



## RUSSIA REFORM MONITOR

The American Foreign Policy Council's Review of  
Russian Government Actions and U.S. Policy

# Russia Reform Monitor No. 2559

January 31, 2023 **Ilan I. Berman, Sydney Duckor, Ian Cameron**

**Related Categories:** Economic Sanctions; Europe Military; Human Rights and Humanitarian Issues; Russia; Ukraine

### THROWING THE WOUNDED BACK ONTO THE FRONT

In a reflection of the chronic manpower deficit plaguing its armed forces, Russia's government is sending wounded soldiers back into battle before they've had a chance to heal. According to the Soldiers' Mothers Committee, a civic group which has become something of a watchdog for the Kremlin's treatment of its armed forces, soldiers are being sent back into combat while still recovering from serious lung wounds and shrapnel injuries. Even patients with ulcers, as well as those who have had heart attacks and strokes, have not been excluded from being called up prematurely. (*Meduza*, January 12, 2023)

[EDITORS' NOTE: Notably, while the practice is likely due to a lack of manpower within the Russian armed forces, these developments may be spurred by another reason as well: the Kremlin's efforts to avoid paying the cost of soldiers' discharge due to injury. Shortly after his government launched its war in February 2022, Russian President Vladimir Putin promised the ruble equivalent of nearly \$44,000 to any wounded soldier "if they were found unfit for military service." Back then, however, the Kremlin consensus was that the "special military operation" would be both decisive and short in duration. Now that the conflict has dragged on for nearly a year, however, the associated costs are becoming prohibitive for the Russian government.]

### WAGNER MAKES GAINS...

Russia appears to have made some battlefield advances in Ukraine in recent days, thanks to its most formidable paramilitary contingent. Russia's Wagner mercenary group has said that its fighters have succeeded in capturing the settlement of Klishchiivka, situated southwest of the town of Bakhmut. The victory is a symbolic one, since Russian forces have struggled to take Bakhmut, a key strategic stronghold, for weeks. It mirrors similar gains said to be made by Russia in Soledar to the north – although those claims are contested by Kyiv. (Reuters, January 20, 2023)

### ...AND GARNERS NEW SANCTIONS...

Western governments, meanwhile, are moving to proscribe Wagner. The Biden administration has announced new sanctions on the mercenary group, and designated it as a transnational criminal organization. "These actions recognize the transcontinental threat that Wagner poses, including through its ongoing pattern of serious criminal activity," National Security Council spokesperson John Kirby told reporters.

At the same time, U.S. officials also closely watching the power dynamics within Russia, and believe Wagner is in growing competition with other centers of influence in the Kremlin bureaucracy. According to Kirby, Wagner "is becoming a rival power center to the Russian military and other Russian ministries." (*Politico*, January 20, 2023)

### ...AS A DEFECTOR THREATENS TO SPILL THE BEANS

Andrei Medvedev, a Wagner mercenary who commanded a contingent of 15 others, recently defected to Norway – and is said to be ready to share details of his time in service to the paramilitary outfit. Medvedev claims to have witnessed "summary executions" of fellow Wagner fighters who engaged in "cowardice and desertion," and also detailed the "dramatic" casualty rates among inmate conscripts sent on what he called suicide missions. These accounts remain unverified, but have the potential to shed light on Wagner's operations – and to lessen the Kremlin's plausible deniability regarding the group's actions. (*New York Times*, January 17, 2023)

### HOW RUSSIA IS STILL FIGHTING IN UKRAINE

Contrary to conventional wisdom, Western businesses remain deeply engaged with Russia, and this continued commerce is helping to sustain the Kremlin's war in Ukraine, a new study has highlighted. The report, produced jointly by researchers from the IMD Institute, a Swiss management school, and the University of St. Gallen, found that, in spite of the prevailing narrative that the West is pulling back from commerce with the Kremlin, there has only been "a very limited retreat of EU and G7 firms from Russia" since the start of the war in late February of last year. "In effect, many firms headquartered in these nations have resisted pressures from governments, the media, and NGOs to leave Russian since the invasion of Ukraine," the study concludes.

Specifically, the study lays out, at the time of Russian President Vladimir Putin's decision to "demilitarize" and "denazify" Ukraine, there were 1,404 EU and G7 companies, as well as 2,405 subsidiaries of those firms, active in Russia. As of late November 2022, only 120 of those had divested at least one of their subsidiaries in Russia. American businesses has been a tad more accountable, but the results are still meager. All told, less than 18% of American subsidiaries in Russia have sold off their assets and ceased operations since the start of the Ukraine war. (*The Brussels Times*, January 23, 2023)