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How Economic Sanctions Are Redrawing the Economic and Geopolitical Landscape: The Case of Russia

Abstract

This thesis examines the transformative role of economic sanctions in reshaping global power dynamics, with a focus on the Russian Federation following its 2022 invasion of Ukraine. Moving beyond conventional assessments of sanctions as coercive tools, the study explores their systemic, normative, and performative dimensions — arguing that sanctions function not only as instruments of pressure but as strategic devices embedded in broader geopolitical logics.

Through a multi-level impact framework, the research analyzes Russia's economic adaptation, financial de-dollarization, and geopolitical realignment toward China and the Global South. It highlights how sanctions have triggered a silent transformation: fragmenting trade flows, deepening currency dependencies, and accelerating the erosion of Euro-Russian interdependence. Simultaneously, the thesis assesses the return costs for sender countries, particularly the European Union, whose normative ambitions are constrained by institutional fragility and strategic ambiguity.

The study also interrogates the evolving posture of the United States, where sanctions shift from normative enforcement to transactional leverage, and considers the implications of a multipolar order in which sanctions may reinforce polarization rather than convergence. A scenario taxonomy outlines ten possible trajectories for the Russia–Ukraine conflict, each with distinct consequences for the future of sanctions.

Ultimately, the thesis argues that sanctions are no longer technical measures but practices of power—capable of redefining strategic space, shaping alliances, and signaling intent. Their effectiveness lies not in immediate outcomes but in their capacity to condition long-term behaviour and reconfigure the architecture of global order.

Introduction

The Rise of Economic Sanctions in Global Politics

In the 21st century, economic sanctions have emerged as one of the most widely used and controversial instruments of contemporary foreign policy. In a global context marked by increasing economic interdependence, the crisis of multilateralism, and the transformation of traditional warfare, sanctions represent a form of “low-intensity” coercion with high impact—often preferred over direct military intervention due to their greater flexibility, reversibility, and perceived legitimacy. They are restrictive measures adopted by one or more states—or international organizations—with the aim of modifying the behavior of a target actor, which may be a state, a non-state entity, or an individual (Felbermayr et al., 2020; Masters, 2024).

Sanctions can take various forms: trade embargoes, financial restrictions, asset freezes, travel bans, export controls, and the suspension of bilateral or multilateral agreements. Their application is justified by a plurality of motivations: promoting human rights, defending democracy, preventing nuclear proliferation, combating terrorism, responding to armed conflict, or punishing serious violations of international law (Kaempfer and Lowenberg, 2007; Baldwin, 2001). However, behind

these normative justifications often lie strategic interests, power dynamics, and processes of international legitimation.

Historically, the use of sanctions has undergone significant evolution. During the Cold War, they were primarily employed as ideological and geopolitical tools, often unilaterally and with devastating side effects. Sometimes, these side effects outweighed the achievement of the sanctions' primary objective. The global trade embargo imposed on Iraq in the 1990s, for example, caused severe humanitarian consequences without achieving regime change (Gordon, 2010). The U.S. embargo against Cuba, initiated in 1960 and still in force, is one of the longest-standing examples of unilateral sanctions, with significant economic impact but limited political effectiveness (Hufbauer et al., 2007). Multilateral sanctions against North Korea, coordinated by the UN Security Council, have sought to contain the regime's nuclear program, but without lasting results (Nikitin, 2022).

The case of Iran represents a more complex and ambivalent trajectory. International sanctions, combined with diplomatic pressure, contributed to the signing of the 2015 nuclear agreement (Joint Comprehensive Plan of Action, JCPOA), considered a success of multilateral diplomacy. However, the unilateral withdrawal of the United States from the agreement in 2018 and the reintroduction of sanctions undermined the progress made, fueling regional tensions and strengthening radical factions within the Iranian regime (Nephew, 2018), culminating in the crisis known as the "12-day war," with attacks by Israel and the United States on nuclear sites suspected of enriching uranium for purposes other than civilian use.

These historical cases highlight a structural tension in the logic of sanctions: on the one hand, they aim to coerce, deter, or punish; on the other, they can produce counterproductive effects, strengthening authoritarian regimes, harming civilian populations, and fueling nationalist or anti-Western sentiments. Moreover, the effectiveness of sanctions depends on multiple variables: the degree of international coordination, the economic and institutional resilience of the target country, the availability of alternative trade and financial partners, the ability to construct a legitimizing narrative, and the duration of the measures (Pape, 1997; Peksen, 2019).

In the past two decades, sanctions have become increasingly sophisticated, selective, and integrated into broader foreign policy strategies. The adoption of "smart" or "targeted" sanctions—aimed at specific individuals, strategic sectors, or dual-use goods—seeks to maximize political effectiveness while reducing collateral damage. At the same time, the growing use of sanctions by non-state actors, such as multinational corporations or digital platforms, has expanded the field of economic coercion, transforming it into a hybrid and multidimensional instrument.

In this context, sanctions are no longer merely technical measures or reactive tools: they have become structural elements of global governance, capable of redefining international relations, shaping system norms, and influencing the distribution of power. Their growing centrality raises fundamental questions about their legitimacy, effectiveness, and long-term sustainability.

Types and Legal Dimensions of Sanctions

Economic sanctions are not a monolithic bloc but rather a complex array of forms, purposes, and legal foundations. Their classification is essential to understanding their operational logic, margins of legitimacy, and strategic implications. In the literature, four major categories are commonly distinguished: primary sanctions, secondary sanctions, global sanctions, and targeted (or “smart”) sanctions.

Primary sanctions are measures adopted by a state against foreign entities, prohibiting its own citizens and companies from engaging in economic, financial, or commercial relations with designated targets. This is a classic foreign policy tool based on the principle of normative sovereignty.

Secondary sanctions, by contrast, extend the extraterritorial reach of national legislation, threatening to penalize third parties—even those not belonging to the sanctioning state—that maintain relations with sanctioned entities. This mechanism, widely used by the United States against Iran, Russia, Venezuela, and Cuba, has sparked extensive controversy under international law, as it may violate principles of sovereignty, non-interference, and sovereign equality (Bismuth, 2023; Aaken, 2019).

Another key distinction is between global and targeted sanctions. The former aim to isolate entire economies or strategic sectors through trade embargoes, generalized financial restrictions, investment bans, and the suspension of multilateral agreements. Historical examples include sanctions against Iraq in the 1990s, Libya in the 1980s, or North Korea in the 2000s. However, the disproportionate impact of these measures on civilian populations has drawn increasing criticism from humanitarian organizations, scholars, and international institutions (Gordon, 2010).

In response, the 2000s saw the rise of the targeted sanctions paradigm. These measures focus on individuals, companies, sectors, or specific goods, aiming to maximize political pressure while minimizing collateral damage. Targeted sanctions include asset freezes, travel bans, restrictions on dual-use technologies, and limitations on access to financial markets. They are now the preferred tool of actors such as the European Union, which has developed a comprehensive sanctions regime under its Common Foreign and Security Policy (CFSP).

From a legal standpoint, the legitimacy of sanctions depends on their normative source. Multilateral sanctions adopted by the UN Security Council under Chapter VII of the UN Charter enjoy broad international legitimacy. They are binding on all member states and rest on a clear and shared legal foundation.

Unilateral sanctions, by contrast, imposed by individual states or regional organizations, are more controversial. While they may be justified on moral, strategic, or self-defence grounds, they raise questions about their compatibility with customary international law, the UN Charter, and WTO principles (Mohamad, 2015; Hovell, 2019).

The European Union has developed its own legal framework for imposing restrictive measures, which requires unanimity among member states and provides for judicial review by the Court of Justice of the EU. The Court has played a crucial role in safeguarding fundamental rights, annulling individual designations on multiple occasions for violations of due process, the right to defense, and procedural transparency (Van den Herik and Van Bergeijk, 2024).

Finally, it is important to note that sanctions are not merely legal or economic instruments—they are also political and symbolic acts. They signal international disapproval, reinforce shared norms, and contribute to the construction of a rule-based international order. Yet, precisely because of their ambivalent nature—between law and power, norm and strategy—they require careful evaluation of their effects, legal foundations, and systemic implications.

Theoretical Perspectives and the Multipolar Order

The analysis of economic sanctions lends itself to interpretation through various theoretical lenses in international relations, each highlighting different aspects of their function, effectiveness, and systemic implications.

The main schools of thought—realism, liberalism, and constructivism—offer complementary and sometimes contrasting readings of the sanctioning phenomenon, contributing to a more nuanced understanding of its role in the contemporary global order.

From a realist perspective, sanctions are instruments of power politics. They are not designed to promote universal values or reinforce shared norms, but to pursue national interests, contain rivals, and preserve the balance of power. In this logic, sanctions represent a form of non-military coercion, useful for exerting pressure on adversarial states without resorting to direct force (Mearsheimer, 2001). The systematic use of sanctions by the United States against Iran, Russia, Venezuela, and more recently China fits squarely within this logic: they aim to limit the rise of revisionist powers and defend U.S. strategic supremacy in key areas such as energy, finance, and technology.

The liberal school, by contrast, emphasizes the role of international institutions, legal norms, and economic interdependence. From this perspective, sanctions can be effective if embedded in a multilateral, legitimate, and shared framework. They represent a collective signal of commitment to common values—such as human rights, non-proliferation, or the defense of democracy—and can strengthen international cooperation, especially if accompanied by positive incentives and reintegration pathways (Keohane and Nye, 1977). The European Union’s sanctions regime, which requires unanimity among member states and is subject to judicial oversight, reflects this institutionalist and normative approach.

Constructivist scholars focus instead on the symbolic, normative, and discursive dimensions of sanctions. They are not merely material instruments of coercion but performative acts that express moral judgments, reinforce international norms, and contribute to the construction of collective identities. Sanctions can stigmatize behaviors deemed deviant, reinforce the distinction between the “international community” and “rogue states,” and shape global discourse on sovereignty, responsibility, and legitimacy (Finnemore and Sikkink, 1998). The sanctions imposed on Russia following the 2022 invasion of Ukraine, for example, had a performative and symbolic function: they represented a collective rejection of aggression and an affirmation of a rules-based international order.

In the current context, marked by a transition toward a multipolar order, sanctions operate in an increasingly competitive, fragmented, and contested environment. The unipolar moment of U.S. dominance that emerged after the Cold War is giving way to a more fluid system, in which emerging powers such as China, India, Brazil, and Turkey, along with regional blocs like the BRICS, challenge Western hegemony and promote alternative models of global governance (Chivvis, 2025; Bai, 2024). In this scenario, the effectiveness of sanctions depends not only on their severity or precision but also on the target country’s ability to access alternative markets, build autonomous financial infrastructures, forge strategic alliances, and mobilize counter-hegemonic narratives. Sanctioned states are learning to resist and adapt: they develop de-dollarization strategies, promote the use of alternative currencies, create parallel payment systems (such as SPFS and CIPS), strengthen ties with non-Western partners, and frame sanctions as neo-imperialist tools of control.

This dynamic raises fundamental questions about the long-term utility of sanctions: can they still function as effective tools of global governance, or are they becoming symbols of a declining liberal order? The growing resilience of sanctioned countries, coupled with the fragmentation of the international economic order, suggests that sanctions may be losing part of their systemic effectiveness, transforming into instruments of polarization rather than normative convergence.

Economic Sanctions as Instruments of Hegemonic Power

In the theoretical debate on international relations, economic sanctions are not merely tools of pressure or punishment: they represent a sophisticated form of power projection, particularly when employed by hegemonic states to shape the international order according to their interests. From this perspective, sanctions must be understood not only in terms of what they do, but also in terms of what they signify: they are instruments of global governance, capable of defining norms, delineating acceptable behaviors, and reinforcing power hierarchies.

According to structural realist theory, hegemony manifests in a state's ability to set the rules of the international game (Gilpin, 1981; Keohane, 1984). Sanctions, in this context, are not exceptions but ordinary mechanisms of systemic control. They allow the hegemon to exercise coercion without resorting to military force, punish normative deviations without requiring multilateral consensus, and reinforce its centrality in global economic and financial networks.

Susan Strange (1988) defined this type of influence as "structural power": the ability to shape the conditions under which other states must operate. Sanctions embody this power through:

- control over global financial infrastructures (e.g., SWIFT, dollar clearing systems);
- the use of legal extraterritoriality, which extends the reach of national law beyond borders (e.g., U.S. secondary sanctions);
- the production of normative legitimacy, often through appeals to universal values such as democracy or human rights.

The United States has institutionalized this role through the Office of Foreign Assets Control (OFAC), the dominance of the dollar, and its ability to influence global private actors. Secondary sanctions, in particular, have transformed U.S. law into a kind of "de facto" global norm, compelling even third-party entities to comply in order to avoid exclusion from the American market (Farrell and Newman, 2019; Bismuth, 2023). In this sense, sanctions are not only enforcement tools but also instruments of legal and normative ordering.

However, the systematic use of sanctions may also signal a crisis of hegemony. When coercion replaces consensus, the hegemon's authority weakens. In line with Giovanni Arrighi's theory of hegemonic cycles (1994), the overuse of sanctions may accelerate the search for alternatives by targeted states:

- de-dollarization and the use of alternative currencies (e.g., yuan, ruble, rupee);
- parallel payment systems (e.g., Russia's SPFS, China's CIPS);
- strategic alliances among sanctioned regimes, which share resources, technologies, and mutual legitimacy.

This dynamic suggests that sanctions not only reflect the existing order but also contribute to transforming it. They can reinforce hegemony, but also erode it, depending on the system's ability to absorb their effects and the reactions of targeted actors. In this sense, sanctions become both a symptom and a catalyst of hegemonic decline.

The interpretation of sanctions as hegemonic instruments intersects with other theoretical perspectives:

- Neo-Gramscianism views them as tools of “passive revolution,” through which dominant elites seek to restore consensus and order, masking coercion with the language of legality and rights (Cox, 1987).
- World-systems theory reads them as disciplinary mechanisms of the “core” against the “semi-periphery,” serving to maintain global hierarchy (Wallerstein, 2004).
- Normative constructivism emphasizes how sanctions help construct political and moral identities, reinforcing the distinction between the “international community” and “deviant states” (Finnemore and Sikkink, 1998).

Finally, sanctions can also be understood as instruments of “lawfare”—the strategic use of law as a geopolitical weapon. Through the imposition of sanction regimes, hegemonic states not only exercise economic power but also legal power, imposing their norms, interpretations, and standards of legitimacy on a global scale (Kittrie, 2016).

In summary, economic sanctions are far more than technical tools: they are expressions of power, narratives of legitimacy, and acts of global ordering. Understanding them through a hegemonic lens means recognizing their role in producing, contesting, and transforming the international order.

Sanctions in the Digital Era and the Post-2022 Global Context

The evolution of sanctions in the 21st century has been profoundly influenced by technological transformation and the growing interconnection between the economy, cyberspace, and geopolitics. In recent years, a new generation of technological sanctions has emerged, aimed at limiting access to strategic technologies such as advanced semiconductors, artificial intelligence, critical software, and digital infrastructure. The United States and its allies have imposed export controls on China and Russia, justifying them with the need to contain technological transfers for military purposes. This approach reflects a broader strategy of techno-economic containment, in which supremacy in innovation becomes a geopolitical objective.

In parallel, a cyber dimension of sanctions has developed. The European Union and other actors have adopted specific sanction regimes targeting individuals and groups responsible for

cyberattacks, disinformation, and digital espionage (Council of the EU, 2023). These measures raise new legal challenges related to attribution, proportionality of response, and the risk of escalation. Digital sanctions also intersect with platform regulation, data protection, and the security of critical infrastructure, making cyberspace a new normative battleground.

Russia's invasion of Ukraine in 2022 marked a turning point. In response, an unprecedented wave of coordinated sanctions was launched, not only by states but also by private actors. Multinational corporations, financial institutions, and digital platforms suspended operations in Russia, contributing to its economic and symbolic isolation. This phenomenon, referred to as "private sanctions" or "corporate exit," demonstrates how economic coercion has become a hybrid field, where public and private actors act in synergy (Hart et al., 2022). Companies, driven by reputational, regulatory, or moral pressures, have taken an active role in reshaping global economic relations.

At the same time, the reaction of the so-called Global South has intensified. Countries such as India, Brazil, South Africa, and many African states have expressed skepticism toward Western sanctions, denouncing their selective nature, humanitarian impact, and extraterritorial reach. Initiatives such as BRICS-led de-dollarization, the creation of alternative payment systems (e.g., CIPS, SPFS), and the promotion of regional trade blocs indicate a trend toward building a more fragmented but also more pluralistic global economy (Dobozi, 2023; Bai, 2024).

In this context, sanctions are no longer merely enforcement tools: they become catalysts of systemic transformation, accelerating the transition toward a multipolar order. They help redefine alliances, restructure value chains, and reshape global financial architectures. Their effectiveness can no longer be assessed solely in terms of immediate objectives (e.g., withdrawal from a territory, cessation of a nuclear program), but must be analysed in light of their long-term consequences: on the legitimacy of international institutions, economic justice, and geopolitical stability.

Ultimately, 21st-century economic sanctions lie at the intersection of power, technology, and global order. They reflect the tensions of a world in transition, where competition between governance models, normative fragmentation, and the politicization of interdependence are redefining the rules of the international game. Understanding sanctions today therefore means understanding the deeper dynamics of global power.

Chapter 1 – The Case of Russia

1.1 Why Were Sanctions Imposed on Russia?

The imposition of sanctions against the Russian Federation represents one of the most extensive, coordinated, and enduring instances of economic coercion in contemporary history. The first wave of restrictive measures was adopted in 2014, in response to Russia's unilateral annexation of Crimea and its support for separatist movements in the Donbas. These actions were widely condemned by the international community as violations of Ukraine's sovereignty and territorial integrity, in contravention of fundamental principles of international law enshrined in the Charter of the United Nations (Van den Herik and Van Bergeijk, 2024).

Initial sanctions, introduced by the United States, the European Union, Canada, Australia, and other actors, targeted individuals and companies linked to Russia's political and military leadership, as well as strategic sectors such as defense, energy, and finance. However, it was Russia's full-scale invasion of Ukraine on 24 February 2022 that triggered a sanctions response unprecedented in scale, severity, and multilateral coordination (Caprile and Cirlig, 2025).

The stated objectives of the sanctions were multifaceted:

- to deter further military aggression and compel Russia to withdraw from Ukrainian territory;
- to weaken the aggressor's economic, technological, and military capabilities;
- to isolate Moscow diplomatically and signal international condemnation of the invasion (Giumelli, 2024).

The sanctions architecture rapidly expanded, including:

- the freezing of assets and travel bans targeting over 1,800 Russian individuals and entities, including oligarchs, government officials, Duma members, and military leaders;
- financial restrictions such as the exclusion of major Russian banks from the SWIFT system, blocking transactions with the Russian Central Bank, and banning new investments;
- export controls on dual-use technologies, semiconductors, aerospace components, critical software, and equipment for energy extraction;
- import bans on Russian oil, coal, and gas — with the European Union progressively reducing its energy dependence, while the United States and the United Kingdom imposed full embargoes.

Beyond the war in Ukraine, the United States justified the adoption of additional sanctions based on allegations of election interference, cyberattacks, human rights violations, and domestic repression. Initially more cautious due to its historical dependence on Russian gas, the European Union adopted

18 sanctions packages between 2022 and 2025 (the latest one being adopted last July 18th), progressively expanding the scope of restrictions and strengthening enforcement and monitoring mechanisms (Caprile and Cirlig, 2025).

Sanctions were not conceived merely as punitive instruments, but also as strategic tools. They aimed to:

- limit Russia's access to international capital markets;
- obstruct the transfer of advanced technologies;
- delegitimize the Russian regime symbolically and diplomatically.

The underlying assumption was that sustained, coordinated, and multilayered economic pressure could force Moscow to adjust its behavior, or at the very least diminish its capacity to sustain military aggression. However, the effectiveness of these measures remains contested. On one hand, they have imposed substantial costs on the Russian economy; on the other, Russia has demonstrated significant adaptability — redirecting trade flows, strengthening ties with non-Western powers, and advancing an alternative narrative of the global order.

1.2 The Evolution of Sanctions from 2014 to 2025

The sanctions regime imposed on Russia between 2014 and 2025 stands as a paradigmatic case of escalation, adaptation, and institutionalization of economic coercion. What initially emerged as a limited response to the annexation of Crimea evolved, over the course of a decade, into a complex, multilayered, and highly coordinated system — one that has redefined the role of sanctions in international diplomacy. This development reflects not only the dynamics of the Russian-Ukrainian conflict, but also the growing centrality of sanctions in foreign policy.

1.2.1 From Crimea to Donbas: The 2014–2021 Phase

Sanctions adopted in 2014 by the United States, the European Union, and other Western actors were initially narrow and calibrated to avoid military escalation. These included asset freezes and travel bans targeting individuals involved in the annexation of Crimea, restrictions on banks and defense-related companies, and bans on exports of dual-use goods. The goal was twofold: to signal a breach of international law and to impose selective costs without jeopardizing global economic stability (Van den Herik and Van Bergeijk, 2024).

However, the sanctions regime remained fragmented and uneven. The European Union, heavily dependent on Russian energy supplies, hesitated to adopt more forceful measures — such as blocking Nord Stream pipelines or implementing an oil price cap — which would only be enacted

years later. The United States, although more assertive, was constrained by legal boundaries and geopolitical considerations. Russia, in turn, responded with countersanctions on agricultural imports and embarked on a path of economic self-reliance that would lay the groundwork for future resilience.

Between 2014 and 2021, sanctions gradually expanded in response to specific events: cyberattacks (e.g., SolarWinds), election interference, internal repression, and the poisoning of opposition figure Alexei Navalny (Congressional Research Service, 2024).

Nevertheless, these measures remained largely reactive, lacking a coherent strategy or effective multilateral coordination. This approach stands in contrast to the framework proposed by numerous scholars, who argue that sanctions should be embedded within a diplomacy-oriented negotiation strategy. Cortright (2000) suggests that “sanctions work best when accompanied by credible incentives,” while Nephew (2018) describes them as “tools for building leverage,” not merely punitive acts. Likewise, Jentleson (2000), Biersteker (2016), and Portela (2010) emphasize that the effectiveness of sanctions depends on their ability to open pathways for dialogue and reintegration. In this sense, the fragmented nature of the European sanctions regime weakened its diplomatic function, limiting its systemic impact. It is worth noting here that the ultimate purpose of any war — and of the measures accompanying it — is peace. But peace can take different forms: a compromise-based peace founded on reciprocal concessions and reintegration, or a peace of capitulation unilaterally imposed on the defeated party.

Zartman (2000) speaks of a “ripe moment” for negotiation, occurring when parties recognize that continuing the conflict is costlier than engaging in talks. Walter (2002) argues that negotiated peace requires credible guarantees and mutual commitments, while Iklé (1976) distinguishes between shared agreements and imposed surrenders, warning that the absence of reintegration may turn peace into an unstable truce.

If conceived as a diplomatic instrument, sanctions should aspire toward a compromise-based peace, avoiding the hardening of conflicts and the closure of dialogue channels.

1.2.2 The 2022 Turning Point: Escalation and Coordination

Russia’s full-scale invasion of Ukraine in February 2022 marked a pivotal watershed. Western governments reacted with unprecedented speed and coordination, imposing a comprehensive package of measures targeting finance, energy, technology, and diplomacy simultaneously.

Among the most significant initiatives were:

- the freezing of over \$300 billion in assets belonging to the Russian Central Bank;

- the exclusion of major Russian banks from the SWIFT international payment system;
- the ban on exports of semiconductors, aerospace components, and advanced technologies;
- the imposition of price caps on oil and a gradual embargo on gas and coal (Caprile and Cirlig, 2025).

This phase was defined by horizontal escalation (involving more sectors), vertical escalation (increased severity of measures), and multilateral action. G7, EU, and NATO members coordinated their responses, amplifying the impact of individual measures and reducing the potential for circumvention.

As outlined in Chart 1.1, the evolution of EU sanctions against Russia between 2014 and 2025 unfolds in distinct phases, each triggered by geopolitical developments (e.g. the annexation of Crimea, escalation in Donbas, the poisoning of ex-KGB agent Sergei Skripal and opposition leader Alexei Navalny, the invasion of Ukraine), and accompanied by progressive institutional and regulatory reinforcement.

Chart 1.1: Timeline of major EU sanctions packages against Russia (2014–2025)



Source: Council of the European Union, “Timeline of EU sanctions against Russia” (updated June 2025)

1.2.3 Institutionalization and Legal Innovation

Between 2023 and 2025, the sanctions regime underwent significant institutional and legal consolidation. The European Union established a dedicated Sanctions Coordination Task Force, while the U.S. Treasury expanded the scope of the Office of Foreign Assets Control (OFAC).

New instruments were introduced through Council Regulation (EU) 2023/1214–1215, aimed at:

- criminalizing the circumvention of sanctions;
- regulating cryptocurrency-based transactions;
- enabling the seizure and redistribution of frozen assets for reconstruction purposes (Giumelli, 2024).

These developments increased the regulatory complexity of enforcement. European and British courts examined appeals against individual designations, raising legal questions of proportionality, transparency, and the right to defense. At the same time, debates emerged on the legality of secondary sanctions and the extraterritorial application of national legislation.

In response, Russia adopted retaliatory laws aimed at penalizing compliance with foreign sanctions and protecting domestic companies. This reciprocal legal escalation underscored a broader trend in global economic governance, where sanctions are no longer merely financial tools, but contested instruments of lawfare and sovereign control.

1.3 Russia's Strategic Response

The invasion of Ukraine and the ensuing wave of Western sanctions posed a systemic challenge to the Russian Federation, one that required a multifaceted response across economic, financial, geopolitical, and narrative domains. Far from yielding to pressure, the Kremlin adopted a strategy of adaptation and resilience aimed at reinforcing national autonomy, advancing negotiating proposals and exit strategies, consolidating internal control, and cultivating new international alliances.

This response was not improvised but rather built upon a trajectory initiated after the 2014 sanctions, which had already laid the groundwork for a gradual decoupling from Western dependence.

1.3.1 Economic Adaptation and Import Substitution

A core pillar of Russia's response involved relaunching its import substitution policy, particularly targeting the production of armaments and materials aimed at sustaining its war effort — a strategy first implemented after the annexation of Crimea. Post-2022, this approach acquired a systemic character, with the aim of reducing vulnerability to disruptions in global supply chains.

Government incentives bolstered domestic production across critical sectors such as agriculture, pharmaceuticals, defense industries, and electronics. In certain areas — notably agri-food — Russia achieved levels of self-sufficiency that exceeded expectations, even becoming a net exporter (Prokopenko, 2023). Nonetheless, in high-tech domains such as microelectronics, civil aviation, and robotics, dependence on Western components persisted. EU export restrictions on critical

technologies contributed to structural bottlenecks, weakening Russia's industrial output and innovation capacity (Caprile and Cirlig, 2025).

To stabilize the financial system, the government implemented capital controls, restricted foreign currency transactions, and mandated repatriation of export revenues. These policies helped avert a ruble collapse and mitigate capital flight but also fueled inflation and undermined investor confidence (Gorodnichenko et al., 2024).

1.3.2 Financial Sovereignty and De-dollarization

Another strategic axis was Russia's push to reinforce financial sovereignty. The Central Bank increased gold reserves, reduced holdings of U.S. Treasury securities, and promoted the use of alternative currencies — chiefly the Chinese yuan — in commercial transactions. De-dollarization became a political priority not only for economic resilience but also as a means of geopolitical decoupling (Dobozi, 2023).

Russia also expanded its domestic payment system (SPFS) as an alternative to SWIFT and encouraged partners to adopt China's CIPS platform. These efforts reflect a broader trend among sanctioned states: building parallel financial infrastructures to minimize exposure to Western systems and enhance systemic resilience.

1.3.3 Strategic Alliances and Geopolitical Reorientation

Internationally, Russia accelerated its pivot toward non-Western powers, strengthening ties with China, India, Iran, and several African and Latin American nations. The strategic partnership with China deepened across sectors ranging from energy to defense, underpinned by a shared critique of the Western-led global order. Bilateral trade surged to record highs in 2024, with an increasing share settled in local currencies (Reuters, 2025). Russia also increased its engagement in non-Western multilateral platforms, including the BRICS, the Shanghai Cooperation Organization (SCO), and the Eurasian Economic Union (EAEU). These forums offer not only economic opportunities but also political legitimacy and diplomatic cover, contributing to the construction of a multipolar international order that challenges Western dominance (Pucek, 2024).

1.3.4 Domestic Consolidation and Political Control

Domestically, the Kremlin leveraged the sanctions to consolidate political control and reinforce its authority. The narrative of a "besieged fortress" was mobilized to justify increased state intervention in the economy, intensified restrictions on civil society, and systematic repression of dissent.

Independent media outlets were shut down, foreign NGOs expelled, and new laws criminalized criticism of the armed forces or cooperation with foreign entities (Bernatskyi, 2025). This strategy strengthened internal cohesion and support for the leadership, even amid economic deterioration. Nationalism was fostered as an identity-based response to external pressure, turning sanctions into a catalyst for authoritarian legitimacy.

1.4 Sanctions and the Russian Narrative: Legitimacy, Propaganda, and Strategic Communication

Beyond their economic, legal, and geopolitical dimensions, international sanctions against Russia have had a profound impact on the symbolic and discursive plane. The Kremlin successfully reframed external pressure as a narrative resource — portraying sanctions not as a response to aggression, but as part of a broader Western strategy aimed at containing Russia, undermining its sovereignty, and delegitimizing its global role. This narrative has had considerable effects both domestically — bolstering consensus and cohesion — and internationally, particularly among countries in the Global South.

1.4.1 The “Fortress Russia” Discourse

From 2014 onward — and even more intensively since 2022 — Russian state media and official rhetoric have promoted the image of a besieged yet resilient Russia: a “fortress” surrounded by external enemies, united in defense of its sovereignty and cultural identity.

Sanctions have been presented not as legally legitimate tools, but as acts of economic warfare, expressions of a neo-imperialist strategy designed to thwart Russia’s rise as an independent power (Bernatskyi, 2025). This narrative is deeply rooted in historical memory, evoking the Siege of Leningrad, the Cold War, and Soviet resistance to encirclement. The Kremlin has skilfully mobilized patriotic symbols, references to the “Great Patriotic War,” and a moral language of self-defence — contrasting “traditional Russian values” with the alleged moral decline of the West.

In this context, sanctions become a badge of honor: proof that Russia is defying global hegemony and enduring the cost of its own survival.

1.4.2 Strategic Communication Abroad

At the international level, Russia has crafted a sophisticated communication strategy aimed especially at the Global South. Through outlets such as RT, Sputnik, and digital embassies, Moscow has sought to delegitimize Western sanctions by emphasizing:

- their indirect humanitarian impact (e.g., rising global energy and grain prices);
- their selective and politically motivated nature;
- their extraterritorial reach and infringement on economic sovereignty.

Russia has positioned itself as a defender of multipolarity and sovereign development, contrasting its approach with what it describes as Western “double standards.” This narrative has resonated with many countries that have colonial histories or tense relations with Western powers — thus strengthening Russia’s soft power across Africa, Asia, and Latin America.

In addition, Russia’s active participation in platforms such as the BRICS, SCO, and G77 has provided diplomatic arenas to challenge the legitimacy of sanctions and promote alternative norms of international conduct. In these spaces, Moscow has aimed to construct narrative coalitions — presenting itself not as a rogue aggressor but as part of a global front against unilateralism.

1.4.3 The Limits of Narrative Power

Nevertheless, the effectiveness of Russia’s narrative strategy reveals clear limits. While it has contributed to internal cohesion and secured a degree of diplomatic backing in certain regions, it has not reversed Russia’s global isolation nor restored access to Western capital and technology.

Moreover, the Kremlin’s messaging has been undermined by its own actions: the invasion of Ukraine, documented violations of humanitarian law, and domestic repression have all diminished the appeal of Russia’s narratives in many parts of the world.

Still, the Russian case illustrates how sanctions function not only as economic tools but also as discursive weapons. They shape identities, alliances, and perceptions of legitimacy.

The capacity to withstand sanctions does not rely solely on economic strength, but also on the ability to build an effective narrative — one capable of mobilizing domestic support and attracting external solidarity.

In this respect, the communicative dimension of sanctions is integral to their strategic effectiveness. Ignoring it means underestimating the role of perception, emotion, and representation in contemporary international politics.

Chapter 2 – The Impact Assessment of Sanctions

2.1 – The Effectiveness of Economic Sanctions: Impacts, Conceptual Controversies, and Strategic Ambiguities

In 432 BCE, Athens imposed a commercial embargo on Megara, accusing it of violating sacred borders and supporting Sparta. Although the measure appeared technical, it was perceived as a hostile act and contributed to the outbreak of the Peloponnesian War. This episode is now considered one of the earliest historical examples of economic sanctions: a non-military yet strategically destabilizing instrument (Giumelli, 2011). From their inception, sanctions have been inherently ambiguous — at once normative and coercive, diplomatic and conflictual.

In the 21st century, economic sanctions have become routine instruments of foreign policy, employed against authoritarian regimes, normative violations, and systemic threats, but also for economic and regulatory objectives (Drezner, 2011). Yet despite their widespread use, the concept of effectiveness remains controversial, subject to theoretical disputes and methodological divergences.

According to the conventional view — challenged by Pape (1997) — to “work” means to induce a change in the political behavior of the targeted regime. Drezner (1999), through his “sanctions paradox” theory, questioned this framework, arguing that states tend to deploy sanctions precisely in contexts where tangible outcomes are unlikely. Drezner argues that sanctions often serve to reinforce norms, signal resolve, or enhance diplomatic visibility — especially when material outcomes are unlikely. In a subsequent contribution, Drezner (2003) proposed a tripartite theoretical typology — domestic politics, signaling, and conflict expectations — highlighting that effectiveness depends on future conflict expectations, the internal structure of the targeted regime, and the credibility of the sender.

Building on these critiques, the literature has fragmented into four dominant analytical approaches—coercive, normative-expressive, structural, and performative—each with its own definition of success and distinct metrics.

The coercive approach interprets effectiveness as a concrete change in the behavior of the targeted regime, with key contributions from Pape (1997) and Hufbauer et al. (2009). Baldwin (1985), although not focused strictly on sanctions, provided a general theoretical framework for the use of economic tools in foreign policy.

The normative-expressive approach emphasizes the role of sanctions in signaling shared norms and strengthening cohesion among senders. Giumelli (2011) analyzed sanctions as instruments for

legitimizing external action, while Portela (2021) highlighted how the European Union increasingly employs sanctions not only to exert pressure, but to assert normative principles and reinforce a narrative of strategic coherence in its external action.

The structural approach examines the systemic vulnerabilities induced by sanctions, focusing on the compression of the target's operational margin and the redefinition of strategic interdependencies (Farrell and Newman, 2020; Blackwill and Harris, 2016). In parallel, Kirshner (1997; 2002) offers a microfoundational perspective, showing how sanctions affect specific social groups within the targeted country, altering internal political balances and generating indirect pressure on the regime. Kirshner also argues that the question "do sanctions work?" is poorly framed, and instead proposes analyzing their distributed, reputational, and contextual effects.

An emerging performative orientation, illustrated by Demarais (2022), interprets sanctions as tools of political narrative and diplomatic visibility, capable of generating strategic and reputational effects even when their economic impact is limited.

Given this diversity of approaches and objectives, a unified definition of effectiveness remains elusive. Success depends not only on economic outcomes, but also on political intent, normative resonance, and strategic context. To navigate this complexity, scholars have proposed a multi-level framework that captures the layered nature of sanctions' impact.

2.1.1 – Levels of Impact: Economy, Politics, Norms, and System

Sanctions' effectiveness extends far beyond immediate economic disruption. To grasp their full strategic scope, it is essential to examine their influence across five interconnected levels. Each one reveals a distinct dimension of impact, shaping how sanctions function as instruments of international pressure.

- **Macroeconomic impact:** Changes in GDP, inflation, exchange rates, and trade balances are commonly used indicators to measure the effect of sanctions. However, as noted by Ribakova and Itskhoki (2024), such data may be distorted by statistical manipulation or compensatory policies. The GAO (2019) also highlights methodological challenges in assessing economic effectiveness, emphasizing that quantitative indicators rarely reflect the intended strategic impact.
- **Sectoral impact:** Targeted sanctions may affect strategic sectors such as energy, technology, and defence, but the target's ability to substitute suppliers or diversify supply chains can mitigate their effects (Early, 2015; Drezner, 2015).

- **Political impact:** Theoretically central—modifying regime behavior, encouraging internal dissent, or dividing elites—this level proves empirically elusive. Pape (1997) argues that sanctions rarely achieve these goals, while Lawniczak (2023) shows that, in the Russian case, they may reinforce internal cohesion rather than weaken it, especially when interpreted through identity and psychological lenses.
- **Normative-symbolic impact:** Sanctions also function as acts of political communication. Giumelli (2011) distinguishes between coercive and symbolic instruments, capable of strengthening the sender’s international standing. Portela (2021) explores this function in the European context, showing how sanctions contribute to building a normative identity and defining shared standards.
- **Systemic impact:** Sanctions can redefine the target’s strategic positioning, generating new dependencies and compressing operational options. According to Harris & Blackwill (2016), geoeconomic tools are increasingly used to achieve strategic objectives that military force cannot deliver.

These levels are not mutually exclusive but complementary—and their effectiveness may diverge: a sanction may have a high economic impact but no political effect, or vice versa. As Kirshner suggests, the success of sanctions must also be assessed in light of domestic consequences and the political-economic context, not solely based on declared objectives.

This layered framework also reveals how strategic ambiguity permeates the discourse on sanctions. Senders may emphasize different levels depending on political needs, audience expectations, or evolving circumstances. This flexibility allows sanctions to be reframed as successful even when their primary objectives remain unmet — complicating any definitive assessment of effectiveness.

2.1.2 – Methodological Limits and Epistemological Tensions

Despite being central to political and strategic debate, the effectiveness of sanctions remains difficult to measure rigorously due to epistemological and methodological constraints.

The first limitation is **counterfactuality**: without a credible benchmark, it is difficult to attribute direct causality between sanctions and changes in the target’s behavior (Drezner, 2011).

The second concerns **data quality**: authoritarian regimes tend to obscure or manipulate official statistics, as seen in Russia after 2022.

The third is **delayed temporality**: the effects of sanctions may emerge years after their imposition, making any ex-ante evaluation fragile.

Finally, there is the risk of **mirror imaging**: projecting expectations and behaviors typical of Western democracies onto resilient regimes. As Lawniczak (2023) observes, leaders under pressure perceive sanctions as existential threats and tend to radicalize rather than yield. Kahneman and Tversky's prospect theory (1979) suggests that actors facing perceived losses accept high risks to avoid retreat. This methodological instability has produced divergent results: the Peterson Institute, in its historical database, estimates a success rate between 34% and 40% (Hufbauer et al., 2008). However, other authors challenge the validity of these figures, pointing to classification bias and sample selectivity. In this perspective, Caetano, Galego, and Caleiro (2023) propose a competing-risk model that distinguishes between target compliance and sender capitulation, showing how the determinants of effectiveness vary significantly depending on the outcome considered and the type of sanction applied.

2.1.3 – Instrumental vs. Expressive Effectiveness: A Strategic Tension

A useful theoretical distinction for understanding the strategic ambiguities of sanctions is between **instrumental effectiveness**, understood as the achievement of concrete objectives, and **expressive effectiveness**, meaning the ability to signal shared norms and values. Sanctions rarely produce immediate results, but they can strengthen cohesion among senders and legitimize the adopted diplomatic stance (Giumelli, 2011; Drezner, 2015). From this perspective, their persistence — even in the absence of tangible effects — can be explained by the symbolic and identity function they perform: they consolidate political orientation, not merely exert pressure.

However, this expressive dimension can come into tension with strategic credibility, especially when measures are perceived as purely rhetorical. A sanction lacking enforcement risks weakening deterrence and undermining the coherence of diplomatic action. Such tensions are reflected in real-world cases, where effectiveness depends heavily on the political context and the internal dynamics of the targeted regime.

The case of Iran demonstrates that economic pressure is a necessary but insufficient condition: only the JCPOA's negotiated offer enabled a strategic shift. The unilateral withdrawal of the United States in 2018 interrupted the process, showing how the absence of a reintegration pathway can strengthen radical factions (Nephew, 2018). The case of Venezuela highlights how devastating economic impact — with GDP contraction exceeding 75% and record inflation levels — did not lead to political transition. The regime retained power, militarized the economy, and built parallel networks with Russia, Iran, and China (Hausmann & Muci, 2020; Smilde, 2021). The case of Myanmar shows sanctions ineffective against the military regime, yet destabilizing for civilian supply chains and

regional stability. Finally, Cuba represents the historical arc of a long-standing symbolic sanction that did not alter the political system but reinforced polarization and isolation.

These examples indicate that the effectiveness of sanctions is always conditioned by contextual variables: regime structure, diplomatic pressure, coherence of objectives, and the quality of exit options.

2.1.4 – Conclusion: Contested Effectiveness, Strategic Constraint, and Silent Transformation

The effectiveness of sanctions is a terrain of theoretical, methodological, and political controversy. It is the subject of debate among competing analytical models and is often instrumentalized in public discourse. In this context, effectiveness should not be measured by immediate outcomes, but rather by the process of strategic compression that sanctions trigger: an accumulation of costs, a gradual erosion of decision-making options, and the construction of new dependencies.

Recent studies suggest that sanctions tend to generate systemic realignments that, over the long term, can alter the strategic behavior of targeted actors. The Russian case, which will be analyzed later, offers a paradigmatic example: Western restrictive measures did not produce direct political concessions but activated a systemic transformation — redefining alliances, loss of monetary autonomy, fiscal militarization, and technological disconnection. This is not an immediate political shift, but a reconfiguration of the strategic framework within which state behavior is forced to operate. From this perspective, sanctions act as progressive strategic constraints: they do not impose a choice but narrow the decision-making space, making it more costly and conditioned. Effectiveness thus lies not in explicit concessions or visible effects, but in the gradual distortion of the targeted country's strategic trajectory. Every adaptation entails new costs; every form of resilience generates structural dependencies; every alternative built outside the sanctioning system reinforces systemic vulnerability.

In this sense, sanctions are not resolute instruments but mechanisms that, over time, contribute to redefining the field of strategic possibilities. Their effectiveness is not measured by immediate results, but by their capacity to generate cumulative pressure, condition choices, and gradually alter the operational and normative dynamics of the targeted system.

2.2 – Commercial Fragmentation and Systemic Dependence: Economic and Geopolitical Impacts of the Sanctions Regime

The impact of the sanctions regime on Russia goes beyond macroeconomic indicators, revealing a deeper reconfiguration of its operational and strategic architecture. As discussed in Section 2.1,

effectiveness should be interpreted as systemic distortion, which affects not only political behavior but also the structural trajectory and operational capacities of the Federation.

This distortion acts upon a hybrid economy — formally market-based but with strong state intervention — characterized by a semi-peripheral position, high dependence on raw material exports, and a progressive shift toward a war economy.

According to Rosstat and the Ministry of Economic Development, Russia's GDP in 2023 reached \$ 2,021 trillion at current prices. The main sectors are services (56.88%), industry (30.65%), and agriculture (3.35%). The remaining 9.12% is attributed to residual sectors such as construction, public administration, and financial activities. According to the World Bank, Russia's nominal GDP in 2025 is estimated at \$ 2,195 trillion, with projected growth of 1.4%, down from 4.3% in 2024. This slowdown is attributed to restrictive monetary policies (with interest rates raised to 21%), persistent inflation (above 9.5% in 2024), saturation of productive capacity, and labour shortages.

The Russian economy exhibits structural dependence on energy: oil, natural gas, and coal account for over 60% of total exports and approximately 35–38% of the federal budget, according to the Ministry of Finance. This configuration, combined with increasing fiscal and industrial militarization, generates systemic vulnerabilities when external trade and financial channels are compressed or realigned. According to the Bank of Finland (2024), Russian public spending increased by 10%, with nearly all new funds allocated to supporting the war effort. Industrial production linked to the military sector grew by more than 50% compared to pre-invasion levels, while other sectors remained stagnant.

2.2.1 – Commercial Fragmentation and Asian Realignment: The End of Euro-Russian Interdependence

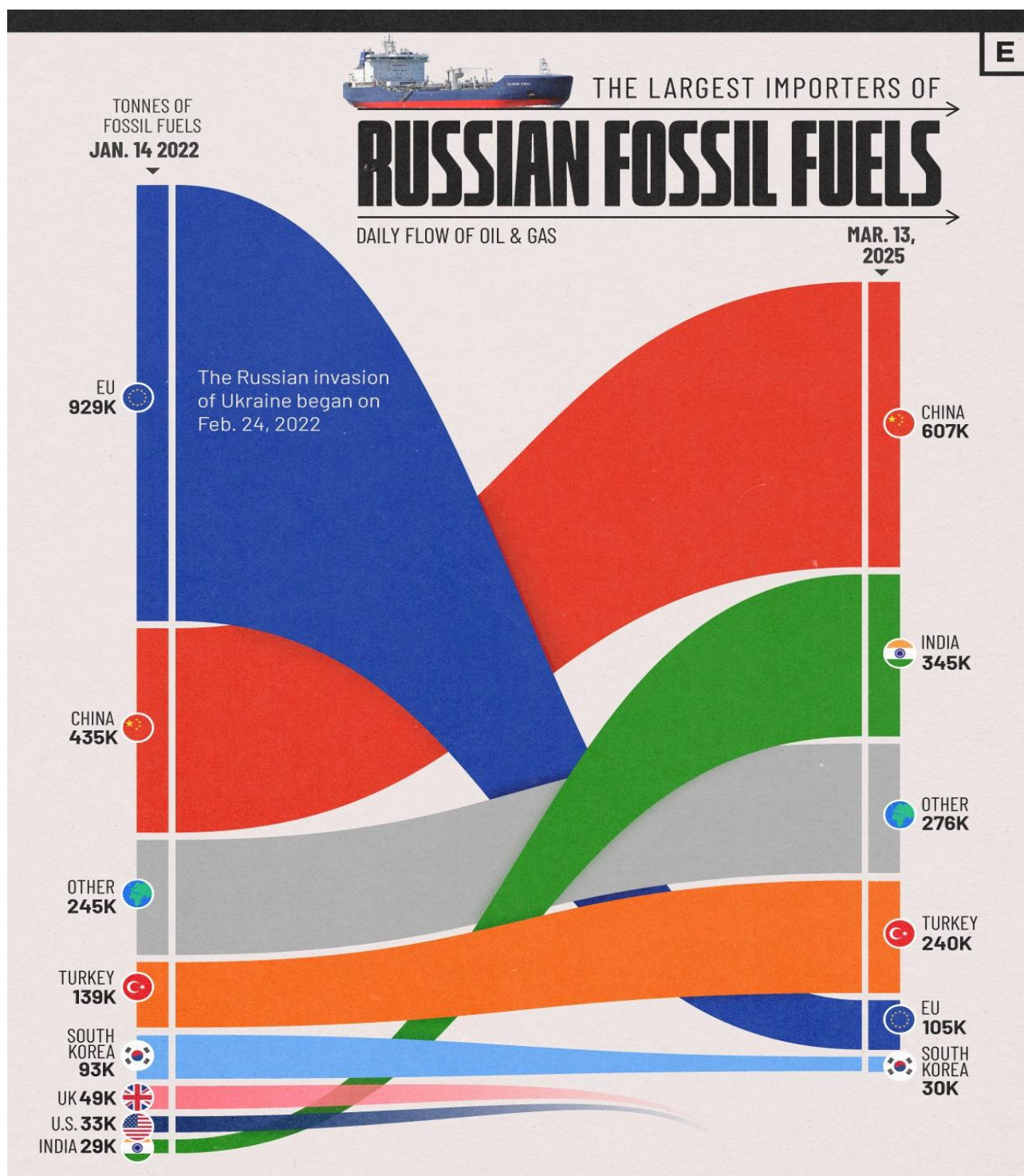
The war and the sanctions regime have accelerated systemic commercial fragmentation, intensifying a trend already underway since 2018. A study by the Banque de France (Carluccio et al., 2024) shows that trade between opposing geopolitical blocs decreased by 15%, while trade among allies increased by 5%—a 20% divergence that has reshaped the geography of global exchange.

The Chart 2.1 confirms the trend of substitution among countries importing oil and natural gas from Russia, with a progressive decoupling between Moscow and Brussels.

The Trade Intensity Index (TII) between Russia and the European Union, calculated by CEECBE (Drieniková et al., 2025), fell to 0.62 in 2023 — a historic low. In contrast, trade with China reached USD 241 billion in the same year, making Beijing Russia's top trading partner: 30.5% of Russian exports were directed to China, which supplied 36.5% of Russian imports (SWP, 2024).

However, this commercial rebalancing has produced significant qualitative distortions. According to CEPII (Emlinger & Lefebvre, 2025), trade diversion led to an average increase of +13% in Russian import prices, primarily due to suppliers already active in the Russian market before 2022. The increase was more pronounced for sources not subject to sanctions (+22%) and became particularly acute for strategic goods, with spikes exceeding +120%.

Chart 2.1 – Evolution of Russia’s Energy Trade Flows 2022–2025



Source: CREA analysis, Russia Fossil Tracker (visualization by Visual Capitalist)

In parallel, a paper by Chatham House (Boulègue, 2025) highlights the structural difficulties Russia faces in replacing high-tech sectors, particularly in the military-industrial complex. Dependence on Western technologies and stagnation in domestic innovation have created production bottlenecks and a gradual technological regression, limiting industrial conversion and strategic self-sufficiency. This commercial realignment has been accompanied by profound changes in Russia's financial and monetary strategy, particularly in its accelerated shift away from the dollar.

2.2.2 – De-dollarization and Currency Dependence: The Vulnerability of the Yuan-Centric Model

The currency-related impact of sanctions struck at the heart of Russia's financial system. The loss of access to the SWIFT network and the freezing of dollar- and euro-denominated reserves in 2022 triggered an accelerated process of de-dollarization — initially conceived as a resilience strategy but soon transformed into a forced transition.

According to the Central Bank of Russia (CBR), in 2023, 40.8% of Russian exports and 37.5% of imports were settled in yuan (SWP, 2024), while ruble/yuan trading on the Moscow Exchange rose from less than 1% in February 2022 to 41.6% in 2023, surpassing the US dollar.

Data published by the Bank for International Settlements (BIS)— Statistical Release Q1 2023 and Triennial Survey 2022 — reveal several significant trends in Russia's currency and financial structure. First, there was a sharp contraction in Russian banks' net dollar deposit positions between Q1 2022 and Q1 2023. Although the report does not provide a precise figure, charts and trends suggest a reduction of over 50%, consistent with the impact of sanctions and banking de-risking. At the same time, there was an increase in Russian offshore yuan deposits, particularly in financial hubs like Hong Kong and Singapore, estimated at over USD 24 billion. However, these flows are fragmented and illiquid, reflecting the limited convertibility of the renminbi. Finally, the Triennial Survey 2022 shows that the ruble reached a historic low of 0.3% of global FX turnover, while the renminbi stood at 2.3%, confirming the limited international relevance of both currencies.

Although the CBR no longer publishes detailed post-2022 reserve composition data (estimated at around USD 610 billion by the end of 2024), it is believed that Russia has access to USD 43 billion in foreign currency assets — likely mostly denominated in yuan — USD 195.7 billion in gold, and USD 27.8 billion in other assets. More than USD 340 billion in foreign currency reserves remain immobilized due to Western sanctions (Ribakova, 2025).

Currently, the CBR conducts its market operations almost exclusively in yuan, stating that the renminbi will remain the primary currency in its asset portfolio due to operational complications with other currencies. About one-third of Russia's foreign trade was invoiced in yuan in 2024, compared

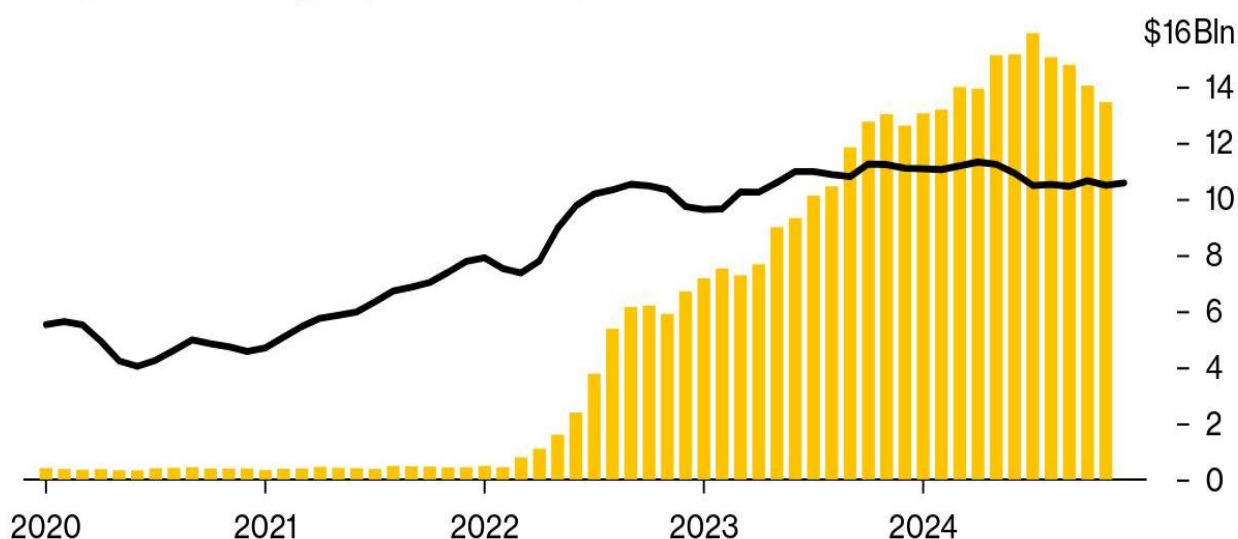
to a marginal share in 2022. However, the renminbi remains non-convertible, subject to strict capital controls, and lacks fully accessible investment channels for Russian operators. The yuanization — highlighted in the chart below — has not created a genuine alternative financial infrastructure but has instead deepened new dependencies.

Meanwhile, the ruble has experienced persistent devaluation: according to BIS and CBR, the NEER index fell from 114 (early 2022) to 93.1 (March 2025), indicating a loss of purchasing power and global trust in the currency.

Chart 2.2 – Evolution of Currency Settlement in Russian Exports 2020-2024

Russia Gets Paid in Yuan for Exports to China and Third Countries

Exports to China Exports settled in yuan



Source: Bloomberg Economics

Between 2022 and 2025, Russia’s interest rate was raised to 21% (June 2025), the highest level since 1998, to contain inflation exceeding 10%. The National Welfare Fund fell from USD 210 billion to USD 130 billion, and according to the Bank of Finland, it may be depleted by the end of 2025.

Russia’s currency strategy entails critical vulnerabilities: dependence on Chinese monetary policy — which is opaque and non-negotiable — risks of offshore renminbi illiquidity, and lack of stable access to Chinese financial markets, as confirmed by Fitch Solutions and the OeNB (Austrian Central Bank). In summary, as noted by the BIS, Russia has lost access to dollar and euro-based financial circuits but has not found a fully equivalent substitute in the yuan/ruble pairing. De-dollarization has triggered a fragile currency shift, where apparent resilience conceals structural volatility and rests on geopolitically precarious foundations.

2.2.3 – Geopolitical Convergence and Strategic Subordination: The Long-Term Sino-Russian Constraint

The convergence between Moscow and Beijing is the result of a complex historical trajectory, marked by alternating phases of alliance, conflict, détente, and strategic consolidation.

Following the “ideological rift” of the 1960s — culminating in the armed clash on Zhenbao Island in 1969 — bilateral relations gradually improved: in 1996, the “Strategic Partnership of Coordination” was signed, followed by the “Treaty of Good-Neighborliness and Friendly Cooperation” in 2001, renewed in 2021.

Since 2013, with the rise of Xi Jinping, the partnership has gained increasing diplomatic prominence. According to China’s Ministry of Foreign Affairs and the Xinhua agency, between 2013 and 2025, Xi and Putin met over forty times, consolidating a personal relationship that helped overcome ideological and structural barriers. The February 2022 summit in Beijing, held shortly before the invasion of Ukraine, marked a turning point: in the joint declaration of February 4, the two leaders described the relationship as “without limits” and free of prohibited areas of cooperation (MOFA China, Xinhua). This formula — used in Chinese diplomatic language as an anchoring narrative — was reiterated in subsequent meetings: Samarkand (SCO, 2022), Moscow (March 2023), Beijing (BRI Forum, October 2023), and Moscow (May 2025, 75th anniversary of bilateral relations).

According to Russia’s Ministry of Foreign Affairs, the partnership with China is defined as balanced and anti-hegemonic, based on “no alliance, no hostility, no targeting of third parties.” In a January 2024 interview with RIA Novosti, Foreign Minister Lavrov described the relationship as “stronger than any previous alliance of the Soviet era.”

However, pragmatic Russian analyses — particularly those by Sergei Lukonin (IMEMO) and Fyodor Lukyanov (Russia in Global Affairs) — highlight that the Sino-Russian convergence, while strategic, contains elements of functional asymmetry:

- **Economic imbalance:** China is Russia’s top trading partner, but Moscow accounts for only 3–4% of China’s foreign trade. According to Lukonin (2023), this imbalance reflects a non-parity relationship, in which Russia exports raw materials and imports advanced technology.
- **Chinese diplomatic neutrality:** Beijing has not recognized the annexation of Crimea or the Ukrainian regions, maintaining a position of strategic ambiguity. Lukyanov (2024) emphasizes that China avoids any direct political or military commitments, preserving its global autonomy.

- **Selective cooperation:** According to U.S. government sources, China has avoided supplying lethal weapons but has intensified exports of dual-use technologies, triangulated through Malaysia, Armenia, and Georgia.

This reading does not contradict the official narrative but complements it: the partnership is solid and strategic, but not symmetrical. Russian sources describe it as asymmetric interdependence, managed with pragmatism and caution.

According to CSIS and RSIS, joint military exercises (Joint Sea, Vostok, Peace Mission) have strengthened operational ties but do not constitute a formal alliance. China is not bound to assist Moscow, either formally or politically. In the context of the war in Ukraine, Beijing has increased purchases of Russian oil, surpassing Saudi Arabia as the top buyer as early as 2022. This energy dynamic fits into a broader commercial realignment of Russia toward Asia, accelerated by Western sanctions pressure.

In this framework, Beijing has provided:

- triangulation networks and parallel trade channels;
- critical technological components, without transferring strategic know-how;
- partial energy compensation, with increased imports of gas and oil, but under non-binding contracts.

According to the Bank of Finland and CEPII, no major Chinese investments have been launched since 2023, and many companies maintain a cautious stance to avoid secondary sanctions. CEPII also notes that new suppliers have raised margins on strategic goods, exploiting Russia's dependence to increase returns in a logic of extractive interdependence. Cooperation is thus based on conditional critical inputs, not on stable transfers of technology, capital, or influence. According to Ribakova (2025), Russia's growing dependence on China could generate a "diplomatic debt," in which current concessions become future obligations that are difficult to renegotiate.

Statements by Chinese Foreign Minister Wang Yi at the Beijing Forum (April 2025) reaffirm the "three no's" of Chinese diplomacy: no alliance, no confrontation, no targeting of third parties. Beijing aims to preserve tactical neutrality, avoiding direct entanglements and protecting its global interests. Official Chinese sources (MOFA, China Daily) emphasize that China seeks a partnership "with common goals but without mutual constraints."

The "no-limits pact" thus takes shape as:

- a flexible framework, useful for Moscow to counter isolation and for Beijing to capitalize;
- a non-ideological convergence, built on selective interdependencies;

- a subordinate relationship, in which Russia bears costs and risks, while China gains strategic advantages with minimal commitment.

As summarized by the ChinaPower Project at CSIS (2024), the strength of the Sino-Russian partnership lies in its structured ambiguity, which allows for flexible cooperation without formal obligations or reciprocal responsibilities. This arrangement enables Beijing to maintain strategic manoeuvrability, avoiding commitments that would constrain its autonomy.

2.3 – Evaluative Summary: Multilevel Impact and Systemic Transformation of the Sanctioned Regime

The sanctions trajectory imposed on Russia between 2022 and 2025 represents a paradigmatic case for testing the theoretical hypotheses outlined in Section 2.1. The four main approaches — coercive, normative, structural, and performative — offer complementary lenses to analyze an impact that has unfolded across distinct yet converging dimensions.

The **coercive approach** evaluates success in terms of behavioral change by the targeted regime. In Russia’s case, this objective was not directly achieved: Moscow did not retract its invasion nor concede on strategic goals.

Conversely, the **structural approach** proves particularly effective in interpreting the sanctions’ effects: Russia has experienced systemic compression of its operational space, observable in commercial, technological, monetary, and geopolitical domains.

- **Commercially**, trade flows with the European Union declined, partially shifting toward less advanced Asian markets.
- **Technologically**, Russia suffered from the loss of access to high-innovation sectors and struggled to replace Western suppliers.
- **Monetarily**, dependence on the Chinese yuan intensified — a partial “yuanization” — accompanied by ruble devaluation and erosion of monetary autonomy.
- **Geopolitically**, Moscow deepened cooperation with Beijing, within a framework marked by asymmetries that constrained its autonomous negotiating capacity.

These effects, while not translating into explicit political concessions, have altered the power structure and reduced available strategic options, following a logic of cumulative erosion. As discussed earlier, political resilience does not equate to strategic success. Kahneman & Tversky’s prospect theory (1979) suggests that actors under pressure tend to radicalize rather than negotiate. Russia has indeed adopted regressive adaptation strategies: fiscal reallocation toward military

spending; use of alternative payment circuits and triangulations; redefinition of trade and monetary models based on emergency survival logic.

As highlighted by Ribakova (2024) and numerous academic and policy analyses, every form of resilience has generated new structural dependencies — visible in Russia's growing economic-strategic reliance on China, reduced international convertibility of the ruble, and fragmentation of domestic industrial supply chains.

The sanctions regime has also produced significant effects through **normative-expressive** and **performative** logics:

- **Normative cohesion:** Sanctions have served as instruments of mutual legitimation among the imposing states, reinforcing a shared strategic identity in the post-2022 landscape. This cohesion has manifested in coordinated diplomatic stances, legal frameworks, and multilateral initiatives, strengthening the normative posture of the sanctioning bloc.
- **Reputational costs:** While not directly measurable in economic terms, sanctions have imposed significant reputational damage on Russia. Isolation from key institutions and normative networks has diminished its global standing, constraining its soft power and limiting its ability to shape international discourse.

By combining the impact levels described in Section 2.1 with the empirical effects observed in Section 2.2, we can conclude that sanctions did not produce direct political behavior change, but profoundly and cumulatively altered the regime's operational space. Sanction effectiveness thus manifests structurally, systemically, and in delayed form — consistent with a logic of strategic compression.

Russia's trajectory between 2022 and 2025 shows that each adaptation attempt has generated new geopolitical dependencies and financial vulnerabilities, indicating that apparent resilience conceals an adaptive transformation with rising costs. Effectiveness should be read not in terms of explicit political surrender, but in the structural reshaping of the sanctioned system, operating within increasingly narrow, burdensome, and conditioned margins.

As with the Athenian embargo on Megara, sanctions do not overthrow the adversary — they force it to reconfigure, weakening its autonomous capacity to act. In Russia's case, this process remains ongoing, and is profoundly redefining the regime's strategic capabilities and systemic vulnerabilities. This process of strategic compression — gradual, cumulative, and often obscured by surface-level resilience — constitutes a silent transformation. It does not announce itself through overt political shifts, but through the erosion of autonomy and the narrowing of viable strategic choices.

2.4 – Side Effects and Return Costs: The Impact of the Sanctions Regime on the Sender Countries

Sanctions are not one-way instruments: while they aim to pressure the targeted regime, they also generate significant return effects for the senders — ranging from economic disruptions and sectoral distortions to political tensions and strategic recalibrations.

In the Russian case, pre-existing energy and trade interdependence made these effects particularly pronounced — especially in Europe, but also in other sanctioning countries such as the United States, Japan, and Canada, which experienced differentiated impacts.

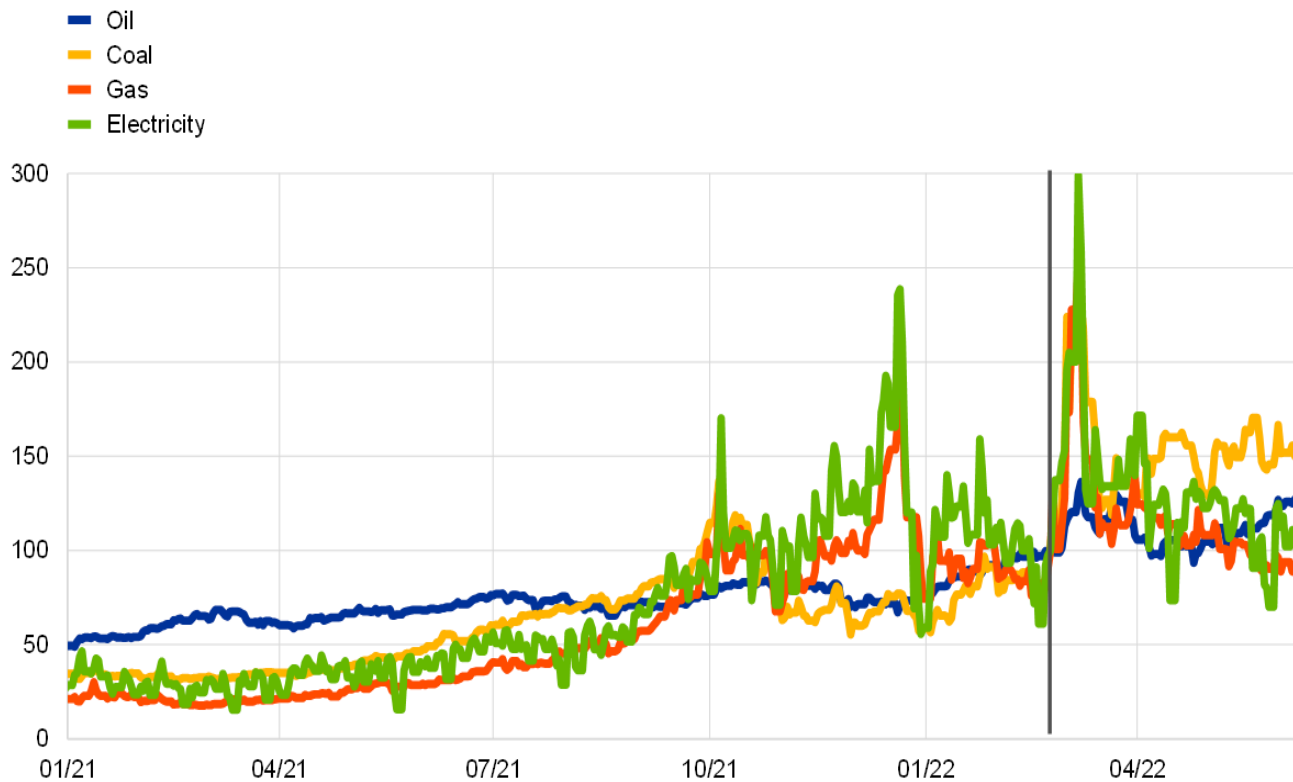
The first shock occurred in the energy and inflationary domains. Following the invasion of Ukraine — as shown in Chart 2.3 — natural gas prices exceeded €300/MWh in August 2022 (Council of the EU, 2023), with immediate effects on inflation. According to Eurostat (2024), average energy inflation in the EU rose from 4.2% in 2021 to 41.5% in 2022, before declining to 18.7% in 2023. The International Monetary Fund (IMF, 2023) estimates that sanctions on Russia resulted in a loss of 0.9 percentage points of GDP in the Eurozone over the 2022–2023 biennium.

Certain sectors experienced direct impacts. The automotive industry suffered delays and disruptions in supply chains due to dependence on Ukrainian and Russian components (batteries, metals, wiring), while the fertilizer sector saw a spike in prices due to the blockade of Russian exports of ammonia and potassium, affecting European agriculture.

Global logistics was also affected: the closure of Russian airspace forced European airlines to reroute flights to Asia, increasing travel times and costs (Politico, 2024); navigation in the Black Sea and Baltic Sea required structural reorganizations with significant impacts on intra-European trade. These disruptions fuelled domestic political tensions in the sanctioning countries. In Germany, France, and Italy, protests erupted over rising energy bills and arms deliveries to Ukraine. In Hungary and Slovakia, national governments demanded exemptions or compensations, openly criticizing the EU's sanctions strategy. The negotiation process within the European Council proved fragile: sanctions packages were approved unanimously, but only after navigating vetoes and demands for carve-outs.

The transatlantic dimension also revealed latent asymmetries. While the United States benefited from increased liquefied natural gas (LNG) exports to Europe, the latter had to bear higher costs for energy conversion (IAI, 2025). This imbalance fuelled debate over EU strategic autonomy, accelerating initiatives like the REPowerEU plan and pushing for industrial policy reform, in tension with the U.S. Inflation Reduction Act (Bruegel, 2023).

Chart 2.3 Energy prices before and after the invasion of Ukraine



Source: Refinitiv, Bloomberg and ECB staff calculations

U.S. sanctions against Russia also produced notable side effects for the American economy:

- **Economic impact:** sanctions led to a sharp decline in bilateral trade, with exports falling from \$6,4 billion to under \$1 billion between 2021 and 2023. Key sectors such as aerospace, semiconductors, and agriculture were particularly affected.
- **Reputational and systemic effects:** According to Brookings, many American firms suffered reputational damage in emerging markets, where they were perceived as unstable partners. The Congressional Research Service also warns that growing global de-dollarization — partly driven by sanctions — could gradually erode the financial centrality of the United States.

Japan, though aligned with the G7 bloc, faced specific setbacks due to its reliance on dual-use technologies and high-precision components. According to METI (2024), export restrictions slowed industrial and defence programs, forcing companies to reorient supply chains to avoid triangulation with third countries like India, UAE, and Armenia. The closure of joint ventures with Russian firms also led to losses in capital and know-how in strategic sectors such as automotive, robotics, and naval engineering.

Canada, though less exposed, experienced impacts in the agricultural and mining sectors, with rising input costs and difficulties exporting fertilizers and grain to Eurasian markets.

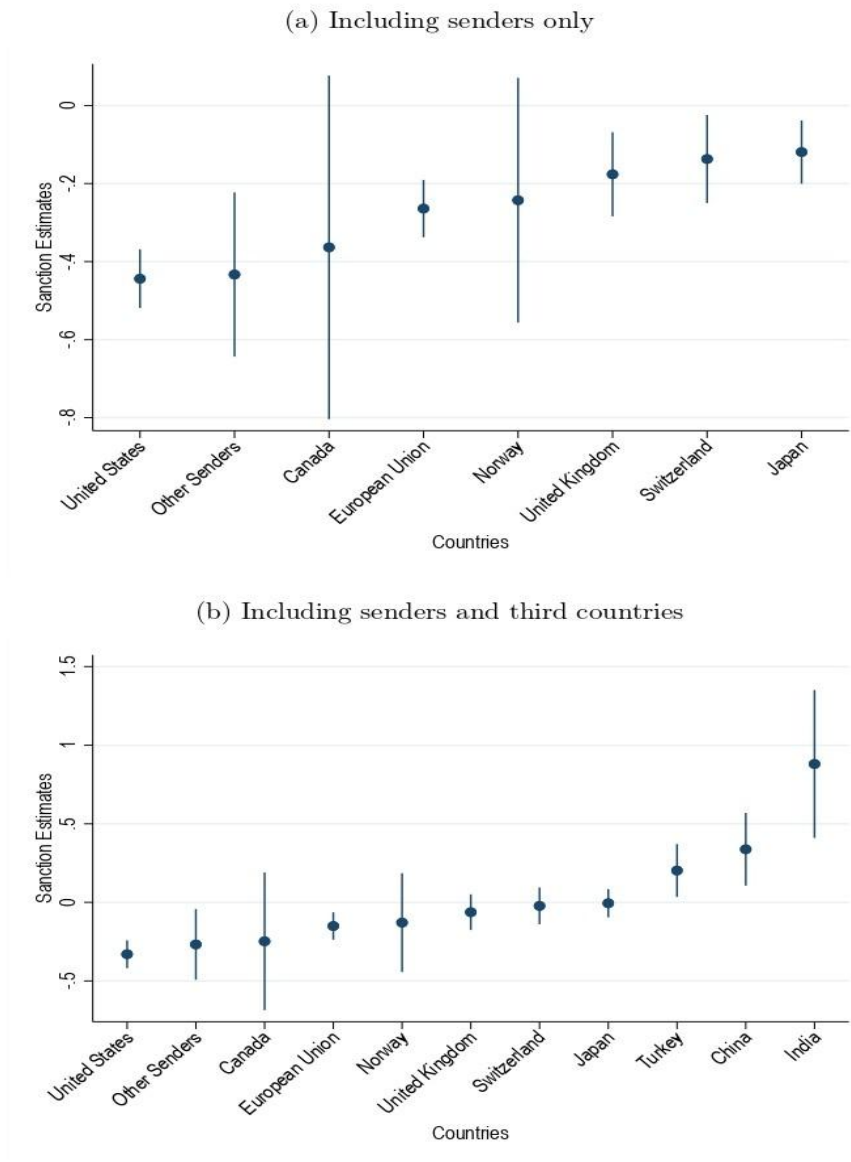
According to a CEPR VoxEU paper (Felbermayr et al., 2025), sanctions generated heterogeneous effects among the senders, with stronger impacts in energy-intensive sectors and in countries with pre-existing trade ties to Moscow. In line with this, the CGPA Working Paper (Yalcin et al., 2025) provides a quantitative analysis using gravity models applied to bilateral trade. The study confirms that while the average effects of sanctions on sender countries are negative but contained, the most relevant finding concerns Russia's ability to reorient its trade flows. By reducing transaction costs with India, China, and Turkey, Moscow partially offset losses with the EU, generating a selective liberalization effect that diluted the sanctions regime's effectiveness.

Comparative Chart 2.4 on impact estimates shows strong heterogeneity among sanctioning countries: the European Union, United Kingdom, and Japan suffer significant negative effects, while the United States and Canada are nearly unaffected. When third countries are included, the aggregate effect softens for some Western states, but Russia's ability to circumvent restrictions is reinforced. This asymmetry raises questions about the political sustainability of the sanctions front and the need for intra-EU compensatory mechanisms.

Geopolitically, sanctions have triggered a global reconfiguration: the so-called decoupling between the West and the Global South has deepened. Countries like India, Brazil, Turkey, and South Africa maintained economic ties with Moscow, refusing to join the sanctions regime (Giumelli, 2023). Russia consolidated its links with China and the Shanghai Cooperation Organization, forming a new alternative economic and diplomatic axis (SWP, ChinaPower–CSIS). This process weakened the normative leverage of the senders and created triangulation channels with regional intermediaries. According to CEPII (2025), these third-party operators increased their average markups by +22%, exploiting Russian demand for strategic goods and making parallel trade more profitable — but less controllable.

Overall, the side effects observed in the Russian sanctions regime unfold across multiple dimensions: economic, with energy shocks, imported inflation, and pressure on production chains; political-institutional, with internal tensions and divergences among Member States; strategic, with the loss of multilateral influence and the convergence of sanctioned countries toward alternative circuits; and systemic, with the emergence of new trade and financial architectures beyond the Western perimeter. As Giumelli and Portela have pointed out, the legitimacy and sustainability of a sanctions regime depend not only on the pressure exerted on the target country, but also on its internal fairness and multilateral coherence. In the Russian case, the side effects — though not sufficient to compromise its systemic effectiveness — constitute a zone of strategic friction that must be carefully managed to prevent external pressure from turning into internal vulnerability.

Chart 2.4 Country-specific effects of sanctions



Source: CGPA Working Paper

2.5 – Assessing Side Effects: Theoretical Perspectives and Strategic Implications

Traditionally, scholarship on economic sanctions has centered on their impact on the targeted regime — measuring success through political concessions, behavioral shifts, or macroeconomic disruption. However, the Russian case marked a turning point: the sanctions imposed since 2022 have generated such a quantity and quality of side effects that the need for a broader assessment has become evident. The question is no longer simply “do sanctions work?” but rather “at what cost, for whom, and with what global consequences?”

As Giumelli (2023) observes, any sanctions regime must be evaluated across three interdependent levels: the impact on the target, in terms of coercive capacity and destabilization; the return effects

on the senders, which affect the political and economic sustainability of the regime; and the systemic distortions in third countries and the international context, which redefine normative and strategic geometries.

In the Russian case, these levels have manifested with intensity.

Crozet & Hinz (2016), in a foundational study based on gravity models and counterfactual analysis, estimated that sanctions imposed since 2014 caused a total export loss of approximately USD 114 billion — USD 44 billion borne by the senders and USD 70 billion by Russia. Surprisingly, 91% of Western losses were attributed to products not directly subject to embargo, indicating that sanctions generated systemic effects even in formally unsanctioned sectors. The main transmission mechanism was the disruption of financial services for foreign trade, which hindered transactions even for goods not under direct restrictions.

In their study, Felbermayr et al. (VoxEU, 2025) analyzed the effects of the 2022 sanctions on Russia using the fourth release of the Global Sanctions Database. In line with findings from the CGPA Working Paper (Yalcin et al., 2025), the authors report an average 25% contraction in trade between Russia and sanctioning countries, with strong heterogeneity among senders and a significant increase in flows with third countries (India, China, Turkey). Both studies converge on the idea that sanctions have acted as a catalyst for growing geopolitical fragmentation, reducing the systemic effectiveness of coercive measures.

Itskhoki & Ribakova (Brookings, 2024) explore this dynamic through a systemic lens: the effectiveness of a sanctions regime is measured not only by the pressure exerted, but also by the senders' ability to absorb internal effects, maintain political cohesion, and communicate objectives credibly. In the Russian case, the pressure was high and the damage to the target significant, but the lack of a shared strategy, weak enforcement mechanisms, and internal fractures among EU member states undermined the solidity of the promoting front.

In line with these conclusions, the project developed by the Stockholm Institute of Transition Economics (SITE) offers a significant example of applied research. Through the SanctionsRussia.org portal, SITE provides an information platform that integrates a detailed timeline, a study library, and a compliance index under development. While not a formalized theoretical model, the initiative offers an empirical and multidimensional reading of sanctions, useful for understanding enforcement dynamics, systemic vulnerabilities, and ongoing geopolitical reconfigurations. The data collected show measurable effects on Russian oil revenues, military production, and financial integration, highlighting areas where sanctions have had impact and those where evasion margins persist.

As Richard Nephew emphasizes in his book *The Art of Sanctions* (2017), the effectiveness of a sanctions regime cannot be assessed solely in terms of pressure on the target. One must also consider the sender's ability to bear the political, economic, and reputational costs of imposing the measures. Nephew introduces the concept of *pain and resolve*, arguing that sanctions work only if the inflicted damage is high enough to change the target's behavior, and if the sender is willing to sustain its commitment over time, despite internal frictions and external pressures.

In conclusion, the Russian case underscores the need for a multidimensional assessment of sanctions. Effectiveness must be evaluated across multiple levels — target impact, sender resilience, and systemic consequences. Internal cohesion among sanctioning actors is essential for sustaining strategic pressure, while unmanaged side effects risk eroding legitimacy and turning external force into internal fragility. Traditional metrics like GDP and trade volumes are no longer sufficient; new indicators of normative alignment, political resolve, and enforcement capacity are needed to capture the full scope of sanctions' strategic function.

The future of sanctions research must develop predictive models capable of capturing the convergence and friction between external impact and internal sustainability, because only then will it be possible to speak of resilient effectiveness — the kind that not only bends the adversary, but holds its own front.

2.6 – The European Union as a Sanctioning Actor: Between Strategic Ambition and Institutional Vulnerability

As discussed earlier, the EU's sanctions regime against Russia has revealed both its normative ambition and institutional fragility — underscoring the tension between its strategic aspirations and operational constraints. In the context of the international response to Russian aggression, the European Union has taken on a central role, imposing the most extensive sanctions package in its history. However, this action reflects a fundamental tension: on one hand, the ambition to assert itself as a global normative actor; on the other, operational limitations stemming from institutional constraints and complex internal dynamics. According to Ian Manners' well-known formulation, the EU is a "normative power," capable of influencing international behavior through shared rules, soft power tools, and multilateral standards. In this view, sanctions are not punitive instruments but mechanisms for defending a rules-based international order.

Yet, European sanctions policy faces structural constraints: decisions require unanimity in the Council, implementation is delegated to member states, and there is no centralized enforcement authority. These limitations became evident in the adoption of sanctions packages against Russia.

National divergences tested internal coherence: Poland and the Baltic states pushed for tougher measures, while Hungary, Slovakia, and Austria requested exemptions, particularly in the energy sector. Later packages (from the 6th to the 18th) revealed growing tensions, with impactful measures often diluted by exemptions and compromises. Their effectiveness depends heavily on enforcement by member states and third-party partners, and the granted exemptions have weakened their impact. Legally and operationally, the EU presents significant structural limitations.

Although Article 215 of the TFEU provides a solid legal basis for imposing sanctions, the EU's institutional architecture remains fragmented. Decisions require unanimity in the Council, and implementation is delegated to member states, resulting in uneven enforcement and diluted impact. Only a minority of member states have developed robust mechanisms to monitor re-exports or prosecute violations.

Unlike the United States, which relies on OFAC and extraterritorial legal tools, the EU lacks centralized enforcement capacity. The recent Directive (EU) 2024/1226 is a step forward, but its effectiveness depends on consistent national implementation.

Nonetheless, the EU has exercised notable normative leadership, introducing innovative tools such as the oil price cap, the ban on industrial software exports, and targeting entities in third countries. It has also promoted multilateral coordination with the G7, OECD, and UN, helping to Europeanize the international response to the war.

This context has reignited the debate on European strategic autonomy. The EU has shown some institutional mobilization capacity, but its dependence on the United States — for intelligence, enforcement, and deterrence — has revealed a strategic subordination that limits its autonomous margin. This dependence is structural: the EU relies on financial infrastructures and coercive tools controlled by Washington. The lack of extraterritorial levers comparable to those of the U.S. restricts Europe's ability to act independently and credibly.

The Union thus emerges as a normative actor in transition: capable of innovating tools and guiding multilateral action, yet still hesitant to conceive itself as a strategically autonomous entity. The ambition for autonomy often remains more declared than realized, hampered by internal divisions and a political culture that tends to shy away from power dynamics. In this framework, the EU risks consolidating its regulatory role without developing effective projection capacity: an entity that sets rules but struggles to enforce them.

In a global context marked by the return of force as a tool of influence and competition among assertive powers, this dissonance becomes critical. The absence of coercive tools and a shared will to act strategically exposes the Union to growing marginalization. Without the ability to translate its

normative potential into geopolitical leverage, the EU risks remaining a weightless regulator — vulnerable to external pressures and irrelevant in the power relations shaping the international order. In this light, the EU continues to embody the paradox of a normative giant constrained by operational fragility — a regulator with global ambitions, yet limited means to enforce its strategic will.

2.7 – Toward a Strategic Reconfiguration of the Sanctions Regime: Power, Limits, and Prospects

The sanctions regime imposed on Russia represents a watershed moment in the deployment of economic statecraft as a tool of geopolitical influence. While the European Union has played a pivotal role in initiating these measures, their long-term effectiveness hinges on a constellation of factors: Russia’s adaptive capacity, Ukraine’s diplomatic mobilization, transatlantic alignment, and the strategic ambiguity of global actors such as China.

In this context, sanctions no longer operate as technical or normative measures, but as instruments of power embedded in broader strategies of containment, deterrence, and negotiation. Their function has expanded beyond the economic sphere, encompassing the diplomatic, symbolic, and systemic dimensions of the conflict.

The European Union, while acting as a normative power, faces structural limits and a growing need to redefine its strategic role in a multipolar context. The Ukrainian crisis has challenged the effectiveness of the functionalist approach that historically guided European integration — namely, the belief that technical and economic cooperation would gradually foster political unity. This assumption proves insufficient when confronted with overt and conflictual power dynamics.

Further destabilizing the picture is the evolution of U.S. foreign policy, marked by increasing ambivalence between aspirations for global leadership and tendencies toward national retrenchment. Multilateralism is increasingly questioned, replaced by a vision favouring bilateral agreements, disengagement from international institutions, and selective crisis management. This posture weakens the coherence of Western action, just as force reasserts itself as the dominant language in international relations.

The next chapter will delve into this transformation, analyzing future scenarios for the sanctions regime in light of the evolving Russia–Ukraine conflict. It will examine possible trajectories and the implications each military outcome may have on the nature and function of sanctions, with particular attention to the strategies of involved actors — both direct and indirect — and the redefinition of their positioning in an increasingly unstable, competitive, and fragmented global order. This evolution marks a shift from reactive sanctioning to proactive strategic leverage — an inflection point in the global use of economic statecraft.

Chapter 3 – The Future of Sanctions

3.1 – Sanctions as a Geopolitical Device: Between Coercion, Narrative, and Realignment

After examining the theoretical and institutional dynamics that structure the use of sanctions, this section offers a more political and interpretive reading of the sanctioning regime that has emerged in the Russia–Ukraine conflict. This regime cannot be understood solely through the categories of effectiveness or legality. It operates as a transformative practice, capable of redefining strategic postures, generating realignments, and producing systemic effects. Sanctions do not function in the abstract: they are embedded in actors’ strategies, metabolized into power narratives, and instrumentalized in pursuit of divergent geopolitical objectives.

This chapter analyzes the sanctioning regime not as a reactive measure, but as a dynamic device intertwined with the positioning logics of Russia, Ukraine, the European Union, the United States, and China. Starting from a theoretical reflection on the tensions between coercion and normativity, it examines state strategies and the geopolitical trajectories emerging from the conflict, culminating in a taxonomy of possible scenarios and their sanction-related implications.

3.2 – The Russia–Ukraine Conflict as Strategic Crossroads: Grand Strategies of Global Actors

Sanctions act as an ambivalent practice, capable of reshaping postures and generating realignments precisely because they are embedded in state strategies that do not follow a common logic. The Russia–Ukraine war is not a regional conflict, but the crossroads of five antagonistic visions of international order. Russia, Ukraine, the United States, the European Union, and China are not fighting the same war, nor are they pursuing the same goals. The Ukrainian battlefield has become a geopolitical laboratory, testing the resilience — and potential transformation — of the global system. In this context, the sanctioning regime is not the end but the vehicle: a tool that each actor incorporates, redefines, and instrumentalizes according to divergent power logics.

Russia embodies a revisionist strategy aligned with John Mearsheimer’s offensive realism: in an anarchic system, regional powers seek to prevent the emergence of rivals near their borders. Russia’s objective is not merely territorial but ideological: to reaffirm imperial sovereignty and deny Ukraine’s statehood. As Dmitri Trenin notes, Moscow views Ukraine as a “contested space” to be reintegrated into its sphere of influence. War thereby becomes a means of redefining the boundaries of legitimacy. However, as SIPRI highlights, the human and material cost of Russia’s offensive continues to rise, fueling the risk of a new “Soviet Afghanistan,” marked by internal attrition and international isolation. Western sanctions, far from deterring Moscow, have been absorbed into a

narrative of resistance and sovereignty, reinforcing convergence with other revisionist powers and accelerating the construction of alternative economic circuits.

Ukraine pursues a strategy of survival and legitimation, situated within the paradigm of ontological security: war is not only territorial defence but identity affirmation. Since Maidan, national identity-building has become an existential priority. Popular mobilization, NATO security guarantees, and multilateral support reflect a vision in which sovereignty is inseparable from democratic legitimacy. Ukraine's resilience depends heavily on the continuity of Western aid and the ability to avoid territorial concessions that would undermine the state's foundational narrative. However, the prolonged suspension of elections and the crisis in military mobilization could erode internal legitimacy and turn resistance into stalemate. In this context, sanctions are part of a reputational strategy aimed at consolidating Western anchoring and strengthening Kyiv's international subjectivity.

The United States, under Trump, adopts a realist and transactional strategy consistent with Stephen Walt's defensive realism: states do not seek global dominance but security through balancing. Personalized diplomacy and a preference for bilateral negotiation replace the logic of multilateral deterrence. As Brookings notes, sanctions are tools of negotiating pressure, not punitive measures. The proposal for a trilateral summit with Zelensky and Putin — rejected by Moscow — aims to create an alternative negotiation format in which Washington can mediate outside European constraints. According to Beckley and Brands (2023), the American strategy seeks to separate Moscow from Beijing but risks achieving the opposite: the more Russia is isolated, the more China absorbs its vulnerabilities.

The European Union follows a strategy of peripheral stabilization, consistent with Hedley Bull's pluralist vision: international order is not only anarchic but regulated by shared norms and multilateral institutions. The EU seeks to preserve the integrity of the European order through sanctions, military aid, and security guarantees. According to ECFR, Europe has drafted plans for a "reassurance force" to be deployed around Kyiv but lacks the political mandate for direct intervention. As Biscop (2024) warns, the absence of strategic debate has forced Europe into a reactive posture, exposed to fluctuations in U.S. foreign policy. The risk is twofold: structural dependence on U.S. support and loss of credibility as an autonomous actor. In this context, sanctions appear more as a surrogate for an uncertain strategy than as a coherent projection tool.

Finally, China adopts a strategy of opportunistic balancing, situated within the paradigm of strategic multipolarity. Beijing avoids direct confrontation but exploits the conflict to accelerate the transition toward a post-Western order. Official rhetoric emphasizes neutrality, but indirect economic support

for Russia and anti-NATO discourse indicates a revisionist posture. Western sanctions have pushed Moscow to intensify alignment with Beijing, creating an alternative economic axis that challenges Western hegemony. As Da Wei (2025) notes, China does not aim to support Moscow unconditionally but to preserve a balance that allows it to expand its projection without destabilizing regional order. Beijing risks secondary sanctions and strained relations with Europe, but for now the balancing act holds: its posture is best described as tactical revisionism rather than ideological.

In conclusion, the Russia–Ukraine conflict is the crossroads of five grand strategies: Russia seeks to rewrite the order, Ukraine to survive, the United States to renegotiate it, Europe to contain it, and China to exploit it. None of these actors can win alone. None can afford to lose entirely. It is this strategic interdependence — fragile, unstable, yet unavoidable — that makes the conflict not just a war, but a dress rehearsal for the world to come.

3.3 – The U.S. Posture and the Strategic Function of the Sanctions Regime

To fully understand the sanctions regime that emerged from the Russia–Ukraine conflict, one must examine the American posture — particularly its evolution under the Trump administration. In this framework, sanctions are not instruments of multilateral enforcement, but transactional bargaining tools, employed to construct alternative diplomatic formats, decouple revisionist trajectories, and marginalize normative actors. The logic is not deterrent but transactional: sanctions become instruments of exchange, not punishment.

The proposal for a trilateral summit between Washington, Moscow, and Kyiv — already rejected by Putin — reflects a vision in which the United States positions itself as a bilateral arbiter, free from European and multilateral constraints. As Brookings highlights, sanctions become reversible pressure tools: not punitive measures, but diplomatic assets to be activated or suspended depending on negotiating interests. In this framework, Trump’s posture does not seek global dominance but selective crisis management, where American centrality is ensured not by normative coherence but by the capacity to mediate.

This strategy unfolds in three complementary movements, each aimed at decoupling Moscow from Beijing:

- **Dual strategic containment.** Since the 1990s, U.S. strategy has sought to prevent the simultaneous rise of two revisionist powers. The Russia–Ukraine conflict has been interpreted as an opportunity to strike Moscow, weaken its projection capabilities, and discourage systemic alignment with Beijing. Sanctions, in this context, act as a lever of selective isolation.

- **Selective diplomacy and Asian pivot.** While pressure on Moscow intensifies, Washington seeks to manage competition with Beijing through maritime containment, regional agreements (Quad, AUKUS), and bilateral negotiations. The strategy aims to prevent a Russia–China fusion, keeping communication channels open with the latter and positioning the U.S. as a flexible actor.
- **Sino-Russian convergence as structural constraint.** Despite efforts, Sino-Russian convergence has deepened. Joint military exercises, energy synergies, and shared narratives against the West indicate a dynamic increasingly beyond American control. As Biscop (2024) observes, the more Moscow is isolated, the more Beijing absorbs its vulnerabilities, consolidating a tactical convergence that makes decoupling increasingly difficult to pursue.

Trump’s posture does not merely redefine the role of sanctions — it transforms the regime itself, stripping it of its normative dimension and embedding it within a logic of exchange. If Trump were to negotiate a deal with Putin — “You keep what you have, but renounce wanting more,” a formula that translates transactional logic into geopolitical terms — sanctions would become diplomatic currency, no longer instruments of systemic pressure. In this scenario, Europe risks being excluded from the negotiating table and seeing the sanctions regime emptied of its original function.

In summary, the American posture — particularly under Trump — not only employs sanctions but redefines their status. From normative measure to transactional lever, from multilateral tool to negotiable asset, the sanctions regime becomes an integral part of a systemic repositioning strategy, in which American centrality is guaranteed by the ability to decide who negotiates, what is exchanged, and who is left out.

This transformation is not neutral: it directly shapes the possible configurations of the conflict. If sanctions become bargaining chips, if the separation between Russia and China fails, if Europe remains excluded from negotiating formats, then the emerging scenarios are not mere tactical variations but projections of divergent strategic geometries. These trajectories feed into the scenario taxonomy, which reflects the different strategic configurations generated by the sanctions regime. It is at this juncture that the regime reveals its deeper nature: not as a reactive measure, but as a generative device — capable of producing order or disorder, depending on the postures and negotiating logics that traverse it.

3.4 – National Strategies and Divergent Scenarios: What Is at Stake in the War

The Russia–Ukraine conflict does not follow a linear trajectory: it branches into a plurality of scenarios, each reflecting divergent strategic postures, power relations, and negotiating logics. In a

context marked by personalized diplomacy, fragmented coalitions, and volatile leaderships, the possible outcomes are not mere tactical projections but geopolitical configurations that redefine the international order. Based on hypotheses developed by ECFR, Globsec, CNN, and Future Platforms, ten distinct scenarios can be outlined, shaped by two key variables: likelihood of occurrence and 6–18 month projection.

1. **Unconditional Ceasefire.** This scenario assumes that Putin accepts a truce without conditions, freezing current lines and withdrawing troops from occupied territories. Already rejected in May 2025, it remains highly unlikely: it contradicts the Kremlin’s revisionist logic and would entail a loss of internal legitimacy. Its realization would require a systemic crisis in Russia or coordinated and credible multilateral pressure. Over 6–18 months, its evolution would depend on political collapse or leadership change. In the absence of these factors, the scenario remains theoretical — useful as a normative reference but lacking operational substance.
2. **Frozen Conflict and Deferred Negotiations.** Russia consolidates territorial gains and freezes the front before winter, postponing negotiations to a later phase. This is the most likely short-term scenario, consistent with Russia’s strategy of attrition and stabilization. Moscow turns time into a diplomatic lever, aiming to legitimize de facto control. Over 6–18 months, this could evolve into an informal truce, with intermittent negotiations and implicit recognition. The risk is entrenchment of the status quo, with a divided West torn between containment and normalization. Ukraine risks losing momentum and legitimacy unless it secures credible and lasting security guarantees.
3. **Ukrainian Resilience with Western Support.** Ukraine slows the Russian advance thanks to military aid from the United States and the European Union, obtaining security guarantees such as NATO forces around Kyiv. This scenario depends on the cohesion of the Western coalition and Ukraine’s ability to sustain its military and institutional effort. Over 6–18 months, it could consolidate into a new regional security architecture, with Ukraine treated as a de facto partner, even without formal NATO membership. Pressure on Russian lines remains high, but the risk of internal stalemate and social crisis is significant. Ukraine’s democratic legitimacy hinges on continued external support and its ability to avoid an emergency drift.
4. **Ukrainian Crisis and NATO Credibility Loss** A mobilization crisis in Ukraine, combined with a breakdown in Western unity, opens the way for a Russian advance toward Dnipro and Zaporizhzhia. Ukrainian sovereignty is compromised, while NATO loses credibility as a guarantor of European order. This scenario could materialize if a Trump–Putin negotiation

sidelines Kyiv and fractures the West. Over 6–18 months, it would lead to a redefinition of the regional order, with a fragmented Ukraine and a Europe forced to reorganize its defensive posture. The risk is a destabilization spiral involving Moldova, Georgia, and NATO's eastern flank.

5. **Russian Quagmire and Internal Instability.** Moscow becomes militarily bogged down, loses support from China and India, and faces growing internal dissent. This scenario is favoured by the West but has low probability, as it depends on unpredictable or uninducible Russian domestic variables. Over 6–18 months, it could emerge following a failed autumn offensive, intensified sanctions, and elite fractures. If realized, it would open a window for a post-Putin transition and a redefinition of Russian foreign policy. The risk is systemic instability, with fragmentation of central power and unpredictable repercussions on the regional order.
6. **U.S. Strategic Withdrawal and European Vacuum.** Putin secures a deal with Trump that reduces U.S. involvement, leaving Europe alone to contain Russian pressure. This scenario is plausible, especially if American personalized diplomacy favours a bilateral understanding with Moscow. Over 6–18 months, it could result in Ukraine's marginalization in negotiation formats and a redefinition of the U.S. global role. Europe would be forced to fill the strategic vacuum but lacks sufficient tools. The risk is a loss of coherence in the Western response and growing vulnerability on the European front.
7. **European Strategic Autonomy.** The European Union strengthens its military capabilities and treats Ukraine as a de facto security partner, reducing dependence on the United States. This scenario is desirable for Brussels but hindered by political, industrial, and internal cohesion limitations. Over 6–18 months, it could evolve into a new European security doctrine based on structural investments and greater assertiveness in the eastern neighbourhood. However, without a shared political mandate, it risks remaining a theoretical projection. Its realization depends on the will to overcome the strategic ambiguities that have so far constrained the Union.
8. **Prolonged War of Attrition.** The conflict extends beyond 2026, with no diplomatic breakthroughs, in a logic of mutual exhaustion. This is the most probable scenario according to GLOBSEC and reflects each actor's inability to prevail or to withdraw. Over 6–18 months, it translates into a normalization of war, with rising costs and regional instability. Ukraine risks depleting its resources, while Russia adapts to permanent warfare. The West may lose momentum and cohesion, turning the conflict into a chronic crisis corrosive to European order.

9. **Russian Consolidation and Regional Destabilization.** Moscow consolidates control over large areas of Ukraine and renews pressure on Moldova, Georgia, and other post-Soviet neighbours. This scenario has maximum geopolitical impact and represents the success of Russia's revisionist strategy. Over 6–18 months, it could emerge if the West fractures and Ukraine collapses militarily. NATO would be forced to reinforce its eastern flank, but with strategic delay. The risk is the onset of a new Russian expansionist phase, with cascading effects on the entire European system and regional stability.
10. **Ukrainian Success and Euro-Atlantic Consolidation.** Ukraine regains part of its territory and gains permanent access to Western weapons systems, following a security model similar to Israel's. This scenario is low-probability but strategically significant. Over 6–18 months, it could consolidate if Kyiv maintains military pressure and the West ensures sustained support. Russia would suffer a diplomatic defeat, even without military collapse. The European order would emerge strengthened but remain exposed to new forms of hybrid pressure and indirect destabilization.

These ten scenarios can also be read in light of the taxonomy proposed by Chatham House, which identifies four strategic outcomes of the Russia–Ukraine conflict: Russian victory, Ukrainian victory, negotiated settlement, and no settlement. The Chatham House classification does not replace the analytical grid adopted here but provides a useful interpretive framework to guide reflection on the geopolitical and sanction-related implications.

3.5 – Ten Scenarios, One Dilemma: Sanctions Between Pressure, Stabilization, and Reform

The taxonomy of scenarios is not a classificatory exercise, but a dynamic map of crisis and power. Each strategic configuration — from freezing to victory, from collapse to neutralization — puts the sanctions regime under tension, redefining its function and exposing its limits.

The sanctions regime is not a fixed structure: it is an adaptive practice, oscillating between coercion and negotiability, between pressure and stabilization, between norm and transaction.

In the first scenario — unconditional ceasefire — sanctions would assume a fully coercive function. Yet this hypothesis, however normatively desirable, is structurally implausible: it would require an internal Russian crisis or coordinated multilateral pressure, two conditions the current system does not guarantee. Sanctions alone do not produce surrender: they can wear down but not overthrow or transform.

In the second scenario — frozen conflict — sanctions become crystallized. They turn into part of the landscape, containment tools rather than pressure mechanisms. Their effectiveness depends on the

ability to be reformulated, not reiterated. Without a coherent political strategy, they risk normalizing the exception and losing traction. This is the most probable short-term scenario, consistent with Russia's attritional strategy and the West's difficulty in defining clear objectives.

In the third scenario — Ukrainian resilience with Western support — sanctions act as conditional strategic multipliers. They strengthen Kyiv's position, erode Russia's capacity to sustain the war, and consolidate transatlantic cohesion. But this function is fragile: it depends on the internal political stability of the sanctioning states and their ability to update measures in real time. Its probability is moderate but declining if the Western front fragments.

In the fourth scenario — Ukrainian crisis and NATO credibility loss — sanctions lose their coercive function and become reputational devices. They serve to save face, not to change behaviour. The risk is that of hollow sanctions: formally active but strategically irrelevant. The probability is rising, especially in the event of a Ukrainian mobilization crisis and transatlantic misalignment.

In the fifth scenario — Russian quagmire and internal instability — sanctions become catalysts for systemic collapse. They act as levers of systemic attrition, targeting supply chains, financial networks, and dual-use infrastructure. But the risk is uncontrolled destabilization: a fragmented Russia is not necessarily a pacified one.

In the sixth scenario — U.S. strategic withdrawal and European vacuum — sanctions become fragmented instruments of regional pressure. They lose U.S. leadership and turn into European instruments, exposed to strategic divergences and geopolitical vulnerabilities.

In the seventh scenario — European strategic autonomy — sanctions become instruments of strategic autonomy. But this function is constrained by structural limits: energy dependence, industrial fragmentation, and political ambiguity. Without a shared vision, the sanctions regime risks being more symbolic than operational.

In the eighth scenario — prolonged war of attrition — sanctions operate as attritional practices: no longer exceptional measures, but increasingly normalized instruments of systemic pressure. But time, once a resource, can become an adversary: political habituation, diplomatic fatigue, and domestic economic pressure may erode the cohesion of the sanctioning front.

In the ninth scenario — Russian consolidation and regional destabilization — sanctions shift into containment and deterrence tools in a post-conflict setting. They no longer aim to stop aggression but to limit its expansion. Their function is to stigmatize the offensive and prevent further incursions.

In the tenth scenario — Ukrainian success and Euro-Atlantic consolidation — sanctions assume a role of strategic consolidation. They serve as guarantees within negotiation frameworks, conditional

on compliance with peace agreements. Yet even here, their effectiveness depends on the ability to build a credible multilateral balance, not on economic pressure alone.

In summary, the three most realistic scenarios — frozen conflict, war of attrition, and U.S. strategic withdrawal — are not mere outcomes but configurations of strategic stalemate, in which sanctions risk losing function, coherence, and legitimacy. And it is precisely within these scenarios that the central dilemma unfolds: how to maintain pressure without hollowing out the normative dimension of the sanctions regime. In a fragmented world, sanctions are no longer instruments of disruption, but devices for managing disorder — flexible, contested, and increasingly dependent on the political coherence of their promoters.

3.6 – Sanctions as a Practice of Power in an Unstable Order

The Russian case has not resolved the debate on sanctions — it has transformed it. The restrictive measures adopted against Moscow have produced neither surrender nor decisive victory but have acted as systemic devices capable of altering the strategic, economic, and normative conditions of the conflict. As Daniel Drezner (2024) observes, sanctions are not instruments of resolution but practices of power that redefine vulnerabilities, alliances, and strategic legitimacy. They do not operate in the abstract; they are embedded in strategic postures, coalition logics, and power narratives. This reading shifts the focus from sanctions as reactive measures to generative practices of order.

The theoretical trajectory of this chapter has shown that the dichotomy between realism and liberalism is increasingly fragile. Realism struggles to explain the resilience of the Western sanctions front despite the absence of immediate gains (Morgenthau, 1948; Waltz, 1979). Liberalism, meanwhile, falters amid the crisis of normative universalism and the selective use of multilateral rules (Keohane & Nye, 1977). Sanctions now appear as hybrid practices, oscillating between coercion and negotiability, between automatism and modulation, between economic pressure and reputational signaling.

The Russia–Ukraine conflict has served as a stress test for these ambivalences. Sanctions have accelerated geopolitical realignments, industrial restructurings, and normative polarizations. They have reinforced convergence among revisionist actors, pushed the West toward more sophisticated sanction coordination, and opened the door to new extraterritorial tensions, such as secondary tariffs (Chachko & Heath, 2022). In this context, legitimacy becomes the critical variable of the sanctions regime. It is not enough to strike — one must be recognized. In a multipolar world, the

strength of sanctions lies not in severity but in credibility (Likhacheva, 2023). And that credibility is built through stable coalitions, shared governance, and strategic adaptability.

As Giumelli (2023) emphasizes, the future of sanctions will depend on their ability to evolve into intelligent, modular, and reversible tools, capable of operating in fragmented contexts and responding to shifting political objectives. Sanctions will not be effective if conceived as rigid and permanent measures, but only if integrated into a flexible governance logic that balances pressure and negotiability, deterrence and openness. In this sense, the challenge is not merely technical but strategic: to build sanctions regimes that are coherent, adaptive, and legitimate — capable of acting over the long term and withstanding geopolitical volatility.

In the multipolar context outlined by Sven Biscop (2022, 2024), sanctions no longer operate within a bipolar system but in an unstable field of forces where “each power pursues its own trajectory according to its interests.” His analysis dismantles binary rhetoric and invites us to read sanctions as instruments of fluid positioning, not ideological conversion. The Manichean temptation to divide the world between democracies and autocracies does not hold up to reality: “not all democracies are always aligned with the West, and some autocracies are indispensable partners.” In this scenario, sanctions become instruments of strategic signaling. Their effectiveness lies not in punishment but in the ability to offer credible alternatives.

Biscop also highlights the risk of a transition from hot war to cold war, in which the sanctions regime crystallizes into a logic of permanent containment. If the West fails to build a coherent strategy, and if the United States withdraws from the conflict, Europe will be forced to manage sanctions as instruments of incomplete autonomy — exposed to external pressures and internal divergences. In this framework, the function of sanctions is reduced to normative testimony rather than operational deterrence.

As Timofeev (2023) and Shagina (2023) argue, the future of sanctions will hinge on three dimensions: coalition resilience, modulation capacity, and the construction of a normative consensus that is no longer exclusively Western. Understanding the sanctioned country is not a technical detail but a condition of strategic effectiveness. Sanctions must be calibrated not only to the behaviour they seek to influence, but to the strategic context in which that behaviour is embedded. Without this awareness, the risk is ineffective pressure — or worse, counterproductive outcomes.

Looking ahead, sanctions will increasingly shift from instruments of rupture to devices for managing disorder. They will act not to resolve but to contain; not to punish but to negotiate; not to convert but to delimit. Their effectiveness will depend on the ability to build multilevel sanctions regimes capable of adapting to the variable geometries of global power. In this sense, the sanctions regime is not a

mechanism but a grammar — a form of strategic language that articulates intentions, signals postures, and structures alliances.

The theoretical task now is to decipher this language and interrogate the conditions of its legitimacy. Sanctions are not the end but the symptom — the symptom of a hegemonic transition that has yet to find its rules, its languages, its constraints.

In a multipolar world, the future of sanctions will depend on the ability to construct a shared language of power — one that integrates coercion and cooperation, pressure and legitimation, interest and norm. It is on this terrain that not only the outcome of the conflict will be decided, but the very shape of the international order: whether it will be governed by shared rules or by variable geometries of power.

Conclusions

The Russia–Ukraine conflict has acted as a catalyst for a systemic transition already underway: the crisis of multilateralism, the return of power politics, the redefinition of sovereignty, and the transformation of sanctions from normative instruments into positioning practices. In this framework, sanctions are no longer technical measures but political acts — not tools of regulation but acts of positioning that define hierarchies and boundaries.

The return of political primacy, made evident by President Trump, marked a profound rupture with the technocratic logic that dominated the post–Cold War phase. Politics, understood as sovereign decision-making, has reclaimed the space once occupied by legal constraints, normative automatism, and multilateral mechanisms that claimed neutrality. In this context, sanctions are no longer rational instruments but performative acts. They do not aim to achieve measurable outcomes but to manifest intent. Coercive diplomacy detaches from the logic of norms and reconfigures itself as a language of power, where effectiveness is measured not in results but in signals. Politics no longer seeks legitimacy through shared rules but asserts itself through unilateral acts. The sanctions regime, stripped of its normative dimension, becomes a negotiable asset — part of a transactional strategy aimed at renegotiating the order, not defending it.

This transformation has deep implications for the stability of the international system. If sanctions become instruments of negotiability, they lose their systemic function. They are no longer part of a shared regime but of a bilateral logic, where economic pressure is subordinated to the will of the dominant mediator. Personalized diplomacy, which characterizes Trump’s posture, no longer produces stable hegemony but selective influence. The logic of power replaces that of norms, and the sanctions regime becomes an instrument of repositioning, not of order. Power is no longer legitimized through shared rules but through acts that delimit the space of the possible.

The Trump–Putin summit held in Anchorage seemed to open the door to negotiations that, as weeks passed, failed to guarantee any concrete path toward peace. Russia continues the war on the ground, pursuing a clear strategy with consistency and determination: it aims for Ukraine’s capitulation. The United States, in its role as mediator, withdraws, oscillates, recalibrates tactically. The floated idea of a “land for peace” deal — the ceding of territory to Russia in exchange for security guarantees for Ukraine — is not just fragile: it is a strategic concession that risks legitimizing aggression. The broader the concessions, the stronger the guarantees should be. Yet the guarantees proposed so far are vague, reversible, lacking binding mechanisms, and written in water.

According to a widely held view among observers, Trump has acknowledged that Russia cannot be defeated. He has recognized the failure of Ukraine’s counteroffensive, NATO’s progressive

disarmament, Russia's military-industrial superiority, Putin's domestic support, and China's backing. He has certified the reality: the West no longer has the strength to win and must prepare for a prolonged war. An outcome, then, far from a just peace — one that risks resembling Ukraine's surrender. If this is indeed the scenario we must confront, it becomes urgent to reflect on several strategic nodes that shape the present and prefigure the future.

First node: secondary sanctions. Secondary sanctions are not mere extensions of the primary regime; they are extraterritorial devices that transform pressure into a global network. The India–China case is emblematic. The United States sanctioned India for importing Russian oil but avoided equivalent measures against China, despite Beijing increasing its purchases. The justification is strategic, but the logic is selective. The weaker partner is punished; the more structured rival is spared. This imbalance is not only incoherent — it is destabilizing. It has incentivized a tactical rapprochement between New Delhi and Beijing, a reactive convergence that escapes the logic of decoupling. And here the issue is not only geopolitical but normative: if secondary sanctions are applied asymmetrically, they undermine claims of universalism and expose the crisis of multilateral legitimacy.

But economic pressure does not operate in a vacuum — it unfolds within a rapidly transforming geopolitical context. Secondary sanctions affect not only governments but value chains, industrial choices, and commercial postures. They force companies to rethink their markets, recalibrate dependencies, and build alternative circuits. In this sense, they are devices of systemic restructuring. Their effect is not only coercive but transformative. They do not block — they divert. They do not punish — they reconfigure. And in doing so, they redefine the logics of global interdependence. If left ungoverned, this reconfiguration can produce counterintuitive effects as in the India–China case, where pressure generated a convergence that was neither anticipated nor desired.

Second node: the shifting geopolitical centre of gravity. This spatial redefinition has direct consequences for the perception and effectiveness of sanctions. It is not a simple redistribution of power but a redefinition of strategic coordinates. Asia is no longer the periphery of the Western system — it is the laboratory of an alternative order. An order not based on norms but on sovereignty; not on convergence but on coexistence; not on universalism but on plurality. The SCO, BRICS, regional platforms, energy and digital infrastructures — all indicate that the centre of gravity is shifting. And this shift is not neutral. It redefines alliances, restructures dependencies, and alters postures.

In this framework, sanctions act as catalysts of polarization. They do not produce convergence but differentiation. They do not reinforce universalism but accelerate regionalization. And here the issue is not only strategic but symbolic. Because every sanction imposed by the West is read elsewhere as an act of domination. And every response — whether economic, diplomatic, or military — is a form of resistance. The centre of gravity shifts, and with it, the language of power. It is no longer about imposing rules but about building competing architectures that challenge the universalist claims of the liberal order.

Third node: the hegemonic function of U.S. sanctions. The question is simple: have the sanctions against Russia — imposed primarily by the Biden administration — strengthened or weakened American hegemony? The answer, in my view, is twofold. On one hand, dollar-based financial sanctions preserve Washington's coercive capacity. Control over banking circuits, international transactions, and currency reserves allows the United States to exert systemic pressure without resorting to force. It is a form of silent but effective hegemony. On the other hand, overuse of this tool has triggered a global reaction. More and more countries are seeking to diversify reserves, build alternative circuits, and reduce dependence on the dollar. The proliferation of yuan-based agreements, the creation of regional payment systems, and the growth of non-Western currency reserves are signs of a slow but real de-dollarization. This trend is accompanied by the transformation of sanctions from normative instruments into bargaining levers. Personalized diplomacy, transactional logic, and the negotiability of pressure — all of this empties the sanctions regime of its systemic function. It is no longer about defending the order but renegotiating it. And this renegotiation, if not accompanied by a shared strategic vision, risks producing instability. American hegemony is not in crisis, but it is under pressure — and that pressure stems precisely from the overuse of its most powerful tool, in a context that undermines its legitimacy and multiplies its alternatives.

Fourth Node: The European Union and the Dilemma of Strategic Sovereignty. The fourth node concerns the European Union. The crisis of multilateralism has reactivated the question of national sovereignty, exposing the EU's structural limitations. Built as a mechanism to dilute sovereignty, the Union now finds itself confronted with a reality that demands projection capacity, decision-making, and risk management. Yet its institutional architecture — designed to ensure normative coherence — is not equipped to act strategically. In this context, European sanctions function as a surrogate for a strategy that struggles to define itself: reactive rather than projective measures; instruments of internal coherence more than external influence. The EU's normative vocation, which has long underpinned its legitimacy, now clashes with the need for power, which determines its effectiveness.

This tension is compounded by the growing costs borne by European countries in supporting Ukraine. According to updated data from the Ukraine Support Tracker, Europe has surpassed the United States in the volume of military aid provided through its defence industry, contributing billions of euros in financial and humanitarian assistance. Added to this are the effects of the 2022 energy crisis, which hit European economies hard, forcing many governments to adopt extraordinary measures to shield households and businesses.

If the future of the Ukrainian question is to be reduced to the “land for peace” paradigm — which does not resolve the conflict but merely freezes it — then Europe must do more than fund: it must guarantee, decide, assume responsibility. Yet what instruments, what resources, could realistically underpin such ambition? On what legal basis? The EU’s commitment to Ukraine’s reconstruction has been widely declared but remains uncertain in its operational translation. And while some countries have stood out for generosity and consistency, many others explicitly reject even the idea of sending troops to ensure security on the ground. Can the commitment of the so-called coalition of the willing suffice, in a common defence framework still to be built? Is it hypocrisy to accuse Europe of irrelevance, when the main culprits of this paralysis are the very member states that denounce its weakness? Irrelevance is not an external condition — it is an internal choice. And the sanctions regime, in this light, becomes the mirror of a fragmented will, incapable of translating itself into power.

Another tension must not be ignored: that between strategy and society. European public opinion is increasingly detached from the war. While political elites speak of common defence, deterrence, and strategic postures, citizens worry about the future of welfare, the resilience of public services, and social sustainability. Inflation, precarity, and the energy crisis have eroded trust. And this creates a deep tension: is the dilemma really one of butter versus guns? How can increased defence investments be justified when perceived priorities lie elsewhere? How can a common strategy be built without social consensus? The answer cannot be rhetorical. It must be political. And it must begin with a recognition: without reconnecting strategy and society, Europe will never be a credible geopolitical actor.

At the same time, the controversial issue of the €300 billion in frozen Russian assets must be addressed — assets that represent a potential counterpart for Ukraine’s future reconstruction. But their confiscation lacks solid legal foundations. The question thus becomes political: in a scenario where law has retreated, does it still make sense to invoke it as a constraint? Or is it time to acknowledge that legitimacy is also built through responsibility? Europe, which has already paid the highest price in terms of energy costs and military support, cannot limit itself to being the banker of

reconstruction. It must become the architect of peace. And to do so, it must decide whether law is still a tool of governance — or merely an alibi for inaction.

Final Reflection

Ultimately, I do not see sanctions as moral judgments, but as acts of power. And as such, they are never neutral: they reveal who decides, who excludes, who directs. They can be instruments of pressure, negotiation, stabilization, exclusion. But to be effective, they must be coherent with a worldview, with a strategy, with a capacity to read disorder not as a threat, but as a condition to be governed and transformed. In the absence of such a vision, sanctions risk becoming empty gestures, rituals of power, simulacra of sovereignty. And disorder, rather than being contained, will continue to expand, fragment, and elude control.

I do not believe the problem lies in the end of multilateralism. The real issue is the absence of a new strategic architecture capable of integrating norm and power. Rules are no longer sufficient. We need visions. We need choices. We need postures. Sanctions can be part of this, but only if conceived as instruments of transformation — not as punitive automatisms. Only if they act as systemic devices, capable of altering strategic trajectories and redefining the operational conditions of power.

The Russian case makes this clear: sanctions have not produced surrender, but have triggered a silent transformation — commercial realignments, currency dependencies, asymmetric geopolitical convergences. Each adaptation has generated new vulnerabilities. Their effectiveness is not measured in explicit concessions, but in the cumulative distortion of strategic space. It is this deferred pressure — not immediate victory — that reveals their systemic function.

Because only by rethinking sanctions can we rethink power. And only by rethinking power can we imagine an order no longer based on domination, but on coexistence. An order that is not imposed but negotiated. And negotiation requires listening, recognition, reciprocity.

Sanctions, if conceived as credible instruments of negotiated transformation, can contribute to this process. But they must be accompanied by a strategy that does not merely punish, but also offers alternatives, pathways, guarantees. A vision that binds norm and power, rule and decision, strategy and society. A vision that does not merely react, but anticipates; that does not contain, but orients.

In this framework, Europe has a crucial role. Not only because it is one of the main promoters of the sanctions regime, but because it stands at the centre of a structural tension between normative vocation and the need for power. The European Union was born as a project to dilute sovereignty, as a space of shared rules, as an architecture of cooperation. But today, faced with war, polarization, and fragmentation, it is called to rethink itself as a strategic actor.

And this rethinking cannot be merely institutional. It must be political, social, cultural. It must interrogate priorities, alliances, forms of legitimacy. It must reconnect strategy to society and norm to reality. Only then can Europe build a sanctions regime that is not only effective, but also just. Not only coherent, but also legitimate. Not only strong, but also recognized.

Because true power is not that which imposes, but that which persuades. Not that which punishes, but that which guides. Not that which excludes, but that which includes. Sanctions, if they are to be instruments of power in the world to come, must learn to include. To negotiate. To transform. And this means, above all, rethinking sanctions as transformative political practices — not as technical or exceptional measures. A strategy that does not merely defend the order, but knows how to build a new one. An order no longer based on domination, but on coexistence. An order founded not on force, but on responsibility. An order that does not exclude, but recognizes.

I pause for a moment on a suggestion: what if it were China, surprisingly, to promote the end of hostilities in Ukraine?

The future of sanctions is unwritten. It depends on us. On how we conceive them, how we use them, how we transform them. And above all, on what kind of order we want to help bring into being.

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