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THE 2016 COUP ATTEMPT IN MONTENEGRO: Is Russia's Balkans Footprint Expanding?

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Executive Summary

On October 15, 2016, the day before Montenegro's hotly contested legislative elections, Podgorica authorities thwarted an alleged coup attempt. Asserting that the conspirators aimed to prevent Montenegro's imminent NATO accession, they blamed Moscow as the main instigator. Reflecting on the long-standing historical ties between Russia and Montenegro—and particularly their strong economic relations throughout the 2000s—Moscow's newfound antagonism appears incongruous. Yet, this case reflects a critical shift in Moscow's power projection in the Balkans. The decline in commodity prices in the early 2010s crippled Moscow's economic influence in Montenegro. Shortly after, the annexation of Crimea led to a standoff with the West, in which Montenegrin authorities sided with their soon-to-be European allies. Having lost its foothold in the Balkans, Russia assumed the role of spoiler. While the alleged coup attempt did not bring its intended result of blocking NATO membership, it successfully exacerbated political and identity rifts within Montenegrin society, thus heralding Russia's new strategy for influence in the Balkans.

Since Montenegro first received an invitation to join NATO in December 2015, the small Balkan country has become yet another geopolitical flashpoint between Russia and the West. Montenegro's place in the international spotlight may seem perplexing since the country rarely makes headlines. Yet, in August 2017, mere weeks after its formal entry into the Alliance, U.S. Vice President Mike Pence visited the Balkan state. While in the presence of Western Balkan leaders, including the prime minister of Serbia—a country with friendly relations towards Russia—Pence used the opportunity to aim criticism at Russia. “Russia continues to seek to redraw international borders by force,” Pence said. “And here in the western Balkans, Russia has worked to destabilize the region, undermine your democracies and divide you from each other and from the rest of Europe.”¹ The vice president's remarks were in response to Moscow's forays into former Yugoslavia, including an alleged attempt to topple the Montenegrin government several months earlier.

On October 15, 2016, the day before Montenegro's hotly contested legislative elections, the country's government announced that it had thwarted a coup plot. After arresting suspects before the polls opened, Montenegrin authorities laid blame on Russia. Former security operatives and nationalist activists from Serbia and Montenegro conspired to disguise themselves as special police operatives and to fire into demonstrators gathered around parliament, say Montenegrin officials. Then, according to the government's claims, the group planned to assassinate Prime Minister Milo Đukanović. The conspirators' aim, according to Montenegrin officials, was to prevent Montenegro from joining NATO.

The indictment by Special Prosecutor Milivoje Katnić alleges that the plotters were in close contact with Eduard Shishmakov and Vladimir Popov, officers at Russia's Main Intelligence Directorate (GRU), the arm of Russia's spy services that is also said to engage in cyber activity during in the 2016 U.S. presidential elections.² Shishmakov and Popov allegedly provided the group's leader, retired Gen. Bratislav Dikić, former head of Serbia's gendarmerie,

€200,000 to purchase arms and encrypted phones. In April 2017, Shishmakov and Popov were put on trial in absentia along with 12 individuals from Serbia and Montenegro. Among the defendants were Andrija Mandić and Milan Knežević, leaders of the Democratic Front (DF), the most prominent opposition party in Montenegro, and traditionally an anti-NATO group, in parliament.³ Meanwhile, Mandić and Knežević deny the coup allegations as a fabrication of the Democratic Party of Socialists (DPS), which emerged victorious in the October 2016 elections and retained power as a result.⁴ The trial is still ongoing.

The coup and the arrests have bolstered the sense that Montenegro is under covert attack from Russia. They have also boosted the country's case for NATO membership. After much foot-dragging, the U.S. Senate finally ratified the accession treaty in March 2017. Only two senators, Republicans Rand Paul and Mike Lee, voted against. Misgivings about Montenegro's negligible contribution to the Alliance have been outweighed by the perceived need to bring the Balkans into the Western fold. NATO may next consider enlargement to Macedonia, which is striving to resolve its long-standing name dispute with Greece. All these measures are undertaken due to fear that in the absence of a strong defensive alliance, Western Balkan countries are at risk of Russian interference. American

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and European officials believe that the region is at risk as geopolitical competition between Moscow and the West escalates. On March 28, 2018, Montenegro expelled a Russian diplomat in solidarity with the United Kingdom over the poisoning of Sergei and Yulia Skripal.

³ The list of indicted individuals is as follows: Aleksandar “Saša” Sindelić, Bratislav Dikić, Predrag Bogičević, Nemanja Ristić, Miloš Jovanović, Mirko Velimirović, Kristina Hristić, Branka Milić, Milan Dušić, Dragan Maksić, Srbojub Đorđević, Aleksandar Čurović, Aleksandar Aleksić, Nikola Đurić, Siniša Četković, Dejan Stanojević, Miloš Ćimović, Ivica Matić and Perica Andrić.

⁴ Srdja Pavlović, “Montenegro's ‘stabilitocracy’: The West's support of Đukanović is damaging the prospects of democratic change,” *EUROPP Blog*, London School of Economics, December 23, 2016, <http://blogs.lse.ac.uk/europpblog/2016/12/23/montenegros-stabilitocracy-how-the-west-support-of-djukanovic-is-damaging-the-prospects-of-democratic-change/>.

¹ Swell Chan, “Mike Pence, in Montenegro, Assures Balkans of U.S. Support,” *New York Times*, August 2, 2017, <https://www.nytimes.com/2017/08/02/world/europe/pence-montenegro-mar-kovic-nato.html>.

² In 2014, Shishmakov had been expelled from Poland, where he served as deputy military attaché.



Vice President Michael Pence and his wife Karen Pence with Prime Minister Dusko Markovic and his wife Nata in August 2017. (U.S. Embassy in Podgorica)

Russia reciprocated by declaring a Montenegrin embassy official a persona non grata several days later.⁵ The Balkans will not be insulated, it seems, from the broader clash between Russia and the West.

In making sense of the coup allegations and the subsequent trial, Russia's clash with the West only explains part of the region's challenges. Similarly, the Kremlin's historic ties in the Balkans are relevant, but not decisive. The region has its own political fractures, which do just as much to shape relations with outside powers and broader geopolitical trends. How does the alleged putsch relate to Montenegro's relations with Russia? What does it reveal about Moscow's Balkans policy? And what effect has the coup attempt had on Montenegro's domestic and foreign policies?

Russia and Montenegro: A Long Affair

Russia is no stranger to Montenegrin politics and society. It shares a history of relations with Montenegro much longer than with its ties to most other parts of

Southeast Europe. In 1715, Metropolitan Danilo I, ruler of the tiny Prince-Bishopric in the Dinaric Alps, met with Peter the Great in St. Petersburg. The imperial government paid a regular subsidy to its ally during the recurrent wars against the Ottomans, and Montenegrin princesses married Romanovs until the 1900s. After Josip Tito's Yugoslavia severed ties with the Soviet Union in 1948, resisting Moscow's dominance of the global communist movement, Montenegrin party members sided with Stalin in high numbers. Indeed, many ended up in the infamous Goli Otok (Bare Island) prison camp in the Adriatic Sea. In the decades that followed, non-aligned Yugoslavia charted its own foreign policy of balancing between the East and the West, a model for many Balkan leaders to this very day.

The deep historical ties between Russians and Montenegrins mattered little in the 1990s when the Yugoslav federation imploded. Moscow ignored Podgorica and channeled relations exclusively through Belgrade, where Slobodan Milošević reigned supreme. In 1998-99—again for reasons unrelated to deep historic ties—the relationship changed. President Milo Đukanović reoriented Montenegro to the West, in defiance of Milošević, and simultaneously built bridges with Russia. A seasoned Russian observer of the Balkans noted at the time in the Russian

⁵ Several neighbors of Montenegro, including Albania, Croatia and NATO hopeful Macedonia, expelled Russian diplomats as well. "Russia to expel Montenegrin diplomat over Skripal Poisoning," *RFE/RL*, April 2, 2018, <https://www.rferl.org/a/russia-expel-montenegrin-diplomat-skripal-poisoning/29140437.html>.



Prime Minister Đukanović meets with NATO Secretary General Jens Stoltenberg in January 2017. (NATO)

newspaper *Kommersant*, “Moscow’s bet on Đukanović is entirely justified. Not only because he is a democrat and reformer, as the Russian political elite considers itself. But Russia’s longtime partner in the Balkans, Milošević is behaving with growing insincerity towards Moscow. Đukanović is not pledging Moscow eternal love; he is offering mutually beneficial projects.”⁶ After Montenegro declared independence in a May 2006 referendum, Russia was among the first to recognize the newly established country.⁷

As Russia’s economy boomed in the 2000s, Montenegro became a favored destination for the newly affluent middle class, especially after a visa free travel agreement was signed in 2008. Between 2006 and 2016, the number of Russians visiting Montenegro rose from 61,000 to 316,000. Today, Russians account for 20 to 30 percent of all tourists in the country. Thousands own vacation property

in trendy Adriatic coastal towns, such as Budva (known as “Moscow on the Sea”) and Herceg Novi.⁸

Montenegrin politicians and their business associates also forged partnerships with Russian elites. Đukanović’s friend, longtime Moscow mayor Yuri Luzhkov, financed a vacation community near the Adriatic town of Sveti Stefan called “Russian Village.” Such ties peaked in 2005 with the sale of the *Kombinat alumijuma Podgorica* (KAP) aluminum smelter to the Central European Aluminum Company (CEAC), a Cyprus-based entity owned by Russian tycoon Oleg Deripaska. The privatization was reportedly arranged by a personal deal between Đukanović (then prime minister) and Deripaska. Built in 1969, KAP accounted for 51% of Montenegro’s exports and 15% of its GDP at the time of the sale. Thus, by the early 2010s, Russia owned a sizable chunk of Montenegro’s economy—with the blessing of the government in Podgorica.

During the 2006 independence referendum, Deripaska helped Đukanović by hiring U.S. political operative Paul Manafort, who had long advised Deripaska and who would later gain fame as manager of Donald Trump’s presidential campaign. Though Manafort claimed he

⁶ Genadii Sysoev, “Rossiya menyaet stavki na Balkanakh [Russia changes bets in the Balkans],” *Kommersant*, June 4, 1998, <https://www.kommersant.ru/doc/199609>.

⁷ The loose federation’s ambassador to Moscow was Milan Roćen, a confidante of Đukanović. He went on to become independent Montenegro’s first foreign minister (2006-12). In the 1990s, rump Yugoslavia (Serbia and Montenegro) was represented by Borislav Milošević, Slobodan’s elder brother who was born in Montenegro, the family’s place of origin, and identified as Montenegrin.

⁸ “Assessing Russia’s Economic Footprint in Montenegro,” CSD Policy Brief 73, Center for the Study of Democracy (Sofia), January 2018, <http://www.csd.bg/artShow.php?id=18126>.

provided his services to Montenegro pro bono, some sources report that he was paid \$10 million per year by Deripaska.⁹ In 2017, Manafort cited his role in the referendum as proof that he and the Kremlin opposed one another: “One of the projects involved supporting a referendum in Montenegro that allowed that country to choose membership in the EU, a measure that Russia opposed.”¹⁰ Things looked differently at the time. As Serbia and Montenegro worked through a prolonged divorce in the early 2000s, Russia remained neutral. Nor did Moscow oppose EU enlargement in the region. Montenegro succeeded in fostering positive ties with both Russia and the West.

Why Did Russia and Montenegro Part Ways?

Despite close economic ties, political relations between Russia and Montenegro suffered since 2013 for several reasons. First, Russia’s standoff with the West following the annexation of Crimea forced Montenegrins to choose between the geopolitical camps. Montenegro’s leaders sided with the EU and NATO, joining the sanctions regime against Russia. Đukanović sought to cash in, rushing to Washington in April 2014 to push for NATO membership. Meanwhile, the head of Montenegro’s legislature, Ranko Krivokapić, attempted a balancing act, visiting both Moscow and Kyiv as president of the Organization for Security and Co-operation in Europe parliamentary assembly. Krivokapić’s efforts had little effect. Russia included Montenegro in its counter-sanctions—a largely symbolic move as Montenegro hardly exports any agricultural products to Russia, but symbolic of the Kremlin’s desire to punish Montenegro.

At the same time, Russia ramped up its opposition to Montenegro’s NATO aspirations. Podgorica began pursuing membership immediately upon independence in 2006. When it submitted a formal application in April 2008, Moscow voiced no objections. As recently as September 2013, Russia petitioned the Montenegrin Ministry of Defense to access the Port of Bar as a supply and logistical support point for its

navy in the Mediterranean Sea.¹¹ Moscow viewed the Alliance’s expansion in the Western Balkans, beginning with Croatia and Albania’s accession in 2009, as a foregone conclusion. But after the conflict in Ukraine began, Russian policymakers and diplomats changed their attitude toward Montenegro’s

NATO accession. In an interview for the Sarajevo newspaper *Dnevni Avaz* in September 2014, Russian Foreign Minister Sergei Lavrov called NATO enlargement in former Yugoslavia “a mistake, even a provocation” against Russia.¹² The Montenegrin leadership, in turn, used Russia’s hardened rhetoric and its apparent designs for Bar to push for rapid membership. Đukanović wanted to show that Montenegro was willing to stand up to Russia, calculating that the Kremlin’s response would not be overly harsh. Having joined the EU’s sanctions, he also declined to attend Moscow’s Victory Day parade on Red Square in May 2015, despite Russian pressure to do so.¹³

Finally, the KAP deal—the umbilical cord connecting Montenegro’s elite to the Kremlin—unraveled in 2013. Hurt by the global decline of commodity prices, KAP fell into debt to the state-owned utility company, Electrical Enterprise of Montenegro (ECPG). After the Montenegrin government declined to grant a bailout, KAP went bankrupt in July 2013. Deripaska has since filed a €700 million lawsuit against the Montenegrin government for repossessing his shares.¹⁴ Once a strong backer of Đukanović and his Democratic Party of Socialists, Deripaska

When Montenegro submitted a formal application in April 2008, Moscow voiced no objections.

11 This is not unprecedented among NATO members. For instance, in October 2016, a Russian battlegroup headed by the *Admiral Kuznetsov* air carrier was refueled at the Spanish port of Ceuta en route to Syria.

12 “Nato’s Planned Balkan Expansion ‘a Provocation’: Russia’s Lavrov,” *Reuters*, September 29, 2014, <https://www.reuters.com/article/us-nato-balkans-russia/natos-planned-balkan-expansion-a-provocation-russias-lavrov-idUSKCN-0HO11W20140929>.

13 Maxim Samorukov, *Illyuziya blizosti: ambitsii i vozmozhnosti Rossii na Zapadnykh Balkanakh* [An Illusion of Closeness: Russia’s Ambitions and Capabilities in the Western Balkans], Carnegie Moscow, December 12, 2017.

14 Previously, Deripaska failed to take over the thermal power plant at Pljevlja and a coal mine, an acquisition which would have given him leverage over KAP’s major creditor EPCG. The bid was defeated in parliament with votes from the opposition and Krivokapić’s Social Democratic Party.

9 Dušica Tomović, “Trump’s Campaign Chief ‘Worked for Montenegrin Independence,’” *BalkanInsight*, November 4, 2017, <http://www.balkaninsight.com/en/article/trump-campaign-chief-worked-for-montenegrin-independence--04-11-2017>.

10 Ibid.

Table 1: Support for NATO membership in Montenegro, 2008-17 (in percent)

	For NATO	Against NATO	Don't Know
November 2008 (CEDEM)*	26.9	46.9	—
October 2009 (CEDEM)	31.2	44	—
October 2010 (CEDEM)	32.6	39.7	—
September 2011 (CEDEM)	30.9	39.5	—
December 2011 (CEDEM)	38.3	36.1	—
July 2012 (CEDEM)	37.3	42.4	—
September 2012 (CEDEM)	36.8	38.4	—
March 2013 (CEDEM)	31	52.1	—
September 2014 (CEDEM)	35.4	44.5	—
July 2015 (CEDEM)	36.6	37.2	—
November 2015 (CEDEM)	36.5	36.2	—
June 2016 (CEDEM)	37.1	36.4	—
December 2016 (CEDEM)	39.5	39.7	20.8
December 2017 (International Republican Institute)**	43	51	6

* "Political Public Opinion in Montenegro: NATO Integration," Center for Democracy and Human Rights (CEDEM), Podgorica, December 2016, http://www.cedem.me/images/jDownloads_new/Program%20Empirijska%20istazivanja/Politicko%20javno%20mnjenje/CEDEM_December_2016_-_eng.pdf.

** "Montenegro's Poll Reveals Anti-Western Tilt," International Republican Institute, December 4, 2017, <http://www.iri.org/resource/montenegro-poll-reveals-anti-western-tilt-widespread-dissatisfaction-country%E2%80%99s-trajectory>.

became a bitter critic. The remaining Russian-owned companies in Montenegro are small-scale, service-sector businesses. Compared to KAP, which has seen its workforce shrink from 2,400 people in 2010 to 700 today, their political impact is negligible.

Đukanović and his allies sensed that a turn away from Russia would serve their interests. Pro-Western civil society groups in Montenegro, whatever their reservations about the governing elites, welcomed the decision. Russia, in turn, embarked on a campaign to undermine NATO and the EU across Europe. As a frontrunner for membership in both organizations, Montenegro quickly became a target of the Kremlin.

The Crisis of 2015-16

Russia's strategy was to amplify rifts within

Montenegro. Montenegrin society has traditionally split along political and ethnic lines. The DPS, heir to the League of Communists of Montenegro, the ruling party under socialist Yugoslavia, remains the dominant political force. It draws support from those who insist that Montenegrins constitute a separate ethnic nation and that the country has a history and language distinctive from Serbia. On the other side are the Montenegrins who share a strong sense of belonging to the larger Serbian nation. They tend to identify with conservative Serb nationalism and criticize the effort to consolidate a separate Montenegrin identity in socialist Yugoslavia. Serbophile Montenegrins also adhere to the Serbian Orthodox Church (SOC), rather than the Montenegrin Orthodox Church, which was established in 1993 and is unrecognized by other Orthodox Churches. The SOC Metropolitan of Montenegro and the Littoral (*mitropolit crnogorsko-*

primorski) is a prominent figure revered by nationalist Serbs across the former Yugoslavia. These identity boundaries are fluid, but they map onto political divides over whether Montenegro should join NATO or pursue a neutral foreign policy like Serbia.

The 2016 elections were heavily contested from the outset.

Đukanović and his entourage have made EU and NATO accession key to their legitimacy. Given rising public dissatisfaction with the DPS, this move is understandable. Thanks to coalition cabinets, the party has held power since its establishment in 1991. Yet, numerous allegations of corruption and links to organized crime—for instance, smuggling during the Yugoslav Wars—have marred the party's image. Some charges have even been proven in court.¹⁵ In 2016, Svetozar Marović, an ally of Đukanović and former president of the joint state of Serbia and Montenegro (2003-6), was sentenced to 30 months in jail for defrauding his hometown of €400 million as the head of a joint criminal enterprise. The case was brought by the special prosecutor, an institution established due to EU pressure. Scandals of this sort have eroded support for the ruling party. In the 2012 parliamentary elections, the DPS-led "European Montenegro" bloc lost seven seats in an 81-person parliament. Its main opposition, the DF, increased its caucus by the same number.

Thus, the 2016 elections were heavily contested from the outset. In October 2015, the DF called for street demonstrations in response to legislative changes that were seen as favoring the DPS and thereby perpetuating Đukanović's reign. Demonstrators demanded Đukanović's resignation and the formation of an interim government to oversee the vote. They called for an electronic electoral roll, independence for the public broadcaster, and stricter rules to prevent channeling state resources to DPS clients. The platform had wide appeal, and 125 figures from across the political spectrum, including civil society groups and pro-Western, liberal intelligentsia, signed a joint

memorandum.¹⁶ But the initially peaceful protests escalated. On October 24, 2015, a 5,000-person-strong rally ended in a showdown with the police. According to the government, the protesters were poised to storm the Montenegrin parliament.

The violent turn gave Đukanović an opportunity to push back. He framed the protests as an effort to forestall NATO's imminent invitation to Montenegro. Đukanović was not far off the mark. Two parties in the DF—the New Serb Democracy and the Democratic People's Party of Montenegro—vocally opposed NATO membership, though the third partner, the Movement for Changes (PzP) led by Nebojša Medojević, was cautiously in favor. Russian TV channels covering the protests played up the anti-NATO theme as well. Russian Duma members rushed to Podgorica to show solidarity with the DF.

Here, the DF made a strategic mistake. Instead of shifting the conversation back to state capture and corruption, which are popular critiques of the governing party, DF leaders resorted to anti-Western rhetoric and Serbian nationalism. With encouragement from Moscow, they began campaigning for a referendum on NATO membership.¹⁷ Andrija Mandić threatened that violent conflict similar to "what is happening in the countries of North Africa" could ensue in Montenegro.¹⁸ In May, Knežević signed a declaration with Sergei Zheleznyak, the Duma's deputy speaker, that called for a "military neutral Balkans."¹⁹ Then, in late June, Knežević and Mandić signed a similar document with representatives of pro-Russian parties from across the Balkans at Putin's United Russia congress. It is

16 "Dižemo glas: Građanski i nenasilno u odbranu Ustava, [We are raising our voice: let's defend the Constitution in a civil and non-violent way]," *Vijesti*, October 23, 2015, <http://www.vijesti.me/vijesti/dizemo-glas-gradanski-i-nenasilno-u-odbranu-ustava-857078>.

17 Samorukov, op. cit.

18 Andrija Mandić, "Ulazak Crne Gore u NATO bez referenduma je opasan plan koji može dovesti do sukoba u državi [Montenegro's entry into NATO without a referendum is a dangerous plan which might lead to conflicts within the state]," *Nova Srpska Politička Misao*, February 5, 2016, <http://www.nspm.rs/hronika/andrija-Mandić-ulazak-crne-gore-u-nato-bez-referenduma-je-opasan-plan-koji-moze-dovesti-do-sukoba-u-drzavi.html>.

19 "Lovćen Declaration" named after Mount Lovćen, a national symbol for Montenegro. Gennadii Sysoev, "Edinnaya Rossiya zazyvaet Balkany v novyi soyuz neytral'nykh gosudarstv Yugo-Vostochnoy Evropy [United Russia is inviting the Balkans into a new union of neutral states in Southeast Europe]," *Kommersant*, May 10, 2016, <https://www.kommersant.ru/doc/2982518>.

15 Đukanović and individuals connected to him have been implicated in criminal trials in Italy and Switzerland involving cigarette smuggling. "Book: Đukanović Used Immunity in Cigarette Smuggling," *BalkanInsight*, January 11, 2010, <http://www.balkaninsight.com/en/article/book-djukanovic-used-immunity-in-cigarette-smuggling>.

not inconceivable that the DF has received financial subsidies from Moscow, though there is no direct evidence. The DPS leveled such accusations during the October 2016 elections campaign though both the DF and Zheleznyak denied them. In November 2017, the Special Prosecutor indicted Medojević and several other DF functionaries for money laundering.²⁰

Ultimately, the DF strategy of focusing on NATO rather than on anti-corruption played into Đukanović's hands. NATO remains controversial (see Table 1), but anti-corruption was an agenda that would have united groups on both sides of Montenegro's political divide. Instead, the anti-NATO push by the opposition alienated factions of the opposition that had criticized the police crackdown and demanded an EU-led special investigation. In May 2016, Đukanović brought three minor parties into the cabinet.²¹ While bruised, Đukanović survived the crisis and consolidated his



Former President Milo Đukanović
(Wikimedia Commons)

grip on power after the October 2016 elections. The DPS won 41.4% of the vote and 36 seats (three less than in the previous parliament), but well ahead of the DF (20.3% and 18 seats, two down compared to the previous legislature).

Together with its allies, the DPS stayed in power

and stemmed the opposition's surge. Đukanović formally stepped down from the position of prime minister, but passed the baton to his lieutenant Duško Marković, who promptly formed a coalition cabinet.

The Attempted Coup: Mysteries Abound

Amid high tensions in advance of the 2016 election,

the government announced that an attempted coup was thwarted. The prosecution's case relies primarily on the confessions of Aleksandar Sindelić, a Serbian nationalist who fought in the Donbas. Sindelić acted as a liaison with the GRU agents and even traveled to Moscow. The other key witness is Mirko Velimirović, a man tasked with transferring the weapons and other equipment from his native northern Kosovo to a safe house in Podgorica. Velimirović defected and informed the Montenegrin authorities of the plot. There is a good chance the security and law enforcement agencies in Podgorica had known about the plan well in advance of election day, October 15, 2016.²²

The extent of Russian security services' support for the alleged conspirators is unclear. The prosecution has released photos of Aleksandar Sindelić along with Shishmakov and Popov, the two GRU officers, in Belgrade. It also claims to have records of financial transfers from Russia to the conspirators. There is reason to believe that Western services tipped off Montenegrin intelligence about the putsch. They likely presented the photos and intercepted telephone conversations as evidence. Sources from NATO and Western governments have corroborated elements of the Montenegrin authorities' account.

Serbia's reaction to the Montenegrin coup plot is also noteworthy. Initially, Prime Minister Aleksandar Vučić dismissed the allegations. However, Serbian police intercepted Russian nationals Popov and Shishmakov in possession of Montenegrin special forces uniforms and €20,000. The two officers were promptly deported to Russia. On October 26, 2016, Nikolai Patrushev, head of the Russian Federation's Security Council and former director of the Federal Security Service (FSB), made a surprise visit to Belgrade, reportedly to contain the looming scandal. Three days after he left Serbia, grenades, a grenade launcher, and rounds of ammunition were discovered in a car near Vučić's home.²³ The Interior Minister declared that "an organized crime group" planned an assassination (This is not unprecedented in Serbia; Prime Minister Zoran Đinđić was murdered outside a government

²⁰ "Medojević i aktivisti DF optuženi za pranje novca [Medojević and DF activists accused of money laundering]," Radio Free Europe/Radio Liberty, November 14, 2017, <https://www.slobodnaevropa.org/a/28853664.html>.

²¹ The reshuffle was preceded by the break-up between DPS and Krivokapić's Social Democrats, ending a 20-year partnership.

²² Valerie Hopkins, "Indictment Tells Murky Montenegrin Coup Tale," *Politico Europe*, May 23, 2017, <https://www.politico.eu/article/montenegro-nato-milo-dukanovic-murky-coup-plot/>.

²³ Julian Borger, Andrew MacDowell and Shaun Walker, "Serbia Departs Russians Suspected of Plotting Montenegro Coup," *Guardian*, November 11, 2016, <https://www.theguardian.com/world/2016/nov/11/serbia-deports-russians-suspected-of-plotting-montenegro-coup>.



Bratislav Dikić (Photo: O. Bunić)

building in 2003 by a sniper). Officials spoke of unnamed “outside powers,” and Vučić stated that he had heard intercepted conversations, “clean as a whistle,” confirming the Montenegrin coup story.²⁴ As expected, the Russian government, including Kremlin Spokesperson Dmitry Peskov and Foreign Minister Sergei Lavrov, dismissed such claims as absurd.

Despite evidence pointing to Russia’s involvement, much about the coup remains murky. Sindelić’s deal with prosecutors raises questions. The key witness voluntarily left Belgrade and surrendered to Montenegrin police on November 2, 2016. There are indications that a parlay with Special Prosecutor Katnić, who visited the Serbian capital, provoked this action. Sindelić’s prior convictions, including one for murder in Croatia, also give onlookers pause. Mirko Velimirović, another defendant, confessed, but then withdrew his statement. After being beaten up in Kosovo, he confirmed it again. Another alleged plotter, Aleksandar Čurović, pleaded guilty and signed a deal with the Special Prosecutor to serve a short sentence. He is now taking steps to retract his testimony and be retried. Meanwhile, group leader Bratislav Dikić, who was reportedly ready to cooperate, went on a hunger strike. The timing of the arrests has also become a source of controversy. Why did authorities wait until the day before the election when they likely

knew about the conspiracy much earlier? A plausible theory is that they hoped to skew the election in favor of the DPS by breaking the news on October 16. The election day ban on popular messaging services WhatsApp and Viber, ostensibly to counteract the coup, has also provoked significant backlash.

Why would Russia support such a high-risk operation? One can only speculate as to the GRU’s or the Kremlin’s calculus. Civil conflict in Montenegro would certainly embarrass NATO, but chaos in Montenegro presents little advantage to Russian foreign policy. Whether Montenegro is a member of the Alliance matters a great deal for Montenegro, but the impact on Moscow is marginal.²⁵ The timing of the operation was also hardly favorable. In the fall of 2016, Russian policymakers were exploring opportunities to engage the U.S. and its European allies—for instance, by exchanging cooperation in Syria for sanctions relief. Russian-provoked escalation in the Balkans would have complicated these plans.

Some posit that Russia’s involvement in the alleged coup attempt was driven by freelancers, not by an order from the Kremlin.²⁶ This second theory argues that the plan originated in conservative nationalist circles surrounding Russian businessman Konstantin Malofeev. This is not the first time Malofeev has been accused of inciting conflict in Europe. He is sanctioned by the West for sponsoring Igor “Strelkov” Girkin and other paramilitaries in the Donbas. Mark Galeotti of the Institute of International Relations in Prague has argued that “Malofeev, very active on both economic acquisitions and political networking in the Balkans since 2014, originated the idea to attempt a coup in Montenegro in 2016. But this ultimately was too big for him to be allowed to be in charge, and Security Council chief Nikolai Patrushev—with Putin’s approval—took it over.”²⁷

²⁵ The belief that Russia was after the Montenegrin harbor of Bar, popular amongst some in Podgorica and the region, should be taken with a grain of salt, too. Russians were likely interested in an agreement allowing them to refuel, as concluded with Cyprus around the same time (fall of 2013).

²⁶ Mark Galeotti, “Controlling Chaos: How Russia Manages Its Political War in Europe,” Policy Brief, European Council on Foreign Relations, September 1, 2017, http://www.ecfr.eu/publications/summary/controlling_chaos_how_russia_manages_its_political_war_in_europe#_ftnref54.

²⁷ Galeotti quoting conversations with a Bulgarian intelligence officer, “Controlling Chaos: How Russia Manages Its Political War in Europe.”

²⁴ “Vučić o pronađenom oružju u Jajincima: Prepoznajem ‘rukopis’ zolja, bilo je toga i ranije [Vučić about the weapons found in Jajinci: I recognize ‘the handwriting’ of the cache, that has happened earlier too],” *Blic*, October 30, 2016, <https://www.blic.rs/vesti/hronika/Vucic-o-pronadenom-oruzju-u-jajincima-prepoznajem-rukop-is-zolja-bilo-je-toga-i-ranije/b0mh320>.

The investigative website Bellingcat has explored the Malofeev theory, quoting emails exchanged by the oligarch's associates shortly after the arrests in Montenegro. In a note to Alena Sharoykina, director at Malofeev's Tsar'grad TV, one freelancer refers to the "failed mess in Montenegro" and proposes to focus future effort on Poland.²⁸ The forced resignation of Ret. Gen. Leonid Reshetnikov from the Kremlin-affiliated Russian Institute of Strategic Studies in January 2017 may also be linked. Reshetnikov, a former foreign intelligence officer and old Balkans hand, has worked with Malofeev for years. The retired general now serves as a deputy director of Double-Headed Eagle, a nationalist organization chaired by Malofeev that glorifies Tsarist Russia. The two have been seen side by side in the Balkans—for instance, in June 2015, the president of Republika Srpska (the Serb-majority entity within Bosnia and Herzegovina) decorated them both with state orders. Like Malofeev, Reshetnikov boasts ties with DF leaders and with the head of the Serbian Orthodox Church in Montenegro.

In a similar vein, some in Podgorica propose a third theory, speculating that Oleg Deripaska, keen to settle scores with Đukanović, masterminded the plot.²⁹ However, there is little evidence to support this story. Nevertheless, if the "public-private partnership" version of events (the second theory) holds true, it suggests that elements within the Russian security apparatus were prepared to take considerable risk to wage what Galeotti calls "political war" against the West.

Political Fallout

Though Russia suffered a setback with Montenegro's entry into NATO, it refrained from serious escalation as Montenegro formally joined. In April 2017, Russian Ministry of Foreign Affairs Spokesperson Maria Zakharova announced, "We must acknowledge with deep regret that the current leadership of the country and its Western patrons did not listen to the voice of reason and conscience." She declared that Russia will make "decisions aimed at protecting our interests and national security" accordingly. The subsequent measures were anything but tough. True, Montenegro has been exposed to cyber-attacks. In February and

June 2017, government institutions in Podgorica were targeted by Fancy Bear, a hacker collective believed to be associated with GRU. Similar incidents had been reported around the elections in October 2016, and the threat has not gone away.³⁰ At the same time, Đukanović and the DPS leadership were banned from visiting Russia. Rospotrebnadzor, Russia's food safety regulator, barred

imports of certain Montenegrin wines. Officials and pro-Kremlin media discouraged tourism in Montenegro. However, Moscow did not revoke the visa-free regime, as it did against Turkey during the crisis in relations with Ankara in 2015-16. Doing so would have primarily hurt Russian vacation-home owners along the Adriatic. There has not been a dramatic slump in the number of Russian tourists, nor an exodus of Russian investors from the Montenegrin real estate sector. According to the Montenegrin Statistical Institute, 350,468 Russians visited the country in 2017 (18.7% of all tourists), the second largest group after Serbians. This is a slight increase from 2016, when the number stood at 316,000.³¹ Even if Podgorica and Moscow are at odds politically, Russia's economic footprint in Montenegro remains relatively large. Though Russia is neither a top export market nor a major importer,³² it is the largest foreign direct investor (FDI) with \$1.27 billion in cumulative stock (about a third of Montenegro's GDP).³³

The coup and the subsequent trial have had a deleterious impact on Montenegro's domestic politics. As sympathy for Montenegro in the West rose and the DPS retained power after October 2016, divisions

Though Russia suffered a setback with Montenegro's entry into NATO, it refrained from serious escalation as Montenegro formally joined.

28 Christo Grozev, "Balkan Gambit: Part 2. The Montenegro Zugzwang," *Bellingcat*, March 25, 2017, <https://www.bellingcat.com/news/uk-and-europe/2017/03/25/balkan-gambit-part-2-montenegro-zugzwang/>.

29 Author's interview with a Montenegrin policy analyst, January 2018.

30 Dušica Tomović and Maja Živanović, "Russia's Fancy Bear Hacks its Way into Montenegro," *BalkanInsight*, March 5, 2018, <http://www.balkaninsight.com/en/article/russia-s-fancy-bear-hacks-its-way-into-montenegro-03-01-2018>.

31 Data available through the Montenegrin Statistical Institute website: <https://www.monstat.org/cg/page.php?id=44&page-id=44> See, also, "Montenegro Eyes More Russian Tourists in 2018," *BalkanInsight*, March 15, 2018, <http://www.balkaninsight.com/en/article/montenegro-eyes-more-russian-tourists-in-2018-03-15-2018>.

32 Montenegro consumes no natural gas, unlike neighbors like Serbia and Bosnia and Herzegovina which have long-term supply contracts with Gazprom.

33 Assessing Russia's Economic Footprint in Montenegro, Center for the Study of Democracy.

within the country deepened. Thirty-five opposition MPs boycotted the ratification of the NATO accession treaty. Removing parliamentary immunity of Mandić and Knežević, two of the leaders of the opposition, has raised serious concerns. The assertion that they were part of the plot, on the same level as Dikić and Sindelić, has yet to be proven in court. The trial has diverted attention and public resources away from the fight against corruption, which is the stated primary mission of the special prosecutor's office.

Đukanović's influence over the political scene, meanwhile, remains as strong as ever. On March 15, 2018, Đukanović made a long-awaited announcement that he will run in next month's presidential elections.³⁴ His main opponent is Mladen Bojanić, a former opposition MP who is both critical of NATO and committed to Montenegrin nationhood. It is safe to assume that Đukanović will prevail yet again. Montenegro is a parliamentary republic, and the president's constitutional powers are limited; however, informal rules override formal provisions. Irrespective of the post he occupies, Đukanović remains Montenegro's most powerful figure.

The case of Montenegro sheds light on how Russia projects power in the Balkans. In the 2000s, Moscow secured a foothold thanks to expanding commercial ties to the region, which did not necessarily mean pushing against the West. Later, especially after the annexation of Crimea in 2014, the Kremlin shifted gears, playing the role of spoiler in local politics. The campaign against Montenegro's membership in NATO may have ended in failure, but Russia is still in the game. Nikolai Patrushev, one of Russia's leading figures in formulating policy in the Balkans, may yet get "a chance to make up for Montenegro."³⁵ But only with the help of Montenegro's own political divides. 🏰

³⁴ Đukanović retired from public office twice in the past, in 2006-8 and 2010-2, only to come back as prime minister at a moment of his choice.

³⁵ Quoted in Mark Galeotti, *Do the Western Balkans face a coming Russian storm?*, Policy Brief, European Council on Foreign Relations, April 2018. http://www.ecfr.eu/publications/summary/do_the_western_balkans_face_a_coming_russian_storm



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