



Foreign malign influence in Montenegro

Factors, techniques
and recommendations

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Montenegro's vulnerability to foreign malign influence can be broadly divided into three areas:

- a Public perceptions
- b State and political landscape
- c Information landscape

Montenegro is a country highly susceptible to foreign malign influence. The clearest examples concern political interference through proxy parties and groups¹, economic dependence through targeted buying in strategic sectors², and the destabilization of fledgling democracy through disinformation campaigns³. These malign efforts are most evident during major events, such as parliamentary⁴ and local elections⁵, with the influence of such efforts reflected in their potential impact on public perceptions.

The following factors contribute to Montenegro's vulnerability to foreign malign influence:

- Gaps in democratic and economic governance that allow foreign malign influence to penetrate decision-making
- Growing influence of right-wing and ethnonationalist actors
- Key media outlets owned by foreign capital
- Social polarization

The following tactics are used to exploit these vulnerabilities:

- Political influence - through political actors and their influence on election processes
- Financial influence - through the purchase of strategic resources and debt diplomacy
- Media influence - through the takeover of key media, and propaganda and disinformation campaigns

Public perceptions

Participants in focus groups (conducted in March 2021) demonstrated strong polarization in terms of threat perception. In a country torn between tradition and the ambition to join modern European society, participants expressed widely-varying opinions when asked about "traditional values". While some do not identify any threats to such perceived "traditional values", other participants believe that politicians and citizens represent a threat such values because of political polarization which, according to them, jeopardizes basic interpersonal values of trust, care, and family, as well as political values such as democracy and freedom.

The Serbian Orthodox Church (SOC) is considered a strong player capable of leaving a significant imprint on public perceptions. Following the adoption of the Law on Freedom of Religion⁶, which required the SOC's registration in Montenegro and challenged its ownership of property that had belonged to the state of Montenegro pre-1918, the SOC held protests that were attended by tens of thousands of citizens across the country.⁷ The SOC has proven its political power by mobilizing more citizens than any political party ever did, influencing the change of government, and preventing the adoption of legislation. The SOC has frequently been involved⁸ in anti-Western rallies and protests, and is known to promote pro-Russian narratives⁹ across a range of political and social issues.

Montenegro's underdeveloped and weak institutions, endemic corruption, and high crime rate provide fertile ground for pro-Kremlin forces to extend their influence by exploiting public vulnerabilities, such as Montenegro citizens' historical preference for strong leaders. Yet given the country's history of social and economic instability, citizens are also inspired by the vision of a stable democracy and better life standards¹⁰, which can serve as an important counterbalance to authoritarian tendencies.

State and political landscape

The summer 2020 parliamentary elections heralded a change of government after 30 years of continual Democratic Party of Socialists rule. Consisting of three blocs or alliances, For the Future of Montenegro, Peace is Our Nation, and Black on White, the former opposition won a wafer-thin majority with 50.7 percent of the votes (41 out of 81 seats in the Montenegrin parliament).¹¹ This election also showed that foreign political and financial interference, as well as interference by third parties, continue to exist. Although there has been a change of government, problems remain.¹² Despite the evident foreign interference in electoral processes in recent years, the competent institutions have not acted to prepare a strategic and institutional response to limit the impact of such interference.¹³

Weak institutions leave Montenegro exposed to foreign influence

For over a decade, Russian and Chinese companies and individuals have developed significant economic interests in Montenegro, accompanied by the strengthening of political ties. For example, Montenegro sold its largest industrial resource - the Podgorica aluminum plant (KAP), which at the time accounted for more than half of national exports,¹⁴ to the Russian oligarch Oleg Deripaska. By 2007 one-third of the Montenegrin economy was in some way connected to Russian capital, while almost 15% of all employees in the country worked for Russian-controlled entities. These circumstances led to Deripaska ultimately being prevented from buying the plant. In order to ensure a cheap and secure electricity supply to KAP, Deripaska attempted to take full control of power production in Montenegro by bidding to purchase the Thermal Power Plant (TPP) and coal mine in Pljevlja via his En+ Group. The merger and acquisition was stopped by the Parliament in June 2007, when the Social-Democratic Party's MPs voted with the opposition against the agreement, arguing that Montenegro must keep control over its most important energy resources, and that this takeover would be both economically and politically harmful to the country.¹⁵ However, this example

demonstrates a degree of freedom which foreign entities exert in pursuing their interests in Montenegro.

External debt owed to China (obtained to construct the Bar-Boljare highway) threatened to burden Montenegro for years, if not decades¹⁶ - with China potentially shaping the country's economy as well as the political decisions of current and future governments. This fate was narrowly avoided when the EU stepped in and agreed to help refinance this debt.¹⁷ This case demonstrates the absence of the risk assessment measures that state administration needs to implement before allowing foreign capital to enter key industries.¹⁸

Underestimating the potential impact that foreign actors can have on the country is confirmed by expert survey findings conducted for the Vulnerability Index confirming that situational awareness towards foreign interference varies depending on the foreign actor concerned. While the majority of surveyed experts declared that several public institutions are aware of the Kremlin's influence, less is known about Beijing.

Most experts further declared that awareness-raising efforts are not adequately pursued – a whole-of-government approach to countering foreign influence is not implemented. The majority of surveyed experts also suggested that public administration lacks sufficient specialized capacities with the necessary expertise to monitor and analyze influence operations and hybrid threats.¹⁹

Information landscape

Misinformation, disinformation and influence operations are now recognized globally as a serious threat to democracy and social development, with many countries embarking on numerous activities to address this problem. Yet despite a general condemnation of outlets that publish misinformation, Montenegro nevertheless lags behind. The government has not taken active steps to combat this phenomenon, despite years-long and frequent information operations affecting Montenegrin society, and no legislative or other initiatives have been launched to build societal and structural resilience to information operations.²⁰ Instead, Montenegro has been caught off guard with each new wave of disinformation and propaganda, as it lacks a strategic approach and a consistent, codified response.

Throughout the COVID-19 pandemic, efforts to counter the destructive impact of information operations were left to local fact checkers who debunked hundreds of hoaxes and conspiracy theories that were mostly disseminated on social networks, but also through media outlets. The NGO sector has proposed the establishment of an Anti-Disinformation Fund to help the media's sustainability, with a view to enabling the sector to improve reporting and promote journalism as a public interest.²¹

→ Policy recommendations for Montenegro

1

For a more resilient public administration

- State administration needs to establish effective investment verification mechanisms and investment screening, particularly in key sectors for the Montenegrin economy and critical infrastructure to prevent economic and political dependencies on foreign actors.
- Detrimental political and financial influence on Montenegro arises due to systematic shortcomings, and weak institutions inability to resist so-called corrosive capital and its deleterious impact on the rule of law. Financial transactions and public investments must be more transparent, and strictly controlled by the respective institutions.
- Information on foreign funding and investments, including the EU and its assistance, need to be transparent and should be further actively disseminated by domestic public institutions and representatives.
- Foreign direct investments should be diversified. Enabling foreign capital to enter key industries must be assessed from the perspective of national security and economic development. Montenegro should not take additional loans that do not comply with EU regulations.
- Establish a special parliamentary committee to deal with foreign interference in democratic processes, following the example of the Special Committee for Foreign Interference in All Democratic Processes in the EU (INGE), which operates as part of the European Parliament.²² The Center for Democratic Transition has submitted a proposal for the establishment of such committee, which has been supported by six parliamentary clubs (46 MPs) yet is still to be introduced to the parliamentary agenda.
- Build civil servants' - including public representatives - situational-awareness and educate them about influence operations.
- Intelligence services should provide an annual evaluation of the security environment and its developments, which will contribute to societal awareness.
- Increase transparency and oversight of public policies, and involve citizens in decision-making processes to overcome feelings of helplessness and indifference among the public.
- Strengthen the institutions responsible for tackling corruption and organized crime through additional funding and the appointment of independent officials.

2

For a more resilient information environment

→ Establish an Anti-Disinformation Fund to help media sustainability, enabling the sector to improve reporting and promote journalism as public interest. It should be fully independent, with European Commission support.

→ Depoliticize and professionalize the public broadcaster. Its editorial policy should be independent of political bias, and it should adhere to the highest standards of professional journalism.

→ Adapt legislation to be able to counter the spread of disinformation, actively respond to disinformation campaigns, and increase media literacy in order to protect key democratic institutions, such as the electoral process. Any legislation should be adopted in line with similar processes at the EU level, including the Digital Services Act and the European Democracy Action Plan.

→ Initiate dialogue with all important stakeholders to build consensus towards combating disinformation, with a special focus on cooperation with civil society.

→ Demystify propaganda and disinformation narratives, heeding the awareness of citizens as well as civic servants in terms of international institutions such as NATO. This is especially necessary with respect to Montenegro's historical relations with Russia and NATO.

3

For a greater societal resilience

→ Reform the education system and foster measures that focus on developing critical thinking, media literacy and digital skills. Life-long programs for various age groups should be an integral part of such reforms.

→ Support the secularization of society, public administration and its policies, and thus prevent the future interference of religious institutions in the creation of public policies, the adoption of laws, and the election of the highest holders of public office.

→ Establish a "collective identity" to overcome cleavages, offer perspective, and establish an open-minded environment that allows all voices to be heard without fear or repercussions.²³

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