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Socio-Economic Impacts of International Sanctions on Russian Citizens

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This research paper explores the complex interplay between international sanctions and human security, with a specific focus on Russian citizens. It investigates the direct and indirect impacts of sanctions on various facets of human security, including economic stability as well as social cohesion. While these sanctions aim to promote global peace and security but on the other side, they could unintentionally compromise the human security of ordinary citizens. This paper will try to explore the economic and social impacts of international sanctions on Russian citizens.

Keywords: International Sanctions, Russian Citizens, Social Impacts, Economic Impacts, Russia-Ukraine War, Human Security

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1.Introduction

International sanctions have become a common approach in global politics, frequently used to pressure governments into altering their conduct in response to perceived breaches of international standards. People often present sanctions as actions taken to ensure responsibility and protect human rights. However, they frequently have consequences that extend beyond political leaders and significantly affect the daily lives of ordinary people. This research paper specifically investigates the effects of international sanctions on Russian citizens with a particular emphasis on the economic and social aspects of this occurrence.

Human security is a holistic concept that prioritises safeguarding individuals and communities rather than solely focussing on defending state sovereignty. It includes various elements, such as financial stability, the availability of necessary services, and the exercise of basic rights. Western nations have imposed sanctions on Russia due to its geopolitical actions, including the annexation of Crimea in 2014 and ongoing conflicts in Ukraine. These sanctions have had significant consequences for the Russian people. The economic ramifications of these sanctions are particularly significant, as they have led to widespread inflation, currency devaluation, and a decline in economic activity. Amidst the challenges posed by sanctions, businesses are finding it difficult to navigate the current economic environment, leading to an increase in unemployment rates and a decline in incomes for many citizens.

The imposition of sanctions has led to widespread economic instability, which has significant consequences for human security. Due to reduced economic opportunities, a significant number of Russian citizens are living in heightened poverty and struggling to meet their basic needs. This scenario not only endangers the means of subsistence for individuals but also intensifies social disparities within the nation, as disadvantaged groups—such as the elderly, children, and marginalised communities—experience the most severe consequences of economic adversity. Financial strain can cause a greater dependence on social safety nets, which may also face pressure due to budgetary constraints resulting from economic challenges caused by sanctions.

This paper will examine the social consequences of sanctions on Russian citizens in addition to their economic effects. Access to vital services, such as healthcare and education, is paramount to human security, and sanctions have the potential to significantly disrupt the accessibility and standard of these services. Imposing limitations on the importation of medical supplies and technology in the healthcare industry can lead to scarcity and reduced quality of care for patients. Education systems may also experience diminished funding and resources, which can restrict opportunities for the younger generation and potentially hinder the country's future progress.

This research paper aims to conduct a thorough examination of the economic and social consequences of international sanctions on Russian citizens' human security. The study aims to improve our understanding of sanctions' effects by analysing their interconnected dimensions. It advocates for policies that prioritise the well-being of individuals and hold governments responsible for their actions. The paper aims to educate policymakers and international actors about the importance of finding a middle ground between seeking justice and accountability, protecting civilian lives, and promoting sustainable development.

2.Impact of Sanctions on the Human Security of Russian Citizens

2.1.Economic Impact

The Russian economy has been significantly impacted by international sanctions, which have resulted in lower GDP growth, a decline in the value of the ruble, higher inflation, and higher unemployment. The economic performance of Russia has been greatly impacted by the sanctions imposed on it after its invasion of Ukraine. Due to these sanctions, Russia's GDP growth has decreased because of limited investment in important economic sectors and restricted access to global capital markets. According to estimates from the World Bank, IMF, and OECD, Russia's GDP shrank by 2.1% in 2022. In 2023, the OECD and World Bank predict further declines of 2.5% and 0.2%, respectively, while the IMF forecasts a slight growth of 0.7%^[i]. The OECD, the International Monetary Fund (IMF), and the World Bank have provided estimates and forecasts that are used to illustrate

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Russia’s GDP growth year over year between 2018 and 2022. The graph indicates that all three institutions project a 2.1% decline in the Russian GDP in 2022. The Russian GDP is predicted to decline by 2.5% by the OECD and by 0.2% by the World Bank in 2023 and the IMF predicts 0.7% growth[i].

The decrease in GDP growth has resulted in fewer economic opportunities and increased challenges for Russian citizens seeking to enhance their quality of life. Inflation has increased, the ruble has declined, and the labour market is becoming more competitive because of the sanctions. The long-term effects of the sanctions on the Russian economy are still unknown, even though Russia has been able to preserve some degree of economic stability through increased government spending and a shift towards home markets. Without a doubt, the sanctions have hindered Russia’s economic growth and will probably have a big influence on the future of the Russian economy for years to come.

The sanctions placed on Russia have had a substantial effect on the ruble’s value, causing a depreciation that has increased the cost of imports and decreased the purchasing power of Russian citizens. Because of this, it is now more difficult for regular Russians to afford needs like food, medicine, and electricity. The sanctions, which have limited access to foreign capital markets and investment in vital areas of the Russian economy, are directly responsible for the depreciation of the ruble. As a result, the GDP has grown less quickly, the ruble has lost value, and inflation has gone up. Since the beginning of the war, the value of the ruble has varied greatly, but it has generally trended lower. Due to a trade surplus, the ruble temporarily appreciated in the summer of 2022, but it has since declined once more, hitting its lowest level in more than a year in September 2023.

Chart 2-Source-The Wall Street Journal[iii]

The exchange rate between the US dollar and the Russian ruble from January 2021 to July 2023 is displayed in Chart 2. Because the chart has been reversed, a higher number denotes a weaker ruble. The graph indicates that from January 2021 to February 2022, the ruble first appreciated in value relative to the US dollar. But once the

Russian invasion of Ukraine began in February 2022, the ruble began to decline sharply, reaching a low

Point in April 2022. The ruble has since strengthened a little, but not nearly as much as it did prior to the invasion. The graph indicates that the Russian invasion of Ukraine has significantly lowered the ruble’s value.

Due to the ruble’s decline, imports are now more expensive, which raises the cost of consumer goods and necessities like services. Budgets for households have been strained as a result, especially for those who are already experiencing financial difficulties. Further impeding economic growth is the depreciation of the ruble, which has made it more difficult for Russian businesses to import equipment and raw materials. The depreciation of the ruble has a major effect on common Russians. Their inability to afford necessities has resulted in a decrease in their standard of living and heightened economic hardship. The sharp reminder of the extensive effects of the sanctions placed on Russia is provided by the devaluation of the ruble.

The imposition of sanctions on Russia has resulted in higher rates of unemployment and inflation, which has reduced the purchasing power of Russian nationals and made it harder for them to find employment and earn bread and butter for their families. Independent experts think the Russian government may have manipulated these numbers, despite the country’s government reporting relatively low unemployment rates. Sanctions-related supply chain disruptions, restricted access to foreign investment, and decreased economic activity all play a part in the loss of jobs. Another major issue has been an inflation, which has resulted in higher costs for necessities like consumer goods and services due to supply chain disruptions and the devaluation of the ruble. According to World Bank estimates, inflation hit 11.9% in 2022 and is predicted to stay high even though it will probably moderate in 2023.

Year	Inflation Rates
2023	5.90%
2022	13.70%
2021	6.7%

Chart 3- Source[iv]- Annual Inflation rates for Russia from 2021-2024

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Based on the available data, the annual inflation rates for Russia are displayed in chart 3, which displays a trend of fluctuations

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Over time. The annual rate of inflation in 2021 was 6.7%. The year 2022 saw a significant rise in inflation, with the annual rate reaching 13.7%. In 2023, inflation did, however, noticeably decline, with the annual rate falling to 5.9%. These numbers show the annual percentage increase in the general level of prices for goods and services in Russia for each individual year. The percentage increase in the average level of prices for goods and services over a given time period is indicated by inflation rates.

Chart 4-Source[v]-Tradingeconomics.com and Federal State Statistics Service.

A line graph depicting the absolute change in Russia's employment rate from the prior period is displayed in chart 4. The employment rate change percentage is shown on the y-axis of the chart, which spans the years 2020 to 2024. The employment rate is shown in the chart, fluctuating between periods with increases and decreases. Early in 2020 seems to have seen the biggest decline in employment, with a slow recovery taking place over the remainder of the year. With a few small variations, the employment rate in 2021 stayed largely constant. Early in 2022, there was another significant drop, but this time it recovered throughout the year. By 2023 and 2024, similar patterns of fluctuations persist.

The standard of living for common Russians has been greatly impacted by the combination of rising unemployment and inflation. Their incomes' declining purchasing power has made it more difficult for them to afford basic necessities and has put pressure on household budgets. These economic difficulties have surely been exacerbated by the sanctions, underscoring the intricate and wide-ranging effects of international sanctions. The sanctions have a big impact on the lives of regular Russian citizens even though their main goal was to put pressure on the Russian government.

The energy, banking, and technology sectors of the Russian economy have been severely impacted by the sanctions placed on Russia after its invasion of Ukraine. These effects have trickled down, resulting

In decreased productivity, a loss of jobs, and a reduction in innovation, all of which have an impact on Russian citizens' human security. One of the main pillars of the Russian economy, the energy sector has been specifically targeted by sanctions. Russia's ability to finance its military operations

And maintain overall economic stability has been impacted by restrictions on oil and gas exports, which have drastically decreased the country's revenue. Since the beginning of the war in Ukraine in February 2022, the price of Russian oil has dropped dramatically.

This decline is exacerbated following the start of sanctions against Russian oil tankers in December 2022 and the imposition of price caps on Russian oil by Western nations in December 2022. The price of Russian oil has fallen below the \$60 USD per barrel price cap, indicating a significant decline in Russian oil sales revenue[vi]. The limitations on Russian oil exports have resulted in a notable decline in Russia's oil revenue. Sanctions have also restricted Russian energy companies' access to foreign capital markets and technology, making it more difficult for them to maintain and invest in current infrastructure and launch new projects.

There has also been a significant impact on the financial sector. Sanctions have been imposed on Russian banks and financial institutions, hindering their access to foreign markets and transactional capabilities. This has complicated financial management and money transfers for Russian citizens abroad, hindered business operations, and decreased investment opportunities. Export controls have made it more difficult for the technology industry to acquire cutting-edge hardware and software. This has impeded innovation and delayed the growth of important industries, which has a negative effect on Russian companies' ability to compete on the international stage.

These sector-specific sanctions have resulted in a loss of jobs, a decrease in production, and a decline in innovation. Russian citizens' human security has been directly impacted by this, as it is now more difficult for them to get employment, obtain necessities, and engage in a thriving economy. The lives of common Russians have been profoundly impacted by the knock-on effects of these sanctions on industries, underscoring the intricate and wide-ranging effects of international sanctions.

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2.2.Social Impact

Russian citizens have been significantly impacted socially by the economic fallout from sanctions, which has resulted in a reduction in living standards, a rise in poverty and inequality, and a burden on social welfare,

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Healthcare, and educational systems. Many Russian citizens, especially those who are already vulnerable, have seen a significant decline in their standard of living because of the sanctions placed on Russia after its invasion of Ukraine. This is caused by several things, such as rising living expenses, fewer access points to necessities, and employment losses. Because of the sanctions, the ruble has lost value, increased the cost of imports and lowered Russian citizens' purchasing power. Because of this, it is now more difficult for regular Russians to afford basic needs like food and shelter, medicine, and electricity. The sanctions have further reduced the purchasing power of Russian citizens by causing inflation to rise.

The sanctions have also caused supply chain disruptions, which makes it more challenging for Russian businesses to import equipment and raw materials. The result has been a drop in output and job losses, which has further lowered Russian citizens' standards of living. The elderly, poor individuals, and people with disabilities are just a few examples of those whose living standards have been severely impacted by the sanctions. These groups frequently depend more on social services and government aid, both of which have been harmed by the sanctions.

The sanctions imposed in the aftermath of the Ukraine conflict have significantly affected Russia's healthcare system, with a particular emphasis on women, children, and prenatal care. The risks to vulnerable populations' health have been made worse by this. The sanctions against Russia have had a substantial impact on the lives of ordinary Russians, even though their primary goal was to put pressure on the Russian government to end its war in Ukraine. One direct result of the sanctions placed on Russia has been a decline in living standards for many citizens. There have been reports of diminished access to reproductive health services and supplies for women, including shortages of prenatal vitamins and contraceptives.

Inadequate prenatal care can lead to unintended pregnancies and complications during pregnancy. Inadequate prenatal care may also delay specialised treatments for conditions like breast cancer. Because of a lack of access to advanced screening technologies and specialized medications, pregnant women and prenatal children are at increased risk. This can lead to the undetected presence

Of fatal abnormalities or inadequate management of high-risk pregnancies. Sanctions may also result in an increase in nutritional deficiencies due to the impact on food imports and prices[vii].

The scarcity of paediatric medications, such as antibiotics and asthma treatments, has jeopardised the healthcare of children. Vaccine scarcity may cause outbreaks of preventable diseases. Treating chronic paediatric conditions may present greater challenges in maintaining or replacing specialised equipment. The overall strain on Russia's healthcare infrastructure has resulted in extended wait times for surgeries and treatments. Additionally, the strain on Russia's healthcare infrastructure has impacted mental health services, potentially leading to a rise in anxiety and depression among children and women. The exodus of healthcare professionals has exacerbated staffing shortages, particularly in specialised fields such as paediatrics and obstetrics, potentially reducing the quality of care readily available.

The sanctions imposed on Russia following its invasion of Ukraine have exacerbated existing inequalities and contributed to a rise in poverty. While intended to pressure the government, these measures have disproportionately impacted low-income households and marginalized groups, deepening existing social divides. The sanctions have led to a decline in GDP growth, a depreciating ruble, and increased inflation, all of which have eroded the purchasing power of ordinary Russians. This has made it harder for people to afford basic necessities, particularly for those already struggling with economic hardship. The sanctions have also disrupted supply chains and limited access to foreign investment, leading to job losses and reduced economic opportunities. This has hit low-income households and marginalized groups the hardest, as they are often employed in sectors most vulnerable to economic downturns.

The war between Russia and Ukraine in 2022 has

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Had a significant impact on Russia's poverty rate. Before the war, in 2022, Rosstat reported the lowest poverty level in Russia's post-Soviet history, with 15.3 million people, or 10.5% of the population, living below the poverty line. However, the war and subsequent economic sanctions have led to increased inflation and economic hardship. According to Putin's former chief economic adviser, the number of Russians living

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In poverty could potentially double or even triple because of the war. In the fourth quarter of 2023, around 7% of the Russian population lived under the poverty line, which was a decrease from the corresponding quarter of 2022, when it was close to 8%. However, these figures may not fully capture the extent of the increase in poverty due to the war and its aftermath[viii].

The World Bank estimates that the poverty rate in Russia increased in 2022, with the most vulnerable populations bearing the brunt of the economic hardship. This trend is likely to continue in the coming years, as the sanctions continue to impact the Russian economy. The rise in poverty and inequality in Russia is a direct consequence of the sanctions imposed on the country. While the sanctions were intended to achieve a positive outcome, their unintended consequences have exacerbated existing social problems and created a more unequal society.

The sanctions imposed on Russia following its invasion of Ukraine have had a detrimental impact on healthcare, education, and social welfare programs. These essential services, crucial for the well-being of Russian citizens, have been negatively affected due to reduced government funding and difficulties in accessing international aid. The sanctions have significantly impacted the Russian economy, leading to a decline in GDP growth and a depreciating ruble. This has forced the government to cut spending in various sectors, including healthcare, education, and social welfare.

The sanctions have also made it more difficult for Russia to access international aid, which has traditionally played a vital role in supporting these programs. This has further strained the government's ability to provide essential services to its citizens. The impact on healthcare has been

Particularly concerning. The sanctions have made it more difficult for Russia to import essential medical equipment and supplies, leading to shortages and disruptions in healthcare services. This has put a strain on the healthcare system and has made it more difficult for people to access essential medical care.

The sanctions have also had a negative impact on education. The government has been forced to cut funding for schools and universities, leading to a decline in the quality of education and a reduction

in access to education for many children. The sanctions have also impacted social welfare programs, making it more difficult for people to access essential services, such as food assistance, housing assistance, and childcare. This has further exacerbated the economic hardship faced by many Russian citizens.

3. Policy Recommendations

To mitigate the negative effects of sanctions on human security, the following policy recommendations are proposed:

- **Targeted Sanctions:** Targeted sanctions that focus on specific individuals or entities responsible for human rights violations can help to reduce the unintended consequences of sanctions on ordinary citizens. This approach aims to hold those responsible for human rights abuses accountable without harming the entire population.
- **Humanitarian Assistance:** Mechanisms to provide humanitarian assistance to vulnerable populations affected by sanctions are essential to mitigate their negative impact. This includes providing food, medicine, and other essential goods and services to those who are in need.
- **Transparency and Accountability:** Increased transparency and accountability in the implementation of sanctions are crucial to ensure that they are used effectively and ethically. This includes publishing clear criteria for imposing sanctions, providing regular updates on their impact, and establishing mechanisms for independent monitoring and evaluation.
- **Alternative Mechanisms for Addressing International Disputes:**

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- The development of alternative mechanisms for addressing international disputes, such as diplomacy, mediation, and arbitration, can help to reduce the reliance on sanctions as a foreign policy tool. These mechanisms can provide more sustainable and peaceful solutions to international conflicts

Conclusion

This research paper has delved into the complex consequences of sanctions on Russian citizens, revealing a multifaceted impact that often extends beyond the intended targets.

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While sanctions are employed as a tool to exert pressure on states engaging in conflict or violating international norms, their unintended consequences on ordinary citizens, particularly those already vulnerable, warrant serious consideration.

The research has revealed a sobering reality: sanctions, while aimed at achieving specific foreign policy objectives, can inadvertently exacerbate existing vulnerabilities and create new ones for individuals within the targeted nation. The decline in living standards, fuelled by economic hardship, inflation and disrupted supply chains, disproportionately affects vulnerable groups like the elderly, the poor, and those with disabilities, who rely heavily on government assistance and social services, often impacted by sanctions.

The rise in poverty and inequality, a direct consequence of the sanctions-induced economic downturn, further underscores the detrimental effects on marginalized communities. These groups, already facing limited access to resources and opportunities, bear the brunt of the economic hardship, deepening existing social divides, and exacerbating inequalities.

The impact on essential services like healthcare, education, and social welfare programs highlights the far-reaching consequences of sanctions. Reduced government funding and limited access to international aid has created a domino effect, hindering the delivery of crucial service which further translates to shortages in medical supplies, a decline in the quality of education, and reduced access to essential social welfare programs, additionally amplifying the economic hardships faced by Russian citizens.

This research paper has tried to make several original contributions to the understanding of international sanctions and their multiple impacts on human security. It provides a comprehensive analysis of the impact of sanctions on Russian citizens, examining their economic and social consequences. The policy recommendations which have proposed in this paper can inform future policy decisions regarding the use of sanctions and also highlight the need for more nuanced and ethical approach to sanctions, one that considers the potential for unintended consequences and prioritizes the protection of human security.

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