

PRESS RELEASE

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Sanctions barely affecting Russia's ability to wage war

Vienna, Kiel, Munich – The Western sanctions have so far had little impact on Russia's ability to wage war. This is the conclusion of a research project conducted by four institutes in Kiel, Munich and Vienna for the Federal Ministry for Economic Affairs and Climate Action in Berlin. *'Russia's economy is currently growing strongly thanks to the defence boom; however, in the long term, the sanctions could act like a slow working poison,'* says Vasily Astrov, Russia expert at the Vienna Institute for International Economic Studies (wiiw).

Online dashboard on the Russian economy

A wide selection of figures can be found in a new database on the impact of Western sanctions on the Russian economy. This database is now available to the public, in English, at <https://rus-monitor.wiiw.ac.at>. *'With our sanctions monitor, we are trying to paint as realistic a picture as possible of the consequences of the sanctions, and to analyse the development of the Russian economy as precisely as possible,'* goes on Astrov.

Among other features, the following indicators are available in time series from 2021 to April 2024 and are presented as interactive graphs/charts:

- Russian economic output (gross domestic product)
- The inflation rate and key interest rates
- Government spending by individual budget item (including military spending)
- Government revenue (including from oil and gas sales)
- The price of Russian Urals crude, compared to the benchmark Brent crude
- The development of Russian exports and imports by country or country group
- Russian industrial production and the service sector
- Data on the withdrawal of foreign capital from Russia

The various indicators are available in a choice of formats and can be downloaded free of charge. In addition, all publications on the development of the Russian economy that have been produced as part of the project are freely accessible via the online dashboard. These are mainly monthly and quarterly reports up to April 2024. As well as an update on Russia's economic development, each report contains an in-depth analysis of a current key topic.

These focus topics include the reliability of Russian economic statistics, exchange rate and inflation trends, the reorientation of foreign trade towards Asia (particularly energy exports and goods imports), the circumvention of sanctions using third countries, and the presence of foreign companies in Russia.

The Vienna Institute for International Economic Studies (wiiw) has worked together on this project with the Kiel Institute for the World Economy (IfW), the ifo Institute in Munich and the Austrian Institute of Economic Research (WIFO). The project was commissioned and financed by the Federal Ministry for Economic Affairs and Climate Action (BMWK) in Berlin (February 2023 to April 2024).

About the Vienna Institute for International Economic Studies (wiiw)

The Vienna Institute for International Economic Studies (wiiw) is an economic think tank that for over 50 years has been producing economic analyses and forecasts on (currently) 23 countries of Central, Eastern and Southeastern Europe. In addition, wiiw conducts research in the areas of European integration, macroeconomics, international economics, industrial studies, labour markets and regional development. www.wiiw.ac.at

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