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On the impact of sanctions on the Russian economy

In this article we provide preliminary estimates on the aggregate economic effects of the sanctions imposed on Russia in 2022 and discuss them in light of the previous literature. We also evaluate the importance of various factors in strengthening or weakening the economic effects of the sanctions. Our analysis suggests that the aggregate-level economic impact of the sanctions on Russia has not been small, but not exceptionally high either in comparison to the estimates presented in the literature. The impact of the sanctions has been strengthened by the extensive coverage of the sanctions and the importance of the sanctioning countries as economic partners for Russia. The impact of the sanctions has been mitigated by emerging economies opting out from the sanctioning coalition and by government support measures. The effects of the sanctions have been more pronounced in the specific sectors that they are targeting.