonds. As the financial revenue from its military operations totaled billions of dollars, Wagner needed to establish dozens of financial companies and systems through which it learned how to circumvent international sanctions. This was done in coordination with a global network of specialized corporate lawyers working in these fields.

The Wagner Group saw further growth in its activities in Syria as a result of Russian naval and air bases. Syria became an advanced logistical base for the Wagner Group's global activities. As a result of this dual presence in Syria, Wagner forces worked alongside Russian governmental employees and army soldiers. In some areas, there were entirely Russian "settlements" set up, such as those near the Palmyra airport, which included Wagner forces, members of the Russian military police, and Russian oil and gas technicians and advisers from Prigozhin's company Evro Polis. All of these actors lived together in the same residential compound.

The Wagner Group's significant ongoing presence in Syria helped recruit Syrian mercenaries that Russia could use in foreign operations, as it did when it sent forces to Libya several years ago. British broadcaster ITV News reported (https://www.itv.com/news/2023-06-29/wagner-negotiating-deal-to-create-biggest-fighting-force-days-before-failed-coup) that the recent Wagner revolt halted a deal that Prigozhin had almost settled with Syrian President Bashar al-Assad to recruit tens of thousands of Syrian fighters to the Wagner Group to fight both in Syria and abroad. The Syrian side had stipulated that half of these forces would stay within the country while the rest could be sent to Ukraine or Africa.

In other words, the desperate economic situation of Syrian youth was being exploited to recruit them and send them to "the meat grinder"—Bakhmut. If this deal had been finalized, Syria would have become the Wagner Group's largest base in the world. The ITV news report indicated that Assad's regime hoped to gain millions of dollars per month from the deal. This suggests that contracted Syrian forces would not have been paid directly by the Wagner Group, but rather through networks linked to the Syrian regime, which would have taken a share of the profits, even though these contracted forces were the ones risking their lives.

There have been thousands of Wagner fighters in Syria over the last several years who have played a significant military role, and the group has signed many contracts with the Syrian regime. It is therefore strange that Syrian state media has scrupulously avoided mentioning the Wagner Group, which has become the elephant in the room that everyone pretends they can't see. However, Syrian opposition forces have drawn attention to the crimes that the Wagner Group has committed against Syrians and unearthed the unfair contracts that the Syrian regime has signed with Wagner. This has made it clear that the Wagner Group had been granted a significant portion of the revenue from key economic installations—a particularly harmful situation for a country with such major economic struggles.

It is not an exaggeration to say that some elements within the Syrian regime were more shocked and concerned about Prigozhin's revolt as his forces headed towards Moscow than many Russian officials themselves. Pro-Syrian regime actors made comments on social media sites attacking Prigozhin, whom they called a traitor. They subsequently welcomed the agreement that ended the rebellion and said that the fate of Prigozhin and his allies was a foregone conclusion. In other words, they'd be removed from the equation when the timecame.

Yet recent announcements (https://inews.co.uk/news/wagner-attempting-recruit-new-soldiers-online-russia-crackdown-2457180) over Telegram that the Wagner Group is seeking Arabic and French translators, concurrent with statements that it had turned over thousands of weapons and thousands of tons of ammunition to the Russian army, suggest that whatever the fate of the Wagner Group in Eastern Europe, the group will continue its activities abroad in countries such as Syria. Syrians are still likely facing a future with the Wagner Group in some form or another, given the ways in which this group has become incorporated into the fabric of the Assad regime.

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