

*Aivaras Giedraitis***The General Jonas Žemaitis Military Academy of Lithuania*

Private Military Companies in the Foreign and Security Policy of the Russian Federation in 2014–2019**

Countries are changing their military measures and strategies, thus they increasingly recruit private military and security companies or private military companies to pursue their interests instead of their regular forces. The aim of the research article is to reveal the motives and features of the use of private military companies in Russia's foreign and security policy of 2014–2019. The novelty and relevance of the research object have prompted the use of the microtheory, i.e., the principal-agent theory, the application of which in political sciences has started just recently. It provides the basis for the assessment of the motives and features which led to recruitment of private military companies for the purposes of Russia's foreign and security policy. The qualitative research method was selected in order to achieve this aim: the case analysis method was applied for the purpose of selection of the cases, i.e., regions: Syria, North-East and Central Africa, Ukraine, and Venezuela, focussing on the analysis of the factors which led to Russia's decision to recruit private military companies instead of the regular forces.

Based on the analysis of the motives for using private military companies and conventional forces, we may claim that they are similar, because the use of both military structures enables achieving somewhat the same interests. Nevertheless, it was noted that, based on the specifics of the forces and the chart encompassing the variety of social deviations, private military and security companies are more similar to the regular forces. Nevertheless, both types of private companies help Russia avoid direct liability for various violations of the law.

The factors explained in the microtheory are adjusted, expanded, and correlated by taking into account the case of Russia analysed within the course of the research. The analysis of the case of Russia also has shown that the Kremlin faced only one problem explained by the principal-agent theory, i.e., agency slack. The analysis has shown that not all regions located further away from Russia were useful in terms of finances, but all of them gave Russia advantage over the USA in respect of strategy.

* *Aivaras Giedraitis* – graduate of the General Jonas Žemaitis Military Academy of Lithuania.

Address for correspondence: Šilo str. 5A, 10322 Vilnius, Lithuania, tel. +370 (675) 25 911, e-mail: aivaras.miksa.giedraitis@gmail.com

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Introduction

The Donbass Conflict involves not only separatist forces of Luhansk People's Republic and Donetsk People's Republic as well as Ukrainian militants, but also private military companies hired by Russia since the events in Ukraine in 2014¹. Its activities are notable in other regions as well, however, the nature of the mercenaries differs from the traditional private military and security companies hired by the Western countries.

The use of private military companies is largely described from the perspective of the Western countries, such as the USA, the Great Britain, and France. In the meantime no analyses and studies have been carried out focussing on Russia's practice at the level of the state foreign and security policy. The study described in the research article has the potential to reveal the motives and features of the use of private military companies.

Hiring of mercenaries is not a new phenomenon in the state politics, therefore they recruit private military companies to pursue their goals. The specifics and objectives of mercenaries evolved along with changes in the concept and nature of warfare. This practice gained popularity particularly in the Western European countries and the USA, but there have not been many discussions focussing on the position of Russia. Although the use of private military companies is little known in the history of Russia, this practice has intensified since March 2014 following annexation of Crimea². This is not the main strategy of Russia's policy, but it covers a significant portion of the current foreign and security policy. Russia hires companies operating in different regions in order to pursue the set goals. Revealing the motives and features of the use of private military companies in Russia's foreign and security policy in 2014–2019 would build the foundation for researches enabling not only political analysts but also security specialists to look into the ways how Russia recruits private military companies, what goals it pursues, and what results it managed to achieve. Answering the questions raised and explanation of the situation by applying smaller scale theories, such as the principal–agent [theory], would serve as a start in the attempts to explain the state's choices and behaviour based on microtheories.

Despite the fact that Russia has its own regular forces, the data provided by the Organization for Security and Co-operation in Europe within the cour-

¹ Sukhankin S. (2019a), *Unleashing the PMCs and Irregulars in Ukraine: Crimea and Donbas*, Washington: Jamestown Foundation.

² Marten K. (2019), "Russia's use of semi-state security forces: the case of the Wagner Group", *Post-Soviet Affairs*, 35 (153), p. 1-24.

se of the monitoring mission carried out in Ukraine shows that Russia notably recruits private military companies operating in such regions as Ukraine, Syria, Venezuela as well as countries in North-East and Central Africa³. As these activities are expanding, an explanation why Russia pursues this strategy is lacking. This research problem raises a question: why does Russia recruit private mercenaries instead of using its own military forces only in order to defend its interests?

The object of the research is the use of private military companies in the foreign and security policy of Russia in 2014–2019 in the regions of Syria, North-East and Central Africa, Ukraine, and Venezuela. The aim of the research is to reveal the objectives and features of the use of private military companies in the foreign and security policy of Russia in 2014–2019. The following tasks have been set in order to achieve the aim of the research:

- To reveal the typology of private military companies and the most appropriate theory for analysing the use of mercenaries in foreign and security policy;
- To reveal the goals of the Russian foreign and security policy in regions where Russia uses private military companies;
- To analyse how private military companies were used, what goals and results this enabled to achieve;
- To expand the model of the goals and motives for using private military companies by adding the case analysis of Russia.

A presumption is made for the purposes of the research that the motives for using private military companies for the purpose of the foreign and security policy of the Russian Federation are similar to those associated with the conventional forces to avoid liability for its actions.

A wide range of literature has been analysed within the course of the research, including: reports of monitoring organizations (Organization for Security and Co-operation in Europe), material provided by analysis centres, official documents (contracts, doctrines, strategies, etc.), online sources, and, most importantly, scientific literature. Basically, this includes academic books, monographs, and articles, which are authoritative, comprehensive and form a range of different perspectives. The books by Martin van Creveld “More on War”, Mary Kaldor “New and Old Wars: Organised Violence in a Global Era”, and Geraint Hughes “My Enemy’s Enemy: Proxy Warfare in International Poli-

³ OSCE (2014), “Spot report by the OSCE Special Monitoring Mission to Ukraine (SMM), 8 November 2014”, <https://www.osce.org/ukraine-smm/126483>, 2019-10-12.

tics” explain how the concept of war has changed and what new actors became involved in the “New” and proxy wars. As the first step in analysis of the topic requires definitions of the private sector actors, the books by Hannah Tonkin “State Control Over Private Military and Security Companies in Armed Conflict”, Christopher Kinsey “Corporate Soldiers and International Security: the Rise of Private Military”, David Shearer “Private Armies and Military Intervention”, P. W. Singer “Corporate Warriors: the Rise of the Privatized Military Industry. Updated Edition” identify types of mercenaries, distinguish between private military and security companies, private military companies as well as private security companies, they also give the definitions of the aforementioned companies and describe their functions. The principal-agent theory would be discussed in order to purposefully assess the motives and features of the use of private military companies recruited by Russia in reference to such books and articles as “The Multiple Effects of Casualties on Public Support for War: An Experimental Approach” by Scott Sigmund Gartner, “Delegation and Agency in International Organizations” by Darren G. Hawkins, David A. Lake, Daniel L. Nielson, and Michael J. Tierney, “Activists beyond Borders: Advocacy Networks in International Politics” by Margaret E. Keck and Kathryn Sikkink, “The Delegation of War to Rebel Organizations” by Idean Salehyan, “Pyrrhic Peace: Governance Costs and the Utility of War” by Laura H. Wimberley.

The qualitative research method was applied in order to implement the tasks and to achieve the goal of the research. This research method was selected in the light of the objective to identify the reasons having determined Russia’s choice not only to use the regular forces, but to recruit private military companies as well. The quantitative research is based on the presumption arising from the research problem, which is verifiable in reference to the empirical data by applying the method of case analysis. The analysis method was applied in order to explain the trend, i.e., Russia’s choice to hire actors operating in the private military sector. The process of the research by applying the analysis method encompasses selection of several specific cases, which are described in detail and explained by applying the selected theoretical approach.

The cases selected for the research are limited within the regional framework. The activities of the mercenaries privately hired by Russia are noticeable in Syria, North-East and Central Africa, Ukraine, and Venezuela. Specifically these regions shall be selected as the cases subject to research in this study focussed on the use of private military companies by Russia.

The research also encompasses the application of the method of analysis of scientific literature, descriptive method, comparative method, and the method of

analysis of other, i.e., primary sources. The first method is applied for definition and description of the principal-agent theory as well as researching the objectives of Russia's foreign and security policy in the aforementioned regions where private military companies are recruited. This method is applied for the analysis of scientific books, monographs and articles, material provided by analysis centres, and official documents. The second method is applied for identification of measures used for recruitment of private military companies, the implemented goals, and results achieved during the period from March 2014 to the 31st of December 2019. This method is applied based on the intelligence data and foreign media reports. The third method is applied for assessment and comparison of the correlation between the use of privately hired troops and the objectives of Russia's foreign and security policy as well as differences between the regions of Syria, Africa, Ukraine, and Venezuela. The application of the method is based on assessments and statements made by political scientists or analytical experts. The last method is applied for identification of the objectives of Russia's foreign and security policy and activities in the regions involving mercenaries. Regardless of the applicable method, the research will be limited to the period from the annexation of Crimea in March 2014 to the 31st of December 2019, because the collected and studied material must be relevant and up-to-date.

The research is conducted in a systematic manner. The first step encompasses selection of the cases and identification of their limits. The second step encompasses data collection aimed at gathering as much of various empirical material and data as possible. The third step is reserved for the analysis of the collected data. The final step leads to construction of the results, presentation of the findings, revelation of new aspects affecting Russia's choice of methods applied in foreign and security policy as well as attempts to demonstrate how the analysis enabled to deepen the understanding of the theory, what analyses or researches could be started based on the discovered facts, what research methods could be applied for conducting this type of analysis as well as suggestions for improving the field of the research.

The research is based on substantiation or rebuttal of the presumption. Analysis of the collected empirical data enabled to find out the motives and features of the use of private military companies in Russia's foreign and security policy, which gives the grounds for conducting an analysis and substantiation or rebuttal of the presumption as well as elaboration thereof.

The empirical material of the research is based on the reports of monitoring organizations (OSCE), research books, monographs and articles, material provided by analysis centres, official documents, and online sources.

1. Private military and security companies: their use, classification, and the principal-agent theory

Given the object of the research, the novelty and relevance thereof, at first the chapter focuses on revealing the rapid evolution of the nature of warfare from “the old wars” to the proxy war⁴. Private military and security companies, private military companies, and private security companies as well as their differences are discussed later on. The types of mercenaries, which change over time, are described based on the social stigma⁵ variety chart. Finally, the most appropriate theoretical approach to analysing this topic is revealed.

1.1. Proxy war and private military and security companies

Rapid changes in the battlefield and the changing nature of warfare accelerate the development of armies, the application and improvement of military innovations as well as the implementation of military actions at various levels. Mary Kaldor wrote that the outbreak of “the new wars”, which are characteristic of ties between states and non-state actors as well as violence against the civilians have changed “the old wars”⁶. The emerging new threats, such as terrorism, riots, etc., lead to the implementation of new solutions. Russia, without being directly involved in the conflict, recruits private military companies and pursues personal interests by assigning missions to them.

Over time, the regular forces of states become detached from the battlefield. Martin van Creveld argues that the middle of the 19th century saw the start in the development of the understanding that modern military forces could avoid direct combat as war moves to a different space using computers, drones, and missiles. People control them remotely, so there is no longer any direct contact⁷. Nevertheless, we only partially agree with the war historian. Along with the changing concept of warfare, the regular forces are replaced by privately hired troops, who are authorised by the state to implement the assigned missions, thus protecting the aforementioned forces from the direct contact with the enemy.

⁴ Proxy war – armed conflict between two states or non-state actors acting on the initiative of or on behalf of other countries not directly involved in hostilities (Hughes, 2014).

⁵ Stigma – a distinguishing mark of social disgrace (The Oxford English Reference Dictionary, 1996, p. 1420).

⁶ Kaldor M. (2012), *New and Old Wars: Organised Violence in a Global Era*, Cambridge: Polity, p. 1-15.

⁷ Creveld M. van (2017), *More on War*, USA: Oxford University Press, p. 1-16.

The nature of war changes along with its space and actors. The current ongoing conflicts are described as proxy wars, which are characteristic of long-term ties between the external actors and the militants, i.e., the mercenaries. Ongoing funding, military trainings, weapons and other material support reach them via external actors⁸. Hired private companies, also known as private military and security companies or private military companies, became notably more actively involved in this type of war in Syria, North-East and Central Africa, Ukraine, Donbass Conflict, and Venezuela.

Although private military and security companies are the most well known actors, they are not the only ones in the field of the private sector. The actors involved in the private military and security activities, such as mercenaries, private military and security companies, volunteers, troops of foreign forces and national troops, are similar and differ by the social stigma (deviation) associated with them.

According to Hannah Tonkin, the end of the chart (see Fig. 1) is dominated by *mercenaries*, because they are associated with the biggest social deviation from their activities. Pursuant to Article 47 of Protocol I of the Geneva Convention, a mercenary is: a person who is specifically hired locally or abroad to fight in an armed conflict; does, in fact, take a direct part in the hostilities; is motivated to take part in the hostilities by desire for private gain; is neither a national of a party to the conflict nor a resident of territory controlled by a party to the conflict; is not a member of the armed forces of a party to the conflict, and has not been sent by a state which is not a party to the conflict⁹. The ties between the militants and the state hiring them are temporary, without signing and following a bilateral agreement¹⁰.

Unlike mercenaries, *private military and security companies* are characterised by their legitimacy and diversity of customers. They are registered corporations associated with their state in various official and unofficial ways. Unlike mercenaries, companies work only for legitimate principals: governments, non-governmental organizations, corporations as well as the UN¹¹. The essential factor determining a superior position of private military and securi-

⁸ Hughes G. (2014), *My Enemy's Enemy: Proxy Warfare in International Politics*, Brighton: Sussex Academic Press.

⁹ ICRC (1977), "Protocol Additional to the Geneva Conventions of 12 August 1949, and relating to the Protection of Victims of International Armed Conflicts (Protocol I): International Committee of the Red Cross", <https://ihl-databases.icrc.org/ihl/WebART/470-750057>, 2019-10-12.

¹⁰ O'Brien K. A. (1998), "Military-advisory groups and African security: Privatized peacekeeping?", Routledge: *International Peacekeeping*, 5 (3), p. 78–105.

¹¹ Percy S. (2007), *Mercenaries: The History of a Norm in International Relations*, Oxford: Oxford University Press, p. 1.

ty companies in respect of mercenaries on the social deviation variety chart is the official character thereof. Nevertheless, it is worth emphasizing that association of private military and security companies and the states in official ways, i.e., by direct contracts, is a characteristic typical to the Western companies, meanwhile, the unofficial ways, i.e., actors associated through contracts with other people in charge, are a characteristic typical to the operations of the Russian private military companies.

The position of *volunteers* on the social deviation variety chart is higher than that of mercenaries and private military and security companies. Such actors fight for political, religious, or ideological reasons¹². Their activities are selfless and legal. In accordance with the UN Report on Mercenaries of 1997, any altruistic¹³ voluntary involvement in conflict actions is not considered to be a crime, because the activities are not based on self-interest¹⁴.

Troops directly integrated into foreign forces hold a slightly different and higher position. Some troops may be strangers to the state involved in a conflict, but they are controlled by the hiring state. One of such examples is the French Foreign Legion where people from other countries serve¹⁵. The motives and objectives of this type of mercenaries may depend on their background and ideas. According to James Larry Taulbee, the French residents join the Legion following their sense of duty and loyalty, while foreigners do this only for money and the desire to take part in military actions¹⁶.

The top spot on the social deviation variety chart is held by the *troops of the conventional forces of the state* who fight for their homeland. They are the most legitimate military actors in international relations motivated by nothing else but the sense of patriotism¹⁷. Such troops are easier to control than those described above, who, depending on their specifics, may not implement the assigned missions or may implement them not in accordance with the agreement.

Regardless of the level of legitimacy, private military and security companies tend to be the most common option out of the aforementioned actors most often recruited by the USA and many European countries as well as Rus-

¹² Tonkin H. (2011), *State Control over Private Military and Security Companies in Armed Conflict*, New York: Cambridge University Press, p. 31.

¹³ Altruistic – selfless, the opposite of egoism (Oxford Thesaurus of English, 2004, p. 30).

¹⁴ United Nations (1997), “Report on the question of the use of mercenaries as a means of violating human rights and impeding the exercise of the right of peoples to self-determination”, *United Nations Economic and Social Council*.

¹⁵ Tonkin H. (2011), *Op. cit.* p. 32.

¹⁶ Taulbee J. L. (1998), “Reflections on the mercenary option”, Taylor & Francis: *Small Wars & Insurgencies*, 9 (2), p. 145-163.

¹⁷ Tonkin H. (2011), *Op. cit.* p. 32-33.

sia when seeking help. These concepts are not precise, but two different constructions of the terms can be found.

“The Montreux” document states that “private military and security companies are private business entities providing military and (or) security services, regardless how they call themselves. Military and security services include: guarding and protection of people and objects, i.e., convoys, buildings and other sites; maintenance and control of weapons systems; detention of prisoners; giving advice to local forces or security personnel as well as their trainings”¹⁸. This description is correct, but it says nothing about customers: who they are as well as what interests and objectives of theirs they achieve.

According to H. Tonkin, private military and security companies provide various services to states, international organizations, corporations, and non-governmental organizations. The companies operate in areas of armed conflict by implementing functions pertaining to the regular forces. Private military and security companies carry out offensive acts, imprisonment and interrogation of people, provide protection as well as give advice on military matters, organise trainings, engage in transportation, accommodation, gather intelligence information and analyse it¹⁹.

Private military and security companies can be classified just like any other companies. According to Christopher Kinsey, private military and security companies can be divided into two groups: active and passive ones. Active companies get involved in combat operations or take over and control other territories. Meanwhile passive companies protect territories as well as provide training and consulting services²⁰. Although private military and security companies could be organizations performing functions involving both security and military actions, on a global scale there are companies performing these functions separately: private military companies established for the purpose of causing strategic military impact and private security companies providing staff guarding and property protection services²¹.

Although there are many similarities between private military companies and private security companies, their specifics are clearly different. In terms of activities, private military companies mostly engage in direct contact with other armed groups or forces²²; in terms of objectives, private military companies are

¹⁸ ICRC (2008), “The Montreux Document: International Committee of the Red Cross”, https://www.icrc.org/en/doc/assets/files/other/icrc_002_0996.pdf, 2019-09-17.

¹⁹ Tonkin H. (2011), Op. cit. p. 39-40.

²⁰ Kinsey C. (2006), *Corporate soldiers and international security: The rise of private military*, Oxon: Routledge.

²¹ Shearer D. (1998), *Private Armies and Military Intervention*, New York: Oxford University Press.

²² Kinsey C. (2006), Op. cit. p. 13-18.

mostly focussed on activities involving combat operations²³, while private security companies are more versed in maintaining order and crime prevention²⁴; in terms of measures, private military companies almost always use combat force²⁵.

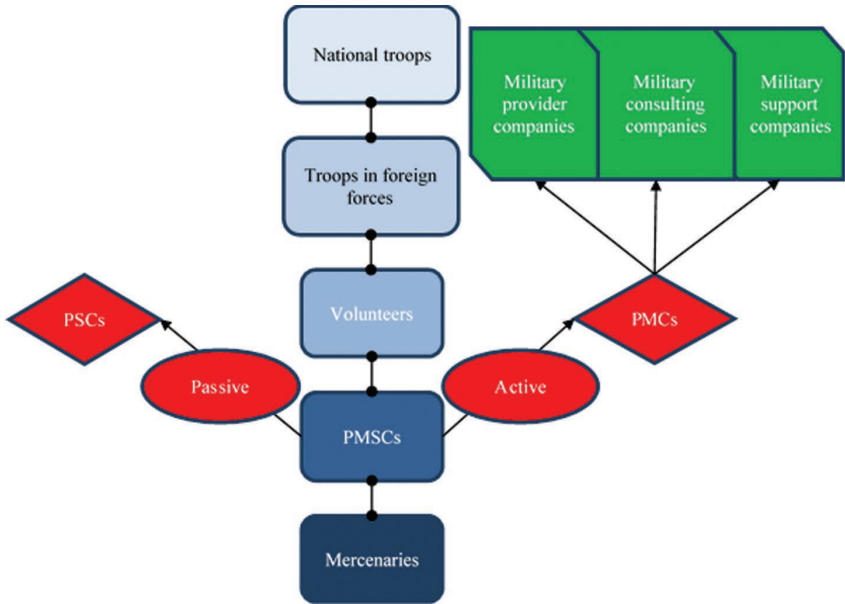


Fig. 1. **Social deviation variety chart of mercenaries and classifications of PMSCs.**

Compiled by the author in reference to (Tonkin, 2011, p. 6, 31-33)
(Kinsey, 2006, p. 21-24) (Singer, 2008, p. 92-100)

The private sector actors are divided into even narrower types. According to Singer, private military companies are divided into three categories: military provider firms, which offer actual combat services on the battlefield; military consulting firms, which provide training and consultancy services; and military support firms, which provide technical, logistical, and support services²⁶. The classification enables to narrow down the range of activities engaged in by privately hired companies to the tactical level in this way establishing conditions for in-depth analysis of the specifics of private military companies.

In summary of this section, we may claim that the changing concept of warfare lead to the development of innovative non-traditional methods of

²³ Singer P. W. (2008), *Corporate Warriors: The Rise of the Privatized Military Industry. Updated Edition*, New York: Cornell University Press, p. 8.

²⁴ Kinsey C. (2006), Op. cit. p. 16-17.

²⁵ Singer P. W. (2008), Op. cit. p. 69.

²⁶ Ibidem, p. 92-100.

warfare and new actors in proxy war forming ties with states enabling the latter actors to delegate missions to mercenaries. Although social deviations result in different types of mercenaries (see Fig. 1), states increasingly encounter private military and security companies, especially private military companies. Private military and security companies operate worldwide, however, companies of a narrower type can be fundamentally different from the practical point of view: private security companies versed in missions directed at maintaining order are relevant to the Western practice, while private military companies versed in carrying out combat missions are relevant to the Russian practice. The concept of private military companies emphasizes the field of activities of militant mercenaries, while private military and security companies are not far from the previous ones in terms of specifics, therefore it is the most expedient to use the terms of private military companies (hereinafter referred to as PMCs) as well as private military and security companies (hereinafter referred to as PMSCs) for the purposes of further studies of the activities engaged in by the companies privately hired by Russia, the motives and features of their use.

1.2. Theoretical substantiation of the use of private military companies

Although realism is focussed on interpretation on the state policy goals²⁷, it is not appropriate for interpretation as to why Russia would rather indirectly recruit state actors, than its regular forces. As PMCs are merely an instrument, the level of the realism theory is too high, therefore the principal-agent theory is the most expedient tool to rely on in respect of the research for the purposes of analysis of the use of PMCs in the foreign and security policy of Russia, their motives and features.

Such microtheory is not rooted in political sciences, thus there are very few researches and analyses. The principal-agent theory states that delegation of tasks is a cost-saving measure that benefits the principal with a lack of knowledge and competency in relation to the task²⁸. Although mercenaries offer their services in those areas where the principal is the least versed in, mutual disagreements in the relations with actors still remain possible. The theory explains that information asymmetry poses two problems: adverse selection,

²⁷ Grieco J., Ikenberry G. J., Mastanduno M. (2019), *Introduction to International Relations*, London: Red Globe Press, p. 79.

²⁸ Salehyan I. (2010), "The Delegation of War to Rebel Organizations", *Journal of Conflict Resolution*, 54 (493), p. 495.

which stems from the principal's lack of adequate information on the competency and reliability of the mercenaries prior to concluding the contract; agency slack, which occurs when the hired company acts not according to the wishes of the principal²⁹. This shows that one side can always cause inconveniences to the other one. The principals may use four tested measures in order to deal with such problems³⁰: a selection mechanism, "police patrols", intentional threats, and the promotion of the competition among the parties involved. Although there are many solutions to the problems, not all of them are appropriate or feasible in the case of Russia.

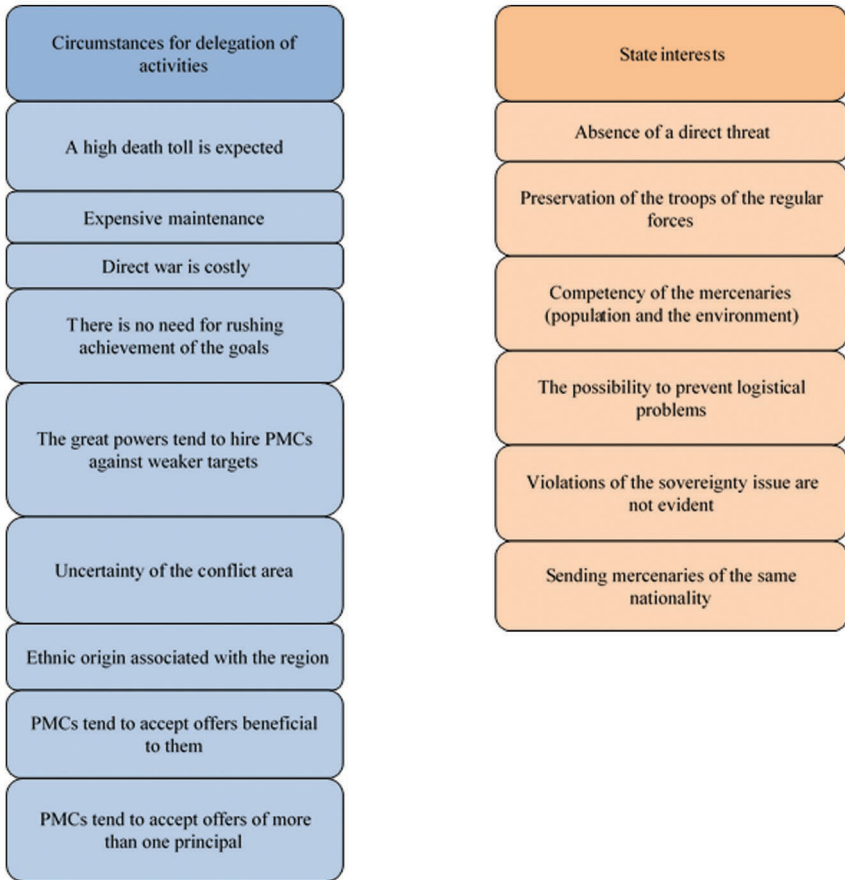


Fig. 2. **Factors affecting delegation of tasks and state interests in hiring PMCs.**
Compiled by the author in reference to (Salehyan, 2010, p. 503-504, 508-509)

²⁹ Hawkins D. G., Lake D. A., Nielson, D. L., Tierney M. J. (2006), *Delegation and Agency in International Organizations*, New York: Cambridge University Press, p. 24-31.

³⁰ Salehyan I. (2010), Op. cit. p. 502.

The principal-agent theory delves into explanation why states select delegation by starting with the discussion of the costs and benefits of a direct war. As war is a costly strategy for the state both in respect of material resources and the population³¹, while control and rebuilding of another territory cost a lot of money³², involvement of PMCs is one of the most beneficial strategies which Russia may apply in conflicts³³. First of all, by hiring PMCs, Russia avoids direct threat and protects its regular forces. Violations of sovereignty issue are not deemed as serious unlike the case when the same violations are made by the governmental forces. PMCs are also useful because the groups of this type have more information on a specific area than the regular forces, therefore it is easier for people to accept a situation when local people are involved in an uprising or a conflict as opposed to people from foreign countries deemed to be illegitimate by the population. Finally, foreign governments can avoid management costs associated with control of another territory.

On the mercenaries' side, such delegation of tasks is just as useful to them as it is to the principals. The external assistance is regarded as a strategic partnership of the principal and the mercenary. Often resources bind mercenaries to the principals, thus reducing their autonomy and causing them to search for compromises³⁴. Any support is better than no logistical support regardless of whether the company has been newly established or it has exited for a longer period.

There are several reasons supporting the likelihood of delegation of tasks to privately hired companies³⁵: when a high death toll is expected and maintenance is costly; if a direct war is too costly; there is no need for the states to achieve their goals quickly by getting involved in hostilities directly; the great powers are more likely to hire PMCs against weaker targets; if the state is not familiar with the area and maintenance of the occupied territory is too difficult; if the principal has an ethnic background associated with its target; groups of mercenaries are more inclined to accept contracts with the states offering resources, especially in the case of lack of logistical support; mercenaries would be inclined to accept support if more than one source of aid, i.e., the principal is available.

³¹ Gartner S. S. (2008), "American Political Science Association is collaborating with JSTOR to digitize, The Multiple Effects of Casualties on Public Support for War: An Experimental Approach", *American Political Science Review*, 102 (1), p. 95-96.

³² Wimberley L. H. (2007), *Pyrrhic Peace: Governance Costs and the Utility of War*, San Diego: University of California, p. 1-11.

³³ Salehyan I. (2010), Op. cit. p. 503-504.

³⁴ Keck M. E., Sikkink K. (1998), *Activists beyond Borders: Advocacy Networks in International Politics*, London: Cornell University Press, p. 10-50.

³⁵ Salehyan I. (2010), Op. cit. p. 508-509.

The microtheory explains the emerging dilemmas and the provided benefits from the point of view of both the principal and the mercenaries. Based on the theory, analysis enables to reveal the motives and features for using PMCs by Russia: why delegation is a beneficial strategy and how this practice is implemented. The circumstances associated with delegation of activities and the state interests presented in the theory form the grounds for the analysis of the case of Russia (see Fig. 2). Although microtheory is applied for economic sciences, researcher I. Salehyan provided a detailed explanation how the principal-agent theory could be applied in political sciences as well. In the light of the reasons presented in the research done by I. Salehyan detailing why this was the most beneficial measure for the USA and why delegation was the most expedient, we may claim that the principal-agent theory is appropriate measure for exploration of the case of Russia and correspond to the level of such analysis.

1.3. Private military companies of the Russian Federation

It is no secret that Russia hires PMSCs and PMCs to pursue its interests. The Military Doctrine of the Russian Federation indicates that “one of the features of modern warfare is the use of PMCs in military conflicts”³⁶. The Kremlin has important motives for deployment of privately hired groups of militants in the states of Syria, North-East and Central Africa, Ukraine, and Venezuela. A single PMC is not enough for Russia to achieve the set goals in all of the aforementioned regions, therefore it recruits several different companies, which differ not only by their type, but by their functions as well. A table was compiled within the course of the research analysis (see Table 1) providing a structural layout of all major Russia’s PMCs and PMSCs known to the world. The table was compiled in reference to different academic articles and online sources. It presents data, i.e., the type of the company, its commander/ CEO, regions where it operates, activities and other information. Nevertheless, these are not all companies hired by Russia. Based on the publicly available information, the Kremlin’s work in proxy wars is carried out by eleven PMCs,³⁷ however, not all data concerning them is available due to the lack of information and because the existing information cannot be accessed.

³⁶ Президент России (2014), “Военная доктрина Российской Федерации” [“The Military Doctrine of the Russian Federation”], <http://static.kremlin.ru/media/events/files/41d527556bec8deb3530.pdf>, 2019-12-10 (in Russian).

³⁷ InformNapalm (2018), “ЧВК-лихорадка. Российские частные армии” [“PMC fever. Russian private armies”], <https://informnapalm.rocks/PMC-rush-ru>, 2019-12-11 (in Russian).

Table 1. Russia's PMSCs and PMCs.
(Compiled by the author in reference to (PyAH, 2017)³⁸)

| Private military and security company | Type of the company | Commander/ CEO | Regions where it operates | Activities | Other |
|---------------------------------------|---------------------|---------------------|---|---|--|
| "Wagner Group" | PMC | Dmitry Utkin | Syria, Ukraine, Libya, Central African Republic, Sudan, Burundi | Training of elite forces, direct participation in hostilities | Distinguished during the Battle of Debalseve and the Liberation of Palmyra |
| RSB Group" | PMSC/ PMC | Oleg Krinitsyn | Africa, the Middle East, Central Asia, the Indian Ocean and the Atlantic Ocean, Ukraine | Protection of sea-going vessels, mine clearance, guarding of VIPs, support to rebels | Possibly supported the side of the rebels during the War in Donbass |
| PMSC Mar" | PMSC/ PMC | Alexey Marushchenko | Libya, Ukraine | Provides armed protection of objects and transport, maintenance of public order under extreme conditions, fire suppression | Was used against the local forces in Ukraine |
| "E.N.O.T. Corp" | PMSC | Roman Telenkevich | Ukraine, Syria | Rescues people, increases the security of compatriots, promotes ideological education, engages in preventive battles against illegal migration, fights against organized crime and drug trafficking | Distinguished during the clearing operation in Antratsyt City in Donbass |

³⁸ PyAH (2016), "10 частных военных компании в России по состоянию на 2016 год" ["10 private military companies in Russia as of 2016"], <http://новости-россии.ru-an.info/новости/10-частных-военных-компаний-в-россии-по-состоянию-на-2016-год/>, 2019-12-11 (in Russian).

Russia's companies may be regarded as "private" only based on their official registration and supported discourse. According to Mark Galeotti, at first glance "Wagner" Group may seem as a part of the private sector and it will pretend to be one, however, it could become the forces used for meeting the needs of the state, if this was needed³⁹. Such groups for hire are independent. The companies in Russia are supported by the military and controlled by the state⁴⁰. This is a predominant hybrid business model. Pseudo-private companies achieve the goals set by the Kremlin not only in Russia, but also in conflicts in foreign countries⁴¹. The private sector of mercenaries in Russia is not deemed equivalent to the groups of the Western world, therefore the word "private" in Russia could mean "fake" or "pseudo-private".

2. The goals and cases of the foreign and security policy of the Russian Federation in regions through recruitment of private military companies. Assessment of the motives and features

Taking into account the research object, the chapter discusses the goals of the foreign and security policy of Russia, the features of the use of PMCs by examining and analysing the collected empirical material. Russia's PMCs are discussed, the cases of the use thereof in Syria, countries in North-East and Central Africa, Ukraine (the Donbass region and Crimea), and Venezuela are analysed by applying the case study method. The method of comparative analysis was applied for comparison and summing-up of countries' motives for hiring PMCs as well as comparison thereof focussing on their similarities, if any, and differences. The activities of PMCs, i.e., their similarities and differences, are compared as well. Finally the motives and features having determined Russia's choice to hire PMCs are assessed. Taking into account the research problem and the issue, Russia's choice to delegate tasks not only to the regular forces but to PMCs as well is analysed by applying the principal-agent theory. Additional factors and the table (see Fig. 3) compiled based on the principal-agent theory are presented at the end of the chapter.

³⁹ Galeotti M. (2017), "Moscow's mercenaries reveal the privatisation of Russian geopolitics", *openDemocracy*, <https://www.opendemocracy.net/en/odr/chvk-wagner-and-privatisation-of-russian-geopolitics/>, 2019-12-23.

⁴⁰ Eklund N., Elfving J. (2017), "Russian Private Military Companies – Redwater?", *Eurasia Daily Monitor*, 14 (39).

⁴¹ Matthews O. (2018), "Putin's Secret Armies Waged War in Syria – Where Will They Fight Next?", *Newsweek*, <https://www.newsweek.com/2018/01/26/putin-secret-army-waged-war-syria-782762.html>, 2019-12-23.

2.1. The goals and cases of the use of private military companies of the Russian Federation in Syria. Assessment of the motives and features

Regional maritime dominance is one of the strategic goals of Russia in Syria. Several goals covering the Mediterranean Sea have been set according to the Document of the Maritime Doctrine of the Russian Federation for the period by 2020, one of the essential ones being the establishment of seaports at the operational and strategic level⁴². The analysis of Russia's maritime goals shows that the Russian-controlled Tartus Port is important for several reasons: quick access to the Mediterranean Sea, convenient transportation of troops, equipment, and supplies to Syria as well as maritime dominance over other countries, especially in respect of the USA.

The oil refineries in Syria are economically important to Russia. The Security Service of Ukraine (hereinafter referred to as SSU) report indicates that the Russian businessman and the owner of catering companies Yevgeny Prigozhin, also known as "Putin's chef", directed "Wagner" Group to recover the oil plant from Syria⁴³ as mercenaries get killed in the process of fighting for it. Compensations for the families of the fallen soldiers are received not by their family members⁴⁴, but by the Command of the General Staff of the Armed Forces of the Russian Federation and Y. Prigozhin⁴⁵. It is evident that the activities in Syria are carried out for economic reasons and the goal of making arbitrary profits, therefore the profitable activities are beneficial not only to the principal, but the mercenary as well

The status of a global power remains important to Russia in remote regions as well. The Kremlin sought to prevent pro-democratic rule and to

⁴² СБРФ (2015), "Морская доктрина Российской Федерации" ["The Maritime Doctrine of the Russian Federation"], <http://www.scrf.gov.ru/security/military/document34/>, 2019-11-29 (in Russian).

⁴³ Hauer N. (2019), "The Rise and Fall of a Russian Mercenary Army", *Foreign Policy*, <https://foreignpolicy.com/2019/10/06/rise-fall-russian-private-army-wagner-syrian-civil-war/>, 2019-12-10.

⁴⁴ Гуськов И. (2018), "Росія приховує від суспільства розміри військових втрат у гібридній війні в Україні та Сирії – СБУ" ["Russia hides from society the size of military losses in the hybrid war in Ukraine and Syria – SSU"], *Служба безпеки України*, <https://ssu.gov.ua/ua/news/1/category/2/view/5072#.Ay5ue1PJ.dpbs>, 2019-11-20 (in Ukrainian).

⁴⁵ SSU (2019), "Трицак: «Брехня замішана на крові, жадібності та страху відповідальності за вчинені злочини – справжнє обличчя російських спецслужб. Ситуація з паспортами вбитих найманців яскраве цьому підтвердження»" ["Hrytsak: "Lies are mixed with blood, greed and fear of responsibility for the crimes committed – the real face of the Russian secret services. The situation with the passports of the killed mercenaries is a clear confirmation of this"'], *Служба безпеки України*, <https://ssu.gov.ua/ua/news/1/category/21/view/5693#.Wsq180ei.dpbs>, 2019-11-20 (in Ukrainian).

protect Bashar al-Assad's regime in Syria⁴⁶. Although B. Assad is an important actor, he is not an essential one, because Russia uses the conflict as a tool in order to show its ambitions to become a global power and to defeat ISIS, which is classified as an external threat by the Military Doctrine of the Russian Federation⁴⁷. The Foreign and Political Concept of the Russian Federation also states that Russia would "seek to stabilize the situation in the Middle East" by neutralizing threats posed by terrorist groups⁴⁸. The Kremlin strictly adheres to this strategy even despite that the USA is withdrawing from the conflict in Syria⁴⁹.

Distinctive features can be identified within the process of discussing the cases of the use of PMCs in Syria. Although Russia's PMCs had started operating in Syria since 2013,⁵⁰ the first major operation was the Liberation of Palmyra in February – March 2016.⁵¹ During the mission the mercenaries were equipped with the armament used by Russia's regular forces: the main battle tanks T-72, BM-21 GRAD rocket launcher systems, and D-30 122 mm howitzers⁵². Nevertheless, the supplies are provided not directly but through other persons.

Lack of control over mercenaries pays off to Russia in the form of a deformed image. News spread in June 2017 that the Government of Syria and Russian civil company "Euro Polis" owned by Y. Prigozhin signed the contract in December 2016 committing to liberation of oil and gas fields from ISIS⁵³. "Wagner" faced off against the U.S.-led coalition forces during the battle for natural resources in February 2018⁵⁴ and lost two hundred

⁴⁶ Miller J. (2016), "Putin's Attack Helicopters and Mercenaries Are Winning the War for Assad", *Foreign Affairs*, <https://foreignpolicy.com/2016/03/30/putins-attack-helicopters-and-mercenaries-are-winning-the-war-for-assad/>, 2019-12-30.

⁴⁷ Президент России (2014), *Op. cit.*

⁴⁸ МРФ (2016), "Концепция внешней политики Российской Федерации" ["The Foreign Policy Concept of the Russian Federation"], https://www.mid.ru/foreign_policy/official_documents/-/asset_publisher/CptlCk6B6Z29/content/id/2542248, 2019-12-10 (in Russian).

⁴⁹ Frolovskiy D. (2019), "What Putin Really Wants in Syria", *Foreign Affairs*, <https://foreignpolicy.com/2019/02/01/what-putin-really-wants-in-syria-russia-assad-strategy-kremlin/>, 2019-12-01.

⁵⁰ Муртазин И. (2017), "Первый и последний бой «Славянского корпуса»" ["The first and last battle of the "Slavic Corps"], *Новая газета*, 1 (111), p. 12 (in Russian).

⁵¹ Рождественский И. (2018), "«О роспуске речь не идет». Как сейчас функционирует и во сколько обходится «группа Вагнера»" ["We are not talking about dissolution". How the Wagner Group functions and how much does it cost?"], *Republic*, <https://republic.ru/posts/89612>, 2019-12-03 (in Russian).

⁵² Коротков Д. (2017), "Список Вагнера" ["Wagner's list"], *Фонтанка.Ру*, <https://www.fontanka.ru/2017/08/18/075/>, 2019-12-03 (in Russian).

⁵³ Муртазин И. (2017), *Op. cit.* p. 13.

⁵⁴ Бельенкая М., Мишина В., Сафронов И., Черненко Е., Юсин М. (2018), "Частники боевых действий" ["Private combatants"], *Коммерсантъ* (in Russian).

mercenaries⁵⁵. The event damaged Russia's image as the "winner" of the Syrian conflict, simultaneously increasing the tensions between the USA and Russia, which Moscow sought to reduce as much as possible at that time⁵⁶. The analysis of the case enables claiming that Russia's inability to control PMCs costs it not only loss of mercenaries but the image formed in the region as well.

Russia's image is often undermined by the activities carried out by the mercenaries, which are not in line with the delegated missions. The open-source investigation team "Bellingcat" identified fighters, who carried out an inhumane execution of the Syrian militant in the released video as the mercenaries working for PMC "Wagner"⁵⁷. The Principal-agent theory explains that the principals often face the issue of agency slack and are unable to control the mercenaries⁵⁸, which is affected by the low level of preparedness characteristic to the militants, as supported by the mercenary working for "Wagner" in one of the interviews for CNN⁵⁹. In this case Russia is not aware and is not interested in the activities of the hired groups or Russia is not able to deal with PMCs.

The analysis of Russia's goals in Syria enables claiming that the essential motives affecting hiring of PMCs are as follows: establishment of seaports, control of maritime access, and dominance over the Mediterranean Sea; extraction and protection of natural resources; formation of the image as the global power by helping Assad's regime and fighting terrorism. The analysis of the factors that determine the use of mercenaries in Syria led to the observation that they are not mentioned in the principal-agent theory. Although the theory explains that the countries seeking to maintain their regular forces, would rather hire PMCs (see Fig. 2), this is not an essential motive why Russia hires militants: this is merely one of the factors affecting this decision. The analysis of the activities carried out by the PMCs in Syria enables claiming that "Wagner" is dependant on Russian support. Nevertheless, within the course of the analysis of the cases of the use of PMCs in Syria, the occurrence of the issue of agency slack was noted as the Kremlin is unable to control

⁵⁵ Gibbons–Neff T. (2018), "How a 4-Hour Battle Between Russian Mercenaries and U.S. Commandos Unfolded in Syria", *The New York Times*, <https://www.nytimes.com/2018/05/24/world/middleeast/american-commandos-russian-mercenaries-syria.html>, 2019-12-05.

⁵⁶ Bryjka F. (2019), *Russian "Contractors" In the Service of the Kremlin*, Warsaw: Warsaw Institute, p. 6-7.

⁵⁷ Roth A. (2019a), "Man who filmed beheading of Syrian identified as Russian mercenary", *The Guardian*, <https://www.theguardian.com/world/2019/nov/21/man-filmed-killing-torture-syrian-identified-russian-mercenary-wagner>, 2019-12-01.

⁵⁸ Hawkins D. G., Lake D. A., Nielson, D. L., Tierney M. J. (2006), Op. cit. p. 24-31.

⁵⁹ Гуцулович О. (2019), "«Я — инструмент президента»: Боец ЧВК Вагнера «спалил» принадлежность к Путину" ["I am a tool of the president": a fighter of Wagner PMC "burned" belonging to Putin], *ВладТайм*, <https://www.vladtime.ru/polit/army/730938>, 2019-11-19 (in Russian).

PMCs' actions, which has a negative impact on the image of Russia. Although the theory explains that direct war is costly⁶⁰, Russia's materialistic perception may differ from the one fostered by other countries: it may see the loss of the troops in the regular forces or the formed image as a more costly option.

* * *

It is expedient to assess the noted motives and features by applying the principal-agent theory. The microtheory explains that countries tend to hire PMCs, which are more beneficial than the regular forces in terms of finances, while mercenaries seek contracts which are beneficial both to them and the principals.⁶¹ PMCs in Syria fight for oil refineries, which are profitable not only to Russia but to mercenaries as well. Russia's interest in this situation is associated with the circumstance of delegation: PMCs tend to accept the principal's offers beneficial to them and the principal seeks control over natural resources, i.e., oil, by using mercenaries.

Maritime dominance and port control are not listed as the interests mentioned in I. Salehyan's theory, however, in the case of Russia, they are some of the most important ones. Having Tartus Port in Syria gives a quick access to the Mediterranean Sea which in turn can be used for provision of supplies. In comparison to the options available to the USA, Russia has advantage on the operational and strategic level, however, control of this port is not that simple: the regular forces cannot do this due to various aspects of the issue involving violation of sovereignty, therefore PMCs are recruited against other targets of a similar capacity. In this situation the latter circumstance is associated with two state interests: control of maritime access and hiding the issue involving violation of sovereignty.

The Kremlin focuses on the support to B. Assad's regime in its efforts for the "title" of a global power in the Middle East. Russia portrays its ambitions to defeat ISIS and thus gain influence in the region. Although the theory explains that PMCs tend to accept offers from more than one principal, the companies hired by Russia are not dependant on others. The struggle over influence and the formation of a dominant image in the region are interests associated with the circumstance of the delegation of tasks: competition may be costly to any country in terms of finances, therefore, hiring PMCs is more expedient for Russia.

⁶⁰ Salehyan I. (2010), Op. cit. p. 508.

⁶¹ Salehyan I. (2010), Op. cit. p. 495.

The theory explains that direct war is costly in terms of the forces, therefore countries have a vested interest to preserve their regular forces⁶². In addition to this, Russia cannot directly fight against the USA or other more powerful countries in the international system, e.g., Iran, in the conventional way. It is more beneficial for the Kremlin to hire PMCs not only in order to protect its own forces, but also to reduce the chances of a potential conflict between the USA and Russia. Another circumstance becomes evident in this situation, which is not mentioned in the theory: the purpose of delegation of tasks to PMCs is to avoid direct contact with the opposition forces supported by a competing country as well as to avoid the risk of damaging the reputation.

The issue of agency slack in Syria reduces Russia's influence in the region. PMCs are not controlled properly, therefore, they engage in missions which are not a part of the delegated tasks. Although the Kremlin cannot deal with poorly trained companies, it uses a selection mechanism developed for the purpose of dealing with this problem in Ukraine. The factors of selection of competent PMCs and their control are not explained in the principal-agent theory, however, they are interrelated and determine the successful implementation of the missions in the case of Russia.

2.2. The goals and cases of the use of private military companies of the Russian Federation in North-East and Central Africa. Assessment of the motives and features

The supply and demand for military services have encouraged Russia to infiltrate Africa⁶³ and to fight with the USA for the influence on the continent. Russia provides military support to African countries in exchange for diplomatic support or lucrative mining contracts in order to restore the former glory of the USSR on the continent.⁶⁴ The National Security Strategy of the Russian Federation states that one of the national interests and priorities of the Russian Federation is transformation into a global power on the multipolar

⁶² Gartner S. S. (2008), *Op. cit.* p. 95-96.

⁶³ Bryjka F. (2019), *Op. cit.* p. 7.

⁶⁴ NEWSru (2019), ““Русская Африка”: Кремль возвращает величие СССР на “черном континенте”, освоен новый рубеж - Мозамбик, куда уже прибыли наемники и техника” [““Russian Africa”: the Kremlin is returning the greatness of the USSR of the “black continent”, a new frontier has been mastered – Mozambique, where mercenaries and equipment have already arrived”], <https://www.newsru.com/russia/02oct2019/rusmozambik.html>, 2019-11-20 (in Russian).

world,⁶⁵ therefore, after the retreat from Africa following the collapse of the Soviet Union, Russia adheres to its strategy, pursues revival of the relations with the former partners, and establishes new relations.⁶⁶ The case analysis has shown that Russia hires PMCs in pursuit of its goals due to potentially high costs of a direct war as well as lack of geographical knowledge regarding the area.⁶⁷

Gold mines in Sudan serve Russia more than just in economic terms. The Foreign Policy Concept of the Russian Federation states that Russia would expand interaction and promote mutually beneficial trade and economic relations with African countries⁶⁸ in exchange for a permission to build its own objects, in this case, a naval port in Sudan.⁶⁹ Such exchange could lead to a security dilemma between Sudan and the USA raising concerns regarding supply of oil and gas from the Persian Gulf to Europe, however, not to Russia as the latter is directly responsible for the actions on account of the hired PMCs.

A similar situation has developed in Egypt: Russia controls both the air and sea space in North-East Africa. The Kremlin has been actively operating in Egypt and providing support to it since 2015⁷⁰ in exchange for access to the air space, airports, and seaports of Egypt, which are protected by PMCs. Russia's establishment in the country represents the strengthening of the military and political capabilities as well as the weakening of the American influence, which opens possibilities for operation in the region not only to Russia, but also to China as well as Turkey.⁷¹ The competition between the powerful countries as well as Russia's behaviour in order to secure influence in the continent of Africa could affect other countries as well prompting them to take drastic actions.

Libya is also a useful region for Russia to operate. In 2019 Y. Prigozhin attended a meeting with Khalifa Haftar and Russian Defence Minister Sergey

⁶⁵ Президент России (2015), "Стратегия национальной безопасности Российской Федерации" ["National Security Strategy of the Russian Federation"], <http://kremlin.ru/acts/bank/40391/page/1>, 2019-12-10 (in Russian).

⁶⁶ Schmitt E. (2019), "Russia's Military Mission Creep Advances to a New Front: Africa", *The New York Times*, <https://www.nytimes.com/2019/03/31/world/africa/russia-military-africa.html>, 2019-11-26.

⁶⁷ Salehyan I. (2010), Op. cit. p. 503-504.

⁶⁸ МРФ (2016), Op. cit.

⁶⁹ Bryjka F. (2019) Op. cit. p. 8.

⁷⁰ Kirkpatrick D. D. (2019), "Russian Snipers, Missiles and Warplanes Try to Tilt Libyan War", *The New York Times*, <https://www.nytimes.com/2019/11/05/world/middleeast/russia-libya-mercenaries.html>, 2019-11-27.

⁷¹ Саргсян А. (2019), "Чего потеряла Россия в Африке; Африканский план Кремля: От Пушкина до Вагнера (ЧВК)" ["What Russia has lost in Africa; The Kremlin's African Plan: From Pushkin to Wagner (PMC)"], *Русский дозор*, <http://rusdozor.ru/2019/10/06/chego-poteryala-rossiya-v-afrike-afrikanskij-plan-kremlya-ot-pushkina-do-vagnera-chvk/>, 2019-11-20 (in Russian).

Shoygu⁷² during which the Kremlin offered aid to the military forces of Libya,⁷³ an arms package, and support at the UN Security Council in exchange for two military bases, oil fields, railroad networks and motorways in Libya.⁷⁴ Just like in the case of the exchange between Libya and Russia implemented in the form of the “triangle” scheme with mediation provided by Algeria,⁷⁵ Russia is involved indirectly. The analysis of the case in Libya has shown that the principal avoids legal violations by getting involved in the exchange indirectly, therefore it is more expedient for Russia to carry out this work by sending mercenaries rather than the regular forces.

The pursuit of natural resources is one of Russia’s main motives for deployment and hiring of militants in Africa. The Foreign Policy Concept of the Russian Federation states that the ongoing changes in the field of energy enable to extract various renewable and non-renewable sources and thus ensure energy security in the future.⁷⁶ The Mozambican authorities entrusted Russian mercenaries with protection of a major portion of their natural gas⁷⁷ from jihadists as they are forced to fight them.⁷⁸ At first glance the Kremlin’s interests seem like a pursuit of personal gains, but actually much greater aspirations lie behind them, namely, assurance of energy security, which it seeks by using PMCs.

The use of PMCs in Africa by Russia reveals no fewer features than the case of Syria. Russia is one of the largest suppliers of arms to Africa. In 2017 the export of arms to Africa accounted for 13 percent of the total exports of all countries, furthermore, 80 percent of all sales of the Russian military equi-

⁷² Гордон Д. И. (2019), “Предполагаемый спонсор ЧВК “Вагнер” Пригожин присутствовал на переговорах Шойгу с ливийским маршалом в Москве” [“The alleged sponsor of the Wagner PMC Prigozhin was present at the negotiations between Shoigu and Libyan Marshal in Moscow”], *ГОРДОН*, <https://gordonua.com/news/worldnews/predpolagaemyy-sponsor-chvk-vagner-prigozhin-prisutstvoval-na-voennyh-peregovorah-s-liviyskim-marshalom-v-moskve-492808.html>, 2019-11-20 (in Russian).

⁷³ Africa Intelligence (2019), “Russia’s Wagner group offers to help Khalifa Haftar in the Fezzan”, <https://www.africaintelligence.com/mce/business-circles/2019/01/31/russia-s-wagner-group-offers-to-help-khalifa-haftar-in-the-fezzan,108342715-eve>, 2019-11-26.

⁷⁴ Яппарова Л. (2019), “Они сами толком не знали, куда едут В гражданской войне в Ливии погибли от 10 до 35 российских наемников. «Медуза» узнала имена некоторых из них” [“They themselves did not really know where they were going. In the civil war in Libya, from 10 to 35 Russian mercenaries were killed. Meduza learned the names of some of them”], *Meduza*, <https://meduza.io/feature/2019/10/02/onisami-tolkom-ne-znali-kuda-edut>, 2019-11-20 (in Russian).

⁷⁵ NEWSru (2017), “Россия договорилась вооружить мятежного ливийского генерала Хафтара через посредство Алжира” [“Russia agreed to arm rebel Libyan general Haftar through Algeria”], <https://www.newsru.com/world/27jan2017/hafartalgeria.html>, 2019-11-20 (in Russian).

⁷⁶ МРФ (2016), *Op. cit.*

⁷⁷ Solomon S. (2019), “Military Contractor Deaths Raise Questions About Russia’s Security Presence in Africa”, *Voice of America*, <https://www.voanews.com/africa/military-contractor-deaths-raise-questions-about-russias-security-presence-africa>, 2019-11-26.

⁷⁸ Flanagan J. (2019), “Mozambique calls on Russian firepower”, *The Times*, <https://www.thetimes.co.uk/article/mozambique-calls-on-russian-firepower-t2205dxh9>, 2019-11-26.

pment went to Algeria. Burkina Faso also accepts shipments of combat helicopters and anti-aircraft weapons from Russia.⁷⁹ Although a major share of cooperation is based on exchange contracts, Russia also sends its PMCs to help fight Islamic insurgents, international criminals as well as terrorists,⁸⁰ to help Sudanese and the CAR soldiers by teaching them military know-how.⁸¹

Libya is one of the African countries with ongoing active Russian operations. Libya sought Moscow's help in 2015⁸² even before the meeting with S. Shoigu and K. Haftar, during which it was decided that PMCs would help in the fight for Tripoli.⁸³ According to Ukrainian Independent Information Agency of News, the training exercises include PMCs' fighter jets provided by Russia itself.⁸⁴ In addition to this, Russia's mercenaries provide artillery support, provide guarding services for arms supplies as well as all logistics flows, train people, maintain the equipment, and carry out intelligence operations.⁸⁵ Regardless that militants working for "Wagner" get killed in combat, Russia makes every effort to hide it from the media.⁸⁶

The activities of mercenaries in the CAR are also hidden from the media just like in the case of Libya. Company "M-Finance LLC"⁸⁷ takes charge of

⁷⁹ NEWSru (2019), Op. cit.

⁸⁰ Scorpio (2019), "Russia's shadow presence in Africa: Wagner group mercenaries in at least 20 countries aim to turn continent into strategic hub", *Daily Maverick*, <https://www.dailymaverick.co.za/article/2019-11-15-russias-shadow-presence-in-africa-wagner-group-mercenaries-in-at-least-20-countries-aim-to-turn-continent-into-strategic-hub/>, 2019-12-04.

⁸¹ Якорева А. (2018), "Золото в обмен на наемников: как «повар Путина» добывает для России «ключ от Африки»" ["Gold in exchange for mercenaries: how "Putin's chef" extracts the "key to Africa" for Russia"], *The Bell*, <https://thebell.io/zoloto-v-obmen-na-naemnikov-kak-povar-putina-dobyvaet-dlya-rossii-klyuch-ot-afriki/>, 2019-12-03 (in Russian).

⁸² Roth A. (2019b), "There's no one to help: Russian mercenary industry's toll on families", *The Guardian*, <https://www.theguardian.com/world/2019/aug/26/russia-drive-into-africa-shines-light-on-mercenary-industry>, 2019-11-19.

⁸³ McGregor A. (2019), "Falling off the Fence: Russian Mercenaries Join the Battle for Tripoli", The Jamestown Foundation: *Eurasia Daily Monitor*, 16 (138).

⁸⁴ Униан (2019), "Боевики ЧВК «Вagner» помогают ливийскому генералу в подготовке военных – СМИ" ["Militants of PMC "Wagner" help the Libyan general in training the military – SMI"], <https://www.unian.net/world/10429923-boeviki-chvk-vagner-pomogayut-liviyskomu-generalu-v-podgotovke-voennyh-smi.html>, 2019-11-20 (in Russian).

⁸⁵ Al-Atrush S., Kravchenko S. (2019), "Putin-Linked Mercenaries Are Fighting on Libya's Front Lines", *Bloomberg*, <https://www.bloomberg.com/news/articles/2019-09-25/-putin-s-chef-deploys-mercenaries-to-libya-in-latest-adventure>, 2019-12-04.

⁸⁶ Яппарова Л. (2019), Op. cit.

⁸⁷ SSU (2018), "Голова СБУ Василь Грицак: «Таємна діяльність російських найманців ПВК «Вагнера» у ЦАР має стати об'єктом міжнародного розслідування»" ["SSU Chairman Vasyl Hrytsak: "Secret activities of Russian mercenaries at Wagner's Central Election Commission in the Central Asian Republic should be the subject of an international investigation"], <https://ssu.gov.ua/ua/news/1/category/2/view/5541?fbclid=IwAR2GlnMJvqLnM-I0fYPdF8-PDm4Yd5zNK-LSwCULXW2-j7sbFoeLvtKIKm8#.5FFS72yV.dpbs>, 2019-11-20 (in Ukrainian).

the work done by the militants while its CEO Valery Zakharov took action to hide the Kremlin's goals in the CAR from incoming journalists.⁸⁸ The journalists were killed within the course of their investigation into the activities of "Wagner"⁸⁹ on V. Zakharov's initiative.⁹⁰ It is likely that the CAR is the most important African country, however, PMC "Wagner" makes effort to infiltrate other African countries as well.⁹¹

Although Russia is less active in African waters, considering the motives, we can see that such activities are not declining. Russia's PMC "RSB" Group was involved in various missions to protect naval ships in African waters near Somalia and the Gulf of Guinea, to clear mines in Libya as well as to guard important people in the Arab world.⁹² This shows that the Kremlin is interested in other points of access to the sea.

To sum up Russia's goals in the African region, we may claim that PMCs mainly carry out the functions involving protection of natural resources, however, the analysis of the objectives of the use of PMCs in North-East and Central African countries indicates that Russia expresses a desire to restore the former glory of the USSR in Africa, to build a naval port, to control both the air and sea space, to gain access to military bases, railroad and motorway networks as well as to have access to natural resources. We may assume that these motives lead Russia towards the idea of a financially and politically great power. According to the principal-agent theory, in this situation there are several circumstances determining delegation of tasks to mercenaries (see Fig. 2). The Kremlin chooses a more convenient method, i.e., hiring PMCs, because the ambitions are not favourable in terms of finances. The analysis of the cases of the use of PMCs in Africa by Russia indicates that the work done by mercenaries varies depending on the country, however, the essential tasks include training of soldiers and police officers, guarding of people and sites as well as combat actions during conflicts. Nevertheless, Russia's attempts to hide the work from the entire world and the representatives of the media, who

⁸⁸ Lister T., Shukla S., Ward C. (2019), "Putin's private army. Russia is tightening its grip on Africa. But Moscow doesn't want to admit it", Atlanta: CNN.

⁸⁹ Коротков Д. (2019), "Хроника хорошо подготовленной смерти" ["Chronicle of a well-prepared death"], *Новая газета*, 2 (in Russian).

⁹⁰ Досье (2019), "Итоговый доклад Центра «Досье» об обстоятельствах убийства Орхана Джемала, Александра Расторгуева и Кирилла Радченко в ЦАР" ["Final report of the Dossier Center on the circumstances of the murder of Orkhan Dzhemal, Alexander Rastorguev and Kiril Radchenko in the CAR"], <https://dossier.center/car/>, 2019–11–20 (in Russian).

⁹¹ Roth A. (2019b), Op. cit.

⁹² Боярский А. (2014), "Частники боевых действий. Какие задачи будут решать российские коммерческие войска" ["Private combatants. What tasks will the Russian commercial troops solve?"], *Коммерсантъ Деньги*, 44, (in Russian).

investigate PMCs' activities in Africa, have not been successful. Meanwhile, PMCs seek to expand their activities to other African countries, which is both beneficial to Russia and add to the additional efforts in hiding companies' activities, as in this situation it could encounter the problem of adverse selection.

* * *

Assessment of the motives and features of the use of PMCs indicates that the Kremlin manages to avoid contact with the dominant country due to the exchange between Russia and Sudan in regards to the security dilemma between the USA and Sudan involving the port on account of the fact that the work is not carried out by the regular forces. Two state interests are relevant in this case: absence of a threat and maritime dominance. The latter one is not explained in I. Salehyan's theory. The interest is associated with the circumstance of delegation of a task stating that maintenance of the regular forces could be more costly than PMCs, because logistical supplies must be provided on a regular basis. A similar situation in Mozambique indicates that Russia seeks both financial gain and influence in the region by carrying out tasks in the country. Meanwhile mercenaries in Egypt control access to the air space and aerodromes in Egypt: such predominance enables Russia to weaken the influence of the USA and to restore the former influence of the USSR in Africa, which is one of the country's main interests on the continent and which is not mentioned in the theory either. The influence in the African region and counterbalance to the power of the USA are associated with the factor that a direct war in the region is costly in terms of finances.

Enrichment is not one of the interests mentioned in the principal-agent theory, however, this is one of Russia's objectives. The Kremlin receives shipments of gem stones under various contracts, which are stored by PMCs. Mercenaries believe that they bring gains not only to Russia, but to themselves personally as well, thus they seek to infiltrate other African countries. The circumstance explained by the theory manifests itself in this situation, which is also associated with the interest: PMCs tend to accept offers beneficial to them, therefore Russia avoids risk of losing control over mercenaries. Nevertheless, mercenaries' efforts to relocate their activities to other regions complicate Russia's decision to hire competent PMCs.

One of the problems, which could be faced by the Kremlin, includes violations of the law associated with provision of military support to Libya. Nevertheless, Russia avoids this by operating through PMCs. K. Haftar depends on the Russian support, therefore he provides access to important objects in

return. This allows pursuit of one of Russia's interests, i.e., protection from various violations in relation to liability. This enables to implement military missions in Libya safely by recruiting [PMCs]. According to the principal-agent theory, the interest is potentially associated with the factor that Russia hires PMCs as a means to prevent adverse reactions of international actors.

Russia still fails to consider the factor that journalists seek to investigate and prove Russia's activity on the continent. In this case there is a problem, which is partially explained in the principal-agent theory: Russia does not delegate the task to those [PMCs], which are familiar with the area very well and could effectively hide their activities. In this situation Russia's interest is to hire competent PMCs having knowledge of the local culture, because uncertainty involving the place of conflict could cause inconvenience in pursuit of other personal interests.

2.3. The goals and cases of the use of private military companies of the Russian Federation in Ukraine. Assessment of the motives and features

For the first time after the Cold War troops privately hired by Russia are sent to the region, which shares a border not only with Russia, but with other European countries as well. It is easy for Russia to reach the troops hired by it because of the short distance. The pursuit of goals is easier and quicker in comparison to other regions as there is no need for violation of international rights and deployment of troops in a conflict zone.

Russia's access to different seas could become a strategic interest. Access to the sea was very significant to Russia both before and after the Cold War.⁹³ This interest has remained relevant during Vladimir Putin's rule, therefore, according to the Document of the Maritime Doctrine of the Russian Federation for the period by 2020, the policies on the Black Sea and the Sea of Azov form the grounds for a quicker modernisation and strengthening of the strategic positions of the Russian Federation by maintaining peace and stability in the region as well as securing international rights.⁹⁴ Although currently, i.e., in 2019, Russia controls the ports in Tartus and Sevastopol,⁹⁵ the latter is more significant in respect of the foreign and security policy.

⁹³ Green W. C. (1993), "The Historic Russian Drive for a Warm Water Port: Anatomy of a Geopolitical Myth", *Naval War College Review*, 46 (2), p. 99–100.

⁹⁴ СБРФ (2015), *Op. cit.*

⁹⁵ Delman E. (2015), "The Link Between Putin's Military Campaigns in Syria and Ukraine", *The Atlantic*, <https://www.theatlantic.com/international/archive/2015/10/navy-base-syria-crimea-putin/408694/>, 2019–11–29.

Although George Bush's plans to deploy defence missile interceptors and radars to Poland as well as the Czech Republic were terminated after Barack Obama came to power in 2007,⁹⁶ "Aegis" Ballistic Missile Defence Systems were deployed to Romania in 2016.⁹⁷ According to the Military Doctrine of the Russian Federation, "the development and deployment of other countries' missile defence systems detrimental to the global stability is considered as an external threat",⁹⁸ therefore Crimea gains a huge strategic significance in respect of the USA. The National Security Strategy of the Russian Federation states that Russia would make every effort in order to maintain parity with the USA in the area of strategic offensive weapons,⁹⁹ therefore allowing Russia to manipulate its position and threaten with deployment of medium-range missiles with the effective range from seven hundred to one thousand kilometres, which is sufficient to reach the system deployed by the USA.¹⁰⁰

Russia uses the Donbass region as an instrument by putting political pressure on Ukraine. The Donetsk People's Republic and the Luhansk People's Republic authorities¹⁰¹ as well as PMCs ensure destabilization of Ukraine, while Y. Prigozhin supports this course of actions. Although V. Putin denies the presence of PMCs in Ukraine in this way avoiding liability for them, when answering journalists' questions about mercenaries, the President justified mercenaries' activities in all regions and claimed that they had a right to work and pursue their business interests, as long as they did not violate any laws.¹⁰²

Russia also justifies PMCs' activities in Ukraine under the guise of official documents. The foreign policy concept of the Russian Federation states that Russia shall ensure comprehensive protection of the rights and interests of the citizens of Russia living abroad as well as establish the diaspora of the Russian-speakers.¹⁰³ In order to prevent legal violations, Russia hires PMCs¹⁰⁴

⁹⁶ Harding L. (2007), "Putin threatens withdrawal from cold war nuclear treaty", *The Guardian*, <https://www.theguardian.com/world/2007/oct/12/russia.usa1>, 2019-11-29.

⁹⁷ LaGrone S. (2016), "Aegis Ashore Site in Romania Declared Operational", *USNI News*, <https://news.usni.org/2016/05/12/aegis-ashore-site-in-romania-declared-operational>, 2019-11-28.

⁹⁸ Президент России (2014), *Op. cit.*

⁹⁹ Roth A. (2019b), *Op. cit.*

¹⁰⁰ Woolf A. F. (2017), *Russian Compliance with the Intermediate Range Nuclear Forces (INF) Treaty: Background and Issues for Congress*, Washington: Congressional Research Service.

¹⁰¹ Skorkin K. (2019), "Putin's Game Plan in Ukraine. How Moscow Aims to Force Concessions Out of Kiev", *Foreign Affairs*, <https://www.foreignaffairs.com/articles/ukraine/2019-02-07/putins-game-plan-ukraine>, 2019-11-28.

¹⁰² SSU (2018), *Op. cit.*

¹⁰³ МПФ (2016), *Op. cit.*

¹⁰⁴ Fisher M. (2014), "30 tanks and 1,200 troops just crossed from Russia into Ukraine, according to the rebels", *Vox*, <https://www.vox.com/2014/8/16/6023605/30-tanks-and-1200-troops-just-crossed-from-russia-into-ukraine>, 2019-01-02.

and sends them to the Donetsk People's Republic and the Luhansk People's Republic for the purpose of defence of its citizens and their rights.

The Donbass region serves not only as an instrument, but also as a testing ground. According to I. Salehyan, the principal can create a selection mechanism¹⁰⁵ designed to test the effectiveness of PMCs, as Russia does in Ukraine.¹⁰⁶ Nevertheless, the principal faces the problem of agency slack,¹⁰⁷ thus being unable to properly control all hired PMCs.

The cases of the use of PMCs in Ukraine were some of the first ones to reveal the features of the use of mercenaries. PMCs are a tool of hybrid warfare which officially is not associated with the military forces of the Russian Federation, although their activities are similar. PMC "Wagner" has began its activities in the Donbass region since 2014,¹⁰⁸ however, it has already implemented some major work separating it from the rebels: the Battle for Luhansk Airport in April – September 2014, shooting down airplane Il-76 over the Luhansk region in June 2014, and the Battle of Debalceve, which went on in January – February 2015.¹⁰⁹

The main factor revealing the activities of Russia's PMCs are the deaths of their militants. The clash with the mercenaries at Luhansk Airport¹¹⁰ enabled the intelligence to identify certain individuals. Meanwhile the SSU uncovered D. Utkin's ideas to shoot down the airplane over Luhansk. However, Russia does not take responsibility, because there are both the Russians and the Ukrainians fighting among the mercenaries.¹¹¹ The intelligence also discovered that the militants working for "Wagner", who survived the Battle of Debalceve, were awarded medals for bravery by the Russian armed forces.¹¹² Such events reveal ties with Russia, however, they do not prove that it is responsible of the actions of the mercenaries.

¹⁰⁵ Salehyan I. (2010), Op. cit. p. 502.

¹⁰⁶ Sukhankin S. (2019a), Op. cit. p. 7.

¹⁰⁷ Kofman M., Migacheva K., Nichiporuk B., Radin A., Tkacheva O., Oberholtzer J. (2017), *Lessons from Russia's Operations in Crimea and Eastern Ukraine*, Santa Monica: RAND Corporation, p. 64.

¹⁰⁸ Butusov Y. (2016), "Mystery of Wagner's identity unfolded: he is Russian officer and head of large private military company in Russia, who eliminated Mozgovoy, Dremov, and other terrorist leaders, and now is fighting in Syria", *Censor.NET*, https://censor.net.ua/en/resonance/381743/mystery_of_wagners_identity_unfolded_he_is_russian_officer_and_head_of_large_private_military_company, 2019-12-24.

¹⁰⁹ Sukhankin S. (2019a), Op. cit. p. 8.

¹¹⁰ Rujevic M. (2014), "Serbian mercenaries fighting in eastern Ukraine", *Deutsche Welle*, <https://www.dw.com/en/serbian-mercenaries-fighting-in-eastern-ukraine/a-17855479>, 2019-12-27.

¹¹¹ Interfax-Ukraine (2017), "SBU exposes involvement of Russian 'Wagner PMC' headed by Utkin in destroying Il-76 in Donbas, Debalceve events – Hrytsak", <https://en.interfax.com.ua/news/general/453498.html>, 2019-12-27.

¹¹² Коротков, Д. (2016), "Они сражались за Пальмиру" ["They fought for Palmyra"], *Фонтанка.ру*, <https://www.fontanka.ru/2016/03/28/171/>, 2019-12-04 (in Russian).

Mercenaries in Ukraine are often spotted with Russian equipment and armament, so it is easy to identify the source of their supplies. The militants working for PMC “Wagner” use armoured vehicles BPM-97,¹¹³ heavy-duty trucks KaMAZ, and MT-LB machines with installed anti-aircraft weapons.¹¹⁴ From the logistical point of view, it is easier for Russia to provide supplies to the mercenaries, because Ukraine shares a border with Russia.

Apart from “Wagner” Group, the activities of other PMCs can also be identified in the region. PMC “RSB” Group helped the rebels supported by Russia in Donbass and contributed to the annexation of Crimea in 2014.¹¹⁵ PMSC “Mar” was used to fight against the Ukrainian forces in Donbass. Marushchenko, the founder of the company, claimed that they were not involved in such hostilities, but they were ready to help.¹¹⁶ “E.N.O.T. Corp” was involved in the direct fight against the Ukrainians and guarded convoys transporting humanitarian aid.¹¹⁷

To sum up Russia’s goals in Ukraine, we may claim that PMCs ensure strategic advantage over the USA in the region. The analysis of the motives for the use of PMCs in Ukraine shows that Crimea is one of the key factors affecting the presence of PMCs in the region because of the need to ensure protection of the peninsula. Russia cannot deploy the regular forces as this would cause confusion and violate the legal framework. The groups hired by the Kremlin also manipulate Ukraine by controlling both Crimea and the Donbass region, thus making it easier for Russia to achieve its goals without major resistance and loss of troops, which is identified as a circumstance for delegation of activities in the principal-agent theory (see Fig. 2). In accordance with the foreign policy concept, the Kremlin justifies the presence of PMCs in the Donbass region by giving the reason of the need to secure protection of the Russians living there. Donbass is also a PMC testing region used for checking

¹¹³ Zoria Y. (2018), “New footage shows Russian PMC Wagner involved in Crucial 2015 Debalsteve battle in Ukraine”, *Euromaidan Press*, <http://euromaidanpress.com/2018/06/22/new-footage-shows-russian-pmc-wagner-involved-in-crucial-2015-debaltseve-battle-in-ukraine/>, 2019–12–04.

¹¹⁴ DFRLab (2018), “#MinskMonitor: Wagner’s Role in Key Ukrainian Battle Revealed”, *Medium*, <https://medium.com/dfrlab/minskmonitor-wagners-role-in-key-ukrainian-battle-revealed-95ee8ce133fe>, 2019–12–28.

¹¹⁵ Morgenstern A. (2015), “Конфликт на украине и частные военные компании” [“Conflict in Ukraine and private military companies”], *Всё о частных военных компаниях*, <http://morgenstern.mozello.ru/blog/params/post/393722/coflikt-naukraine-pmc>, 2019–12–04 (in Russian).

¹¹⁶ Богатищев А. (2015), “Российская частная военная компания “Мар”: от Украины до Сирии” [“Russian private military company “Mar”: from Ukraine to Syria”], *Военное*, <https://военное.рф/2015/%D0%A3%D0%BA%D1%80%D0%B0%D0%B8%D0%BD%D0%B0559/>, 2015–12–04 (in Russian).

¹¹⁷ Kuczyński G. (2018), “Putin’s Invisible Army”, *Warsaw Institute*, <https://warsawinstitute.org/putins-invisible-army/>, 2019–12–04.

the competence of the hired companies. Russia often faces the problem of trust when it comes to hiring private troops, therefore it can put their professionalism to the test in a nearby country. In terms of finances and politics, it is more beneficial to Russia to pursue its goals in the region by recruiting PMCs. The analysis of the cases of the use of PMCs in Ukraine makes it clear why the region is considered to be a training ground. Upon hiring different PMCs, the Kremlin tests how each of them implements the delegated combat and security related missions in Donbass. The process of the companies' activities is supervised by selected officers of the special operations forces.¹¹⁸ Nevertheless, the selection mechanism creates a negative image of Russia in the international arena, as the activities carried out by mercenaries are noticeable in Ukraine within the course of testing their competences.

* * *

The assessment of the motives and features for the use of PMCs in Ukraine shows that one of the essential state interests, which, again, has not been mentioned in the theory, is access to the sea and maritime dominance. The port of Sevastopol is on a strategic level enabling Russia to manipulate the USA. In response to "Aegis" systems, Russia could deploy medium-range missiles, however, the Kremlin must hire PMCs to maintain this, because the territory borders the Black Sea and Ukraine. The presence of the Russian forces could be treated as an international violation of the rights. Another circumstance mentioned in the theory, namely, the tendency characteristic to the powerful countries to hire PMCs against weaker targets, i.e., countries, manifests itself at this point.

Mercenaries of the same ethnic background, i.e., the Russians/ the Ukrainians, operate in Ukraine. The largest ethnic minority in Ukraine are the Russian nationals.¹¹⁹ This is an advantage for Russia, which is also one of the circumstances described in the theory. Such predominance enables to ensure further destabilization of Ukraine and safe provision of supplies to the Donetsk People's Republic and the Luhansk People's Republic. Russia has a vested interest associ-

¹¹⁸ ИС (2018), "Доказательства агрессии РФ: СБУ опубликовала переговоры главаря ЧВК «Вагнера» Уткина с Плотницким" ["Evidence of Russian aggression: SSU published talks between Wagner PMC leader Utkin and Plotnitsky"], *Информационное Сопротивление*, <https://sprotyv.info/news/dokazatelstva-agressii-rf-sbu-opublikovala-peregovory-glavarja-chvk-vagnera-utkina-s-plotnickim>, 2019–11–20 (in Russian).

¹¹⁹ State Statistics Committee of Ukraine (2001), "About number and composition population of UKRAINE", <https://web.archive.org/web/20070706003257/http://www.ukrcensus.gov.ua/eng/results/general/nationality/>, 2020–01–08.

ated with the aforementioned circumstance, which is the mercenaries' ability to identify themselves with the region of their operations. This helps the Kremlin to secretly provide supplies to the separatists in the Donbass region.

Unlike other countries, Ukraine shares a border with Russia. Such advantage enables to carry out selection of competent PMCs and avoid the problem of agency slack.¹²⁰ Selection enables to test the effectiveness of more than one PMC, therefore Russia can make a rational decision to send competent companies for financially more significant missions in other regions. This circumstance enables the country to ensure control of PMCs, which Russia has a vested interest in as well. Nevertheless, hiring of more PMCs could cause problems in respect of control.

2.4. The goals and cases of the use of private military companies of the Russian Federation in Venezuela. Assessment of the motives and features

The growing tensions in Venezuela prompt Russia to take actions. According to the National Security Strategy of the Russian Federation, the Kremlin seeks to pursue rational and pragmatic foreign policy by maintaining impartial strategic partnership and stability in conflict zones,¹²¹ in this case, in Venezuela. This leads to Russia's ambitions to restore its image as a great power in the international arena, to secure Russia's hegemony in independent countries, which had been a part of the Soviet Union in the past, as well as to change the unipolar system dominated by the USA into a multipolar international system.¹²² The analysis of the case enables claiming that Russia is ready to resume the arms race in Venezuela, but by deploying PMCs.

The Kremlin takes advantage of the ongoing crisis in Venezuela. Russia sent strategic bombers "Tu-160", cargo aircraft "An-124", and long-range aircraft "Il-62" to Venezuela in order to restore the strategic aircraft deployment site on the Island of La Orchila. According to Philip Bryjak, the purpose of this is to curb the attempts of the USA to support the opposition leaders of Venezuela and to protect N. Maduro from potential threat from the USA and its allies in Latin America.¹²³

¹²⁰ Salehyan I. (2010), Op. cit. p. 502.

¹²¹ Roth A. (2019b), Op. cit.

¹²² Herbst J. E., Marczak J. (2019), *Russia's Intervention in Venezuela: What's at Stake?*, Washington: Atlantic Council, p. 2.

¹²³ Bryjka F. (2019), Op. cit. p. 9.

Venezuela is costly in terms of finances. As approximately four hundred Russian mercenaries have been deployed to Caracas¹²⁴ and the territory is inconvenient from the geographical standpoint, deployment of the conventional forces would be complicated in terms of logistical support, therefore they are no match to compete with the USA.¹²⁵ Russia hires PMCs in order to avoid a direct war with the USA.

Although the least amount of information is known concerning the case of Venezuela in comparison to all other cases, hiring of PMCs in this region reveals some of the most essential features. Venezuela is the main ally of Moscow in Latin America as it is the only region of operation located so close to the USA. The deployment of the militants working for “Wagner” to Venezuela in January 2019¹²⁶ enabled to start the work associated with guarding N. Maduro, the suppression of aggression coming from Columbia and other minor work.¹²⁷ Nevertheless, the most significant work involves supervision of N. Maduro’s regime, which affects Russia’s strategic advantage. If the regime collapsed, Russia would lose its position, which would cause changes in the foreign policy of the USA: Russia could become the victim to economic sanctions.¹²⁸

Russia is not ready to get involved in the Venezuelan conflict at a full capacity. The situation in Venezuela raises suspicions to Washington, therefore analysts refer to it as the “new Cuban crisis”.¹²⁹ The pressure from the USA’s side is not beneficial to Russia, knowing that accessibility to the region is complicated from the geographical standpoint and Moscow has no other ally near Venezuela. Brazil and Colombia are powerful Latin American countries, but they do not support N. Maduro’s regime, therefore it is easier for the USA to prevent Russian military intervention.¹³⁰

The analysis of the motives for the use of PMCs in Venezuela enables claiming that the main motive for Russia to deploy PMCs in the country is of a strategic significance: dominance in the region in respect of the USA. Des-

¹²⁴ Tsvetkova M., Zverev A. (2019), “Kremlin-linked contractors help guard Venezuela’s Maduro – sources”, *Reuters*, <https://www.reuters.com/article/us-venezuela-politics-russia-exclusive/exclusive-kremlin-linked-contractors-help-guard-venezuelas-maduro-sources-idUSKCN1PJ22M>, 2019–11–30.

¹²⁵ Bryjka F. (2019), *Op. cit.* p. 8.

¹²⁶ *Ibidem*, p. 9.

¹²⁷ Yapparova L. (2019), “Geopolitical debts. Why Russia is really sending military advisers and other specialists to Venezuela”, *Meduza*, <https://meduza.io/en/feature/2019/07/29/geopolitical-debts>, 2019–12–05.

¹²⁸ Sukhankin S. (2019b), “Russian mercenaries on the march: next stop Venezuela?”, *European Council on Foreign Relations*, https://www.ecfr.eu/article/commentary_russian_mercenaries_on_the_march_next_stop_venezuela, 2019–12–05.

¹²⁹ Herbst J. E., Marczak J. (2019), *Op. cit.* p. 10.

¹³⁰ Kuczyński G. (2019), *U.S. Foothold – Russian stance towards crisis in Venezuela*, Poland: Warsaw Institute, p. 14.

pite that Venezuela is costly to the Kremlin in the financial sense, it continues to pursue hiring of PMCs, because deployment of the national forces would not be beneficial and would require considerable logistical supplies (see Fig. 2). Despite that Russia cannot dominate in the region, it still seeks to reduce the U.S. influence on the opposition side. The analysis of the cases of the use of PMCs in the state of Venezuela enables to identify the key feature of the activities: guarding of N. Maduro's regime. It is important for Russia to make sure that the President remains in power, because dominance in the region would be impossible without him. The ongoing provision of supplies enables Venezuela to establish its position in respect of the opposition in the military sense, however, the support is a complex and lengthy process from the geographical standpoint.

* * *

The assessment of the motives and features for the use of PMCs enables claiming that Venezuela is a strategic object, which Russia may use for influence in Latin America and as means for restoration of its image as the great power. The image of the great power is one of the key interests of Russia, which has not been explained in the theory. Russia demonstrates its power and tries to curb the U.S. ambitions to support the opposition leaders. According to I. Salehyan's theory, the likely contact with the opposition forces when sending the regular forces act as a circumstance encouraging the hiring of PMCs. As it is a remote region, frequent deployment of mercenaries is not expedient, which causes inconveniences to Russia, while mercenaries have no benefits. This situation reflects the circumstance of acceptance of a beneficial offer, which was not taken into consideration by PMCs at the time of acceptance of Russia's offer.

The region is costly in terms of finances in comparison to other regions. The geographical location complicates provision of supplies, which causes tensions between the USA and Russia. The USA has an advantage in terms of geography, thus being able to oppose N. Maduro's rule easily. This situation shows that Russia is not ready for a military intervention in Latin America, therefore, instead of sending its regular forces, it would be more expedient to hire PMCs, as a way to eliminate the threat of a direct war and avoid casualties involving the conventional forces.

* * *

The analysis of the cases mentioned in the second chapter indicates the presence of similar tendencies explaining the reasons why Russia sends PMCs to certain regions, in the light of the state interests explained by the principal-

agent theory (see Fig. 2). The comparison of Syria and African countries shows that the most common goal in the regions is plundering of natural resources. Assignment of this type of task to the regular forces would not be expedient to Russia from the financial standpoint in addition to the dangers related to the threats existing there. Despite the fights over natural resources, Russia has approximately 30 percent of the world's resources in its territory, however, following the collapse of the Soviet Union, a large share of its oil and gas was exported¹³¹ and, according to the Foreign Policy Concept of the Russian Federation, security of energy sources shall be ensured.¹³²

The comparison of the regions of Syria and Crimea shows that the essential goal is control over ports. The ports in Sevastopol in Crimea and in Tartus in Syria have a strategic significance, i.e., access to the Black Sea, the Sea of Azov, and the Mediterranean Sea, thus [Russia] can dominate and engage in deterrence there.¹³³

Finally, a comparison of all regions, shows a notable idea of Russia, as a powerful country, prevailing among them, which [Russia] seeks to revive by dominating. This model was selected because of the inability to oppose the USA directly while attempting to restore its influence. Russia seeks power by competing against the military power of the USA.¹³⁴ Nevertheless, the distance to the regions (except for Ukraine) creates inconveniences for Russia in terms of funding and provision of supplies to the hired PMCs.

The comparison of the cases of the use of PMCs in regions analysed in the second chapter revealed the similarities and differences in the activities of PMCs hired by Russia. Depending on the region, other than Ukraine, the Kremlin engages in guarding of natural resources, i.e., oil and gas as well as gold and diamonds. They remind of PMSCs engaging in security functions, therefore they are similar to the western companies. Nevertheless, they cannot be classified as PMSCs, because the mercenaries mainly engage in hostilities in Ukraine, Syria, and African countries. This rather forms an image of PMCs.

The comparison of the regions to each other revealed that there were different reasons leading up to battles in each country: the goal of the battles in Ukraine is to suppress the regular forces of Ukraine and to destabilize Ukraine by controlling and supporting the Donetsk People's Republic and the Luhansk People's Republic; the purpose of the battles in Syria is to suppress the opposition forces of the USA, which have established themselves at different points

¹³¹ Korabik K. M. (1997), "Russia's Natural Resources and their Economic Effects", <https://personal.ems.psu.edu/~williams/russia.htm>, 2019-12-03.

¹³² МРФ (2016), *Op. cit.*

¹³³ Президент России (2014), *Op. cit.*

¹³⁴ Президент России (2015), *Op. cit.*

in the region; the battles in Africa ensure security of the countries in exchange for access to gold and diamond mines.

The comparison of the regions from different standpoints enables to classify the regions: Syria and Africa are the most profitable in terms of the variety of resources; in terms of dominance, it is Syria and Ukraine, based on the assurance of different maritime access points, as well as the territory of Crimea; Venezuela remains as the least successful region, because the geographical location enables the USA to exert more influence on the country.

Although PMCs are more beneficial to Russia than the regular forces, the problems explained in the principal-agent theory remain relevant in the long run. The problem of agency slack is often encountered within the course of testing mercenaries' competency and reliability in Ukraine: Russia does not control undisciplined hired groups. It is often encountered in Syria and Africa when mercenaries take actions contrary to the wishes of the principal, i.e., Russia.

The assessment of the motives and features for the use of PMCs by Russia in different regions has shown that both the circumstances and the country's goals differ depending on the region, however, this does not change the selected strategy. Although the remote regions, i.e., Syria, African countries, and Venezuela, are costly in terms of finances and logistics, in any case hiring PMCs is cheaper and safer for Russia than sending its regular forces. Taking into account the principal-agent theory, we may claim that some of the factors mentioned in the theory do not apply to the explanation of the case of Russia, considering the material analysed, therefore we would suggest expanding them.

The following circumstances pertaining to the delegation of activities are not mentioned in the theory, however, we believe that they should be added to it (see Fig. 3): selection of competent PMCs; international reaction regarding the country's choices; countries' inability to openly fight against other more powerful countries.

Russia's interests not mentioned in the theory, which, however, should be added to it, include (see Fig. 3): airspace control; maritime access control; control of natural resources; formation of the image as the great power; struggle for influence in the region; effective control over PMCs; avoiding a conflict between the USA and Russia; personal and mutual enrichment; transfer of responsibility for its actions to PMCs.

In the light of the data analysed within the course of the research, it was noted that the main circumstances involving delegation of tasks to PMCs rather than the regular forces are as follows (see Fig. 3): a high death toll is expected in the event of a direct war; costly maintenance of troops in terms of finances, and involvement in hostilities; PMCs' propensity to accept financially beneficial missions.

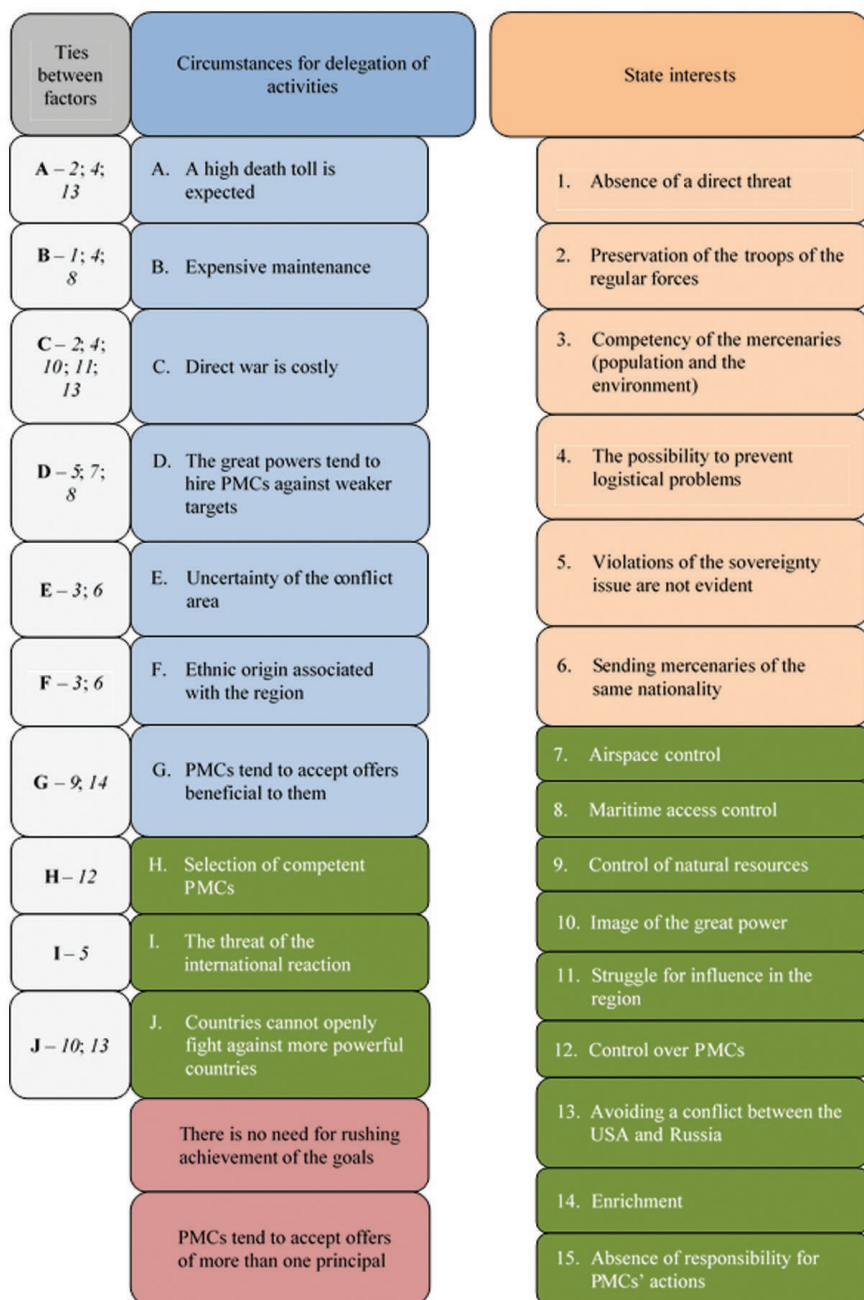


Fig. 3. Ties between factors affecting delegation of tasks and state interests (expanded).

Compiled by the author in reference to (Salehyan, 2010, p. 503–504, 508–509)

It was also noted that assurance of activities was the easiest in the Ukrainian region because of the easier access to the country in comparison to other countries. Nevertheless, more remote regions are more financially beneficial to Russia. The diversity in terms of the locations of the countries enables Russia to dominate in different parts of the world and the seas: the continent of Africa, the Eastern Europe, the Western Asia (in the Middle East), North-East of Latin America, the Black Sea, the Mediterranean Sea, and the Sea of Azov.

Conclusions

Russia is one of the countries pursuing its goals by hiring private military companies. The level of analysis involving research of the motives and features of the countries for hiring militants changes along with the changing nature of warfare as well as the actors. This type of research is rather novel and has not been studied in great detail yet, because this theory has been referred to only for the purposes of researching the case of the USA. In the light of Russia's goals, the country's strategy of choice is hiring private military companies, however, such choice could raise two issues: agency slack and adverse selection. Only the lack of discipline can be seen in the case of Russia. Having analysed the motives and features of hired private military companies in the Foreign and Security Policy of Russia, we may claim that the principal-agent theory is appropriate for researching the case of Russia, however, it requires some adjustments.

The Military Doctrine and the Maritime Doctrine, the Foreign Policy Concept, and the National Security Strategy of the Russian Federation for the period by 2020 reveal Russia's ambitions as well as foreign and security policy goals in the researched regions. The official documents do not specify the methods to be applied for the purpose of achieving the goals, therefore Russia recruits private military companies for pursuit of its interests rather than its regular forces. Apart from the documents, the activities of the persons appointed by the Kremlin and the private military companies entrusted to them help in identifying the vested interests of the country. Taking into account the conducted analysis, we can distinguish and identify the key interests by region. In general, all regions pursue interests on the strategic and operational level, however, not all hot spots are financially beneficial. Regardless of Ukraine, the remaining countries with private military companies hired by Russia operating in them are situated in geographically inconvenient locations. As Ukraine is the closest one, potentially it is the most convenient region for the Kremlin to

seek strategic foothold in the Crimean peninsula where Russia is consolidating its position by securing strategic deterrence to the missile defence systems deployed by the USA in Romania as well as by controlling the port in Sevastopol. In this situation the use of the regular forces would not be appropriate from the international point of view, therefore private military companies are recruited to help with this. Although Syria and African countries are remote regions, with access to Tartus Port in Syria and the port in Egypt, Russia can freely provide supplies to private military companies fighting in the remote regions. The Kremlin pursues control over natural resources both in Syria and in African countries as well as to maintain the image of the great power and gain influence in the regions. Meanwhile, Venezuela is possibly the most inconvenient region, because access to the territory is only possible by air or water. Despite this, Russia supports N. Maduro's rule, thus pursuing dominance in the country. By hiring private military companies rather than the regular forces in different regions, Russia avoids not only liability for its actions but conflict with the USA as well, which is beneficial and effective in terms of foreign policy.

The analysis of the cases of the use of private military companies by Russia in regions has shown that the country is not capable of engaging in a direct conflict with the more powerful actors of the system. This also shows its inability to protect itself from the international reaction. It is also clear that the Kremlin is not fully in charge of the private military companies, because Russia selects persons and tasks them with overseeing the hired groups. The armaments and equipment used by private military companies are of the Russian origin, therefore it is rather easy to identify the likely provider of logistical support. Although mercenaries were involved in hostilities, they also carried out other not combat-related work. Despite of Russia's unsuccessful attempts to hide the facts, the country managed to achieve almost all key goals avoiding direct liability for the actions of private military companies. Nevertheless, there are cases when mercenaries are out of control and carry out work not assigned by Russia. The problem of agency slack is encountered in this case. Although the Kremlin is well aware of the companies, their competences, and readiness, there is a problem involving not selection, but rather the discipline of mercenaries. The analysis of the cases of the use of private military companies by Russia in different regions has shown that the Kremlin fails to achieve the goals effectively when the hired groups are not controlled purposefully.

Upon assessment of the general motives and features having determined the use of private military companies by Russia, it was noted that the circumstances associated with delegation of activities explained in the princi-

pal-agent theory and the state interests did not define all possible and actual factors. The factors associated with Russia, which have been revealed within the course of the research, are not mentioned in the theory. The paper presents a chart compiled in reference to the principal-agent theory in order to ensure development of the theory in political sciences as well as to explain the country's behaviour, motives, and features in relation to hiring private military companies. The circumstances associated with delegation of activities and the state interests presented in it are expanded, adjusted, and tied to each other. Factors contributing to the state interests are as follows: control of the airspace, maritime access, and natural resources, image of the great power, struggle for influence in the region, control of private military companies, avoidance of a conflict between the USA and Russia, enrichment as well as absence of liability for the actions of private military companies. The circumstances determining delegation of tasks to private military companies were expanded by adding selection of competent private military companies, the threat of an international reaction and the countries' inability to openly fight against more powerful countries. Having analysed the cases of the use of private military companies by Russia, its interests and circumstances having determined delegation of the task to mercenaries, we may claim that the factors are interrelated. Possibly the circumstances associated with delegation of activities could be related to all state interests, but the chart presents all essential ties. We may confirm the presumption made in respect of the research stating that the motives for using private military companies for the purpose of the foreign and security policy of the Russian Federation were similar to those associated with the conventional forces to avoid liability for its actions, however, we should emphasize that Russia's tendency to hire private military companies mostly for hostilities rather than security-related missions was noticed within the course of the research. Taking into account the specifics of the work and the social deviation variety chart, private military and security companies are more like the regular forces. Although it is difficult to determine whether the motives for using both types of the forces are the same, we may claim that they are similar because both options help achieving more or less the same interests. Although the disciplined military structure of the regular forces simplifies the control thereof, unlike the conventional forces, private military companies help Russia avoid direct liability for the delegated tasks.