



## **Sharp Power Grip: Dimensions of Russian Influence in Southeast Europe**

Ognian Shentov, Chairman, CSD  
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Ladies and Gentlemen,

Today's round table is devoted to the ways in which Russia has leveraged its economic presence to cultivate an opaque web of economic and political patronage to influence decision-making in critical areas in SEE such as energy, and foreign and security policy.

Our optics, ever since the release of *The Kremlin Playbook 1* three years ago, has focused on the nexus between Russian influence and state capture. State capture is a key concept for explaining how the Russian economic influence translates into a political one. State capture is the wholesale privatization of (parts of) state power. The amenability to external influences is produced by the blurring of boundaries among the branches of power and their subsequent subjugation by special interests.

It is at the intersection between state capture as employed by the Kremlin and the advancement of a norm-based international community in Europe that the roots of the tensions with Russia should be sought.

This is the reason we have expanded our approach by developing a dedicated and innovative policy instrument – the *State Capture Assessment Diagnostics* (SCAD), which is, at this very moment, presented in Brussels.

I would specifically like to thank the National Endowment for Democracy for their support of today's event. I also hope that we would manage to formulate concrete proposals and policy recommendations concerning these issues that could be used by the EU, as well as by national governments.

Now we are dealing with the effects of the three decades of integration of Russian capital in the European economic fabric and the legacy of security service and political/economic networks from the Soviet past. No sustainable counter-strategy can be worked out unless the economic tools of the Kremlin's goals of undermining the political process in Europe are blunted. For this to happen, policy analysis and actions should be run from different optics – that is, governance deficits, gaps, failures in Europe, both at the EU and national level, which provide ample opportunities for the Kremlin's economic and political influence.