
*The Russian Economic Grip on Central and Eastern Europe* contributes to our understanding of how Russia uses economic channels to shape the politics of the countries that used to be under Soviet influence but have embraced democracy for almost three decades. The authors expand on their pioneering 2016 analysis, *The Kremlin Playbook: Understanding Russian Influence in Central and Eastern Europe* policy report, which estimates the Russian economic footprint in five CEE countries and assesses the different amplifiers Russia has used to transform its economic influence into political leverage.¹

The book does not shy away from tackling an empirical investigation of an inherently opaque set of mechanisms. The authors begin by developing a common theoretical framework that highlights the root causes of Russia’s influence more broadly. This framework could be labeled “economic realism”: a strategic shift away from military and ideological power to economic influence. This move, it seems, has worked well in an era when the superficial embrace of market capitalism has allowed Russia to subvert the levers of power and re-establish its impact on the political life of nine foreign countries: Bosnia and Herzegovina, Bulgaria, Hungary, Latvia, Lithuania, Macedonia, Montenegro, Serbia, and Slovakia.

The book could not be more timely: recent developments in the United States have turned “Russian meddling” into a popular catchphrase. This study reminds us that, in Eastern Europe, Putin’s regime does not “meddle”: it has established a firm grip. Contrary to “end of history” proclamations from the early 1990s that rejoiced in the Soviet regime’s loss of political influence over the region, Russia has managed to gradually restore its political clout by embracing certain economic levers of power.

¹ Published by the Center for the Study of Democracy in Sofia, and available online: http://www.csd.bg/artShow.php?id=17805.
Russia’s approach has been both systematic and multifaceted. As argued in a chapter on structural economic vulnerabilities, the CEE countries have relied heavily on energy imports. Russian energy giants have entered the countries’ markets to meet this demand but have then developed offshore and foreign entities with convoluted ownership structures and have expanded to other sectors of the economy, such as construction, engineering, media, real estate, and transportation. This has turned energy dependence into a complex web of state capture due to the sheer size of the businesses and their astute involvement in tax schemes, winning of government procurement projects, and media control, among others. The unclear ownership and accountability structures of these economic conglomerates have made it difficult to track their activities and precise impact. Russia experts have long known about this feature of Soviet and now Russian rule, often referred to as the “sistema.” It is characterized by informal networks and weak formal institutions, shadow structures of governance that operate in parallel to, and instead of, the official ones. Shentov et al.’s edited volume illuminates just how “sistema” works to serve Putin’s foreign policy goals.

Unraveling at least parts of this complex web of influence is the edited volume’s greatest strength, as exemplified by the case study chapters devoted to each of the nine countries. This features meticulous analysis of FDI data to estimate the true share of Russia’s economic footprint in each respective country that combines official and offshore accounts and tracks revenue, assets, and employment figures to get a comprehensive sense of the sheer size of the Russian impact. In addition, the volume is unmistakably social scientific in nature. In explaining the extent to which Russia has managed to influence the political and economic climate, two main causes emerge. The first one is based on domestic vulnerabilities: corruption, lack of transparency, and poor regulatory quality and enforcement are among the key domestic preconditions for successful state capture by the Russian economic agents. The second is related to the extent to which international actors other than Russia have stayed economically engaged with the host
countries: Russian investment is opportunist and readily fills the vacuum left by the West.

The theoretical clarity of the book enables it to draw some interesting policy recommendations. The West’s over-reliance on economic sanctions towards Russia is insufficient when Putin’s regime has become so good at diversifying the ownership and geographic structure or its otherwise hierarchical economic weaponry. The volume should be considered a powerful reminder that, while the West is countering Russia directly, Russia is waging a much less visible, but more nuanced and sophisticated, economic proxy war that has had profound impact deep into the supposedly unified and open European political and economic union.

While the policy recommendation for greater Western involvement is quite clear, the book leaves some doubts about the feasibility of this happening. As acknowledged by the authors of the chapter on state capture, European crises beget a stronger Russian grip. As Western actors deal with their own economic and political problems in an age of budget deficits, populism, and democratic malaise, one cannot help but think that Central and Eastern Europe is destined for dependence not only on Russia, but on other powerful illiberal regimes, such as China, Saudi Arabia, and Turkey. This logic is further supported by the fact that these countries face lower transaction costs of doing business due to the lower accountability and transparency standards that they abide by.

At the same time, the book would have benefited from a more open acknowledgment of the fact that even the illiberal foes of the Western powers are facing some immense challenges. As Vladimir Putin, Crown Prince Mohammed bin Salman, and Recep Tayyip Erdogan continue to bend formal and informal institutions in their favor, they have also faced crises escalating in severity and frequency. CEE countries, therefore, should be analyzed as small actors caught in the middle of an economic war of attrition. To be sure, their fate depends on the short-term levels of state capture by illiberal actors. However, it also depends on the ability of those actors to avoid abrupt and cataclysmic regime changes—something they tend to be especially prone to.
In conclusion, the book fills a key missing link in the analysis of the malign Russian influence in Europe. It does so by disentangling how Russian actors capitalize on the governance deficits in the different countries—an approach that could be applied to assessing the Russian economic footprint in Western Europe too.

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A landlocked region at the crossroads of the interests of a range of different international actors, Central Asia is most often portrayed as an autocratic region, lacking true agency, and generally closed off from globalization. In this book, Alexander Cooley and John Heathershaw set out to challenge this conventional view through an exploration of the impact of the global market on the economic development of the five republics and their leadership.

Political scientists focusing on political and economic developments in the former Soviet Union, Alexander Cooley and John Heathershaw take an unprecedented step here in presenting raw data about offshore dynamics in Central Asia. Building upon the publicly available data and on their experiences in the field, the authors aim to decipher the connections between state-owned companies, Central Asian presidents and their families, well-established Western banks, offshore accounts, and investments.

Published five years after Alexander Cooley’s *Great Games, Local Rules: The New Great Power Contest in Central Asia* (Oxford University Press, 2012), *Dictators without Borders* describes the impact of the opening of Central Asia to the world, which has determined not only political and security dynamics in the region, but also the creation of transnational economic links, both onshore and offshore. The goal of the book, as stated in the introduction, is