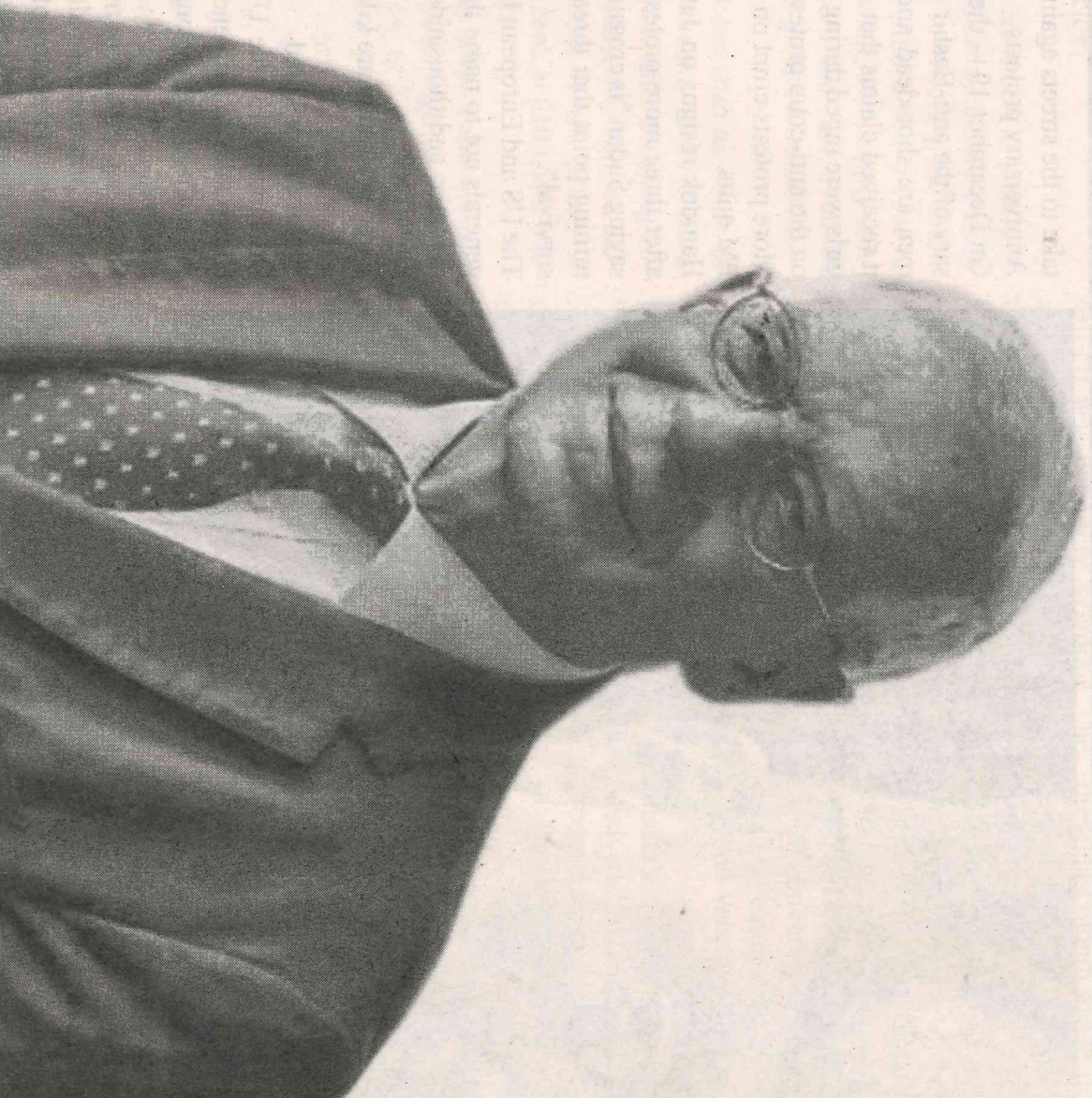


# RUSSIA WILL HAVE TO CHOOSE BETWEEN BUTTER AND GUNS



By Josep Borrell

Are the sanctions against Russia useful? Yes, they are already hitting Vladimir Putin and his accomplices hard and their effects on the Russian economy will increase over time. Since Russia deliberately violated international law by invading Ukraine, the EU has adopted six packages of sanctions against Moscow.

Our measures now target nearly 1,200 individuals and 98 entities in Russia as well as a significant number of sectors of the Russian economy. These sanctions were adopted in coordination with the G7 members. Their effectiveness is enhanced by the fact that over 40 other countries have adopted them.

By the end of 2022, we will have reduced our Russian oil imports by 90 percent and are rapidly reducing our gas imports. These decisions are gradually freeing us from a dependence that has long inhibited

our political choices in the face of Putin's aggressiveness. He probably believed that Europe would not dare to engage in sanctions because of its energy dependence. This is not the most insignificant of the Russian regime's many miscalculations during this conflict.

Of course, weaning ourselves off Russian energy so rapidly also creates serious difficulties for many EU countries. But this is the price we have to pay for defending our democracies and international law. Although Russia exports a lot of raw materials, it also has no choice but to import many high value-added products that it does not manufacture. For all advanced technologies, it is 45 percent dependent on Europe and 21 percent on the US, compared with only 11 percent on China.

In the military field, the sanctions limit Russia's capacity to produce precision missiles such as the Iskander or the KH 101. Almost all foreign car manufacturers have also decided

to withdraw from Russia. Few cars produced by Russian manufacturers will be sold without airbags or automatic transmission.

The oil industry is suffering not only from the departure of foreign operators but also from the difficulty of accessing advanced technologies such as horizontal drilling. The ability of Russian industry to bring new wells on stream is likely to be limited.

To maintain air traffic, Russia will have to withdraw a majority of its aircraft from circulation in order to recover the spare parts needed to allow the others to fly. There is also the loss of access to financial markets, being disconnected from major global research networks and a massive brain drain.

As for the alternative offered by China for the Russian economy, in reality it remains limited, especially for high-tech products. To date, China, which is very dependent on its exports to developed countries, has not assisted

Russia in circumventing Western sanctions. Chinese exports to Russia have fallen in line with those of Western countries. Will these significant and growing impacts lead Putin to modify his strategic calculations? Probably not in the immediate future: his actions are not guided primarily by economic logic. However, by forcing him to choose either butter or guns, the sanctions lock him in a vice that is gradually tightening.

Regarding the impact of these sanctions on third countries, particularly African countries, which depend on Russian and Ukrainian wheat and fertilisers, where responsibility lies in terms of the food crisis is clear. Our sanctions do not target Russian wheat or fertiliser exports, while Ukraine is prevented from exporting its wheat by the Black Sea blockade and destruction caused by Russian aggression.

If such issues linked to our sanctions were to arise, we are ready to put in place the appropriate mechanisms to address these. I have informed my African counterparts of this.

The real answer to the difficulties on the world energy and food markets is an end to the war.

This cannot be achieved by accepting the Russian diktat, it can only be achieved by Russia's withdrawal from Ukraine. Respect for the territorial integrity of states and the non-use of force are not Western or European principles. They are the basis of all international law. Russia is blithely trampling on them.

Contrary to what we thought rather naively just a few years ago, economic interdependence does not automatically imply a pacification of international relations. This is why the transition to a Europe as a power, which I have been calling for since the beginning of my mandate, is imperative. Faced with the invasion of Ukraine, we have begun to move from intention to action by showing that, when provoked, Europe can respond.

The writer is EU High Representative for Foreign Affairs and Security Policy.