

## Western Sanctions against Russia and the North-South Divide

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### Introduction

While there has been a wide consensus condemning or at least criticizing the Russian invasion into Ukraine in February 2022, there also emerged a visible North-South divide on the way how to respond politically to this. The Global North responded by sending massively arms to Ukraine and by imposing fairly encompassing economic sanctions against Russia. The Global South has not supported these strategic responses. The sanctions initiatives of the Global North have hardly found a resonance beyond its own ranks. About 40 countries have supported sanctions: the USA, Canada, the EU countries, the UK, Norway, Iceland, Northern Macedonia, Albania, Kosovo, Montenegro, Japan, South Korea, Singapore, Australia, New Zealand. Thus, a clear North-South Divide on the sanctions issue can be observed. This paper tries to shed light on the reasons behind this. It will highlight two aspects: the different visions of an international order in North and South, and the economic fall-out of the sanctions on other countries.

### Visions of the International Order

The emergence of conflict around Ukraine, which has culminated in the Russian military attack, the Western (or Northern) sanctions, but also the reactions in the Global South both to the war and to sanctions are related to the diverging visions of the (desirable) international order and related geopolitical and –economic strategies.

*Unipolar order:* The US government aims to shore up the dominant international position of the US with attendant economic advantages of a US-dollar-centred international financial system, US-aligned international norms favouring US businesses and easier access to strategic raw materials. The US foreign policy establishment admits that the “unipolar situation” of the years after the collapse of state socialism and of the Soviet Union has passed and an “era of renewed great power competition” has begun (Congressional Research Service 2022: 28). In this context, a strategy paper of the US Congressional Research Service (2022: 4) defines as “a key element of U.S. national strategy, a goal of preventing the emergence of regional hegemony in Eurasia.” The report identifies China and Russia as the two key challengers in that macro-region (Congressional Research Service 2022: 1).

The positions of the European countries are more nuanced. Some of them, like the UK, Poland or the Baltic states, support the unipolar ambitions of the US government without reservation. Other states, like France, Germany or Italy, have shown ambitions for partial autonomy with varying intensity depending both on the international context and on the composition of the governments. In these states, substantial economic interests might diverge from US economic and broader geopolitical concerns. The present German government clearly accords priority to the US as the most important ally, as Chancellor Olaf Scholz recently underlined (FAZ 2023a: 1). The French position seems to aim at a somewhat more autonomous role both of France and potentially of the EU. However, the repeated assertions of Western unity imply de facto an acknowledgement of US unipolar ambitions – though at times with reservations.

The US and – in varying constellations – its allies have since the early 1990s repeatedly waged wars of aggression against states whose government they regarded contrary to their interests. In this period, the military interventions have been particularly frequent severe in the Middle East (especially in Iraq and Libya) which used to be a crucial area for fossil capitalism due to its deposits. In this region, the wars were waged over the control of oil and gas deposits.

US unipolarism and limited West European ambitions of autonomy have been played out in the post-Soviet space. Though the issue of not enlarging NATO towards the East was an issue of negotiations between the US and first the Soviet Union and then Russia, the US government avoided any firm commitment on the issue. NATO Eastward enlargement proceeded gradually, with the key decisions being taken by the Clinton government. NATO enlargement was not consensual in the US foreign policy establishment. There were warnings about the potential for future conflict inherent in this strategy. Ukraine was viewed from the very beginning as a potentially particularly conflictive case regarding NATO enlargement (cf. Sarotte 2021). Central East European countries were fully supportive of NATO eastward enlargement. Countries with long-standing economic links, mainly in the energy sector, already with the Soviet Union, like Germany, Italy or Austria, viewed the end of systemic competition as a chance of deepening their economic links with Russia. The focus was on the energy sector. The US had been highly critical about building energy links between Russia and West European countries in the 1970s (Radić Đozić 2022: 61 f.) and have maintained their negative attitude afterwards. This group of European countries, which deepened their economic relations with Russia, did not develop a novel concept for a pan-European security arrangement that would include Russia. In the early 2000s, there was the moment of the closest political entente between Germany and France on the hand and Russia on the other hand as all three governments took a position against the US-led aggression against Iraq in 2003.

This alarmed the US government, which put the membership of Ukraine and Georgia on the agenda of the NATO summit in 2008. At the time, the German and French governments blocked immediate NATO membership of these two states, but did not succeed to get a possible future membership of the two post-Soviet countries off the agenda. NATO enlargement became increasingly directed in an explicit way against Russia.

Both the US and Western governments also increasingly promoted pro-Western forces in post-Soviet states, in particular in Ukraine, which was regarded as a crucial country in the geopolitical competition in the region. As the then US Assistant Secretary of State Victoria Nuland admitted in 2013, the US had invested 5 bn US\$ in the so-called promotion of democracy in Ukraine since 1991 (Sakwa 2016: 86). The dominant economic-political forces in Ukraine displayed different geopolitical orientations – pro-Western and multi-vectoral. This opened the doors for external influences – of the US, Russia, Germany, but also of other countries (cf. Yurchenko 2018: 128 ff.). This international dimension exacerbated the domestic political conflicts in Ukraine. These conflicts came to a head with the controversy on the EU-Ukraine Association Agreement. The EU had drafted the Association Agreement in a way that confronted Ukraine with a hard choice: institutionalized economic integration either with the EU or with Russia (Sadowski 2014: 29). Ukraine had strong economic links to both sides at that time. The country lost the balance over this agreement. The Janukovyč government first signaled consent to the agreement, and then changed its position in the last minute, partially under the pressure of the Russian government. This decision provoked protests that, in the end, resulted in the toppling of the Janukovyč government and a strategic shift to a pro-Western position in spring 2014. Russia reacted by taking control of Crimea, fostering first the separation from Ukraine and then the annexation of the peninsula. In Donbas, protests against the new government partially developed into an armed revolt, which received support from Russia. The

German and French government brokered agreements on a ceasefire and a political solution for Donbas. A shaky ceasefire was established, but the political solution never rigorously pursued.

Instead, confrontation continued. NATO military cooperation with Ukraine was also intensified (Colin Lebed 2022: 190 f., Anderson 2023) and military expenditure increased very rapidly (Sz. Biró 2023: 1). Western, in particular US policies in the post-Soviet space contributed crucially to the escalation of conflict. However, the Russian side took a decisive escalatory step when it resorted to a military reaction in 2014.

*Multipolar order with militarized traits:* Differently from the US, the Russian government pleads for a multipolar order. This international order should be characterized by a plurality of values (not by universalism) and an equilibrium of forces. However, this multipolarism has very specific characteristics. In the interpretation of Fjedor Luk'janov (2022: 39), a well-known Russian foreign policy expert, the present Russian government sees classical military conflict as the final way of resolving conflicts. This is a highly militarized version of a multipolar conception. De facto, several countries in the Global South share de facto the Russian vision. Aspirants for regional power like Turkey, Saudi Arabia and the United Arab Emirates have recently likewise intervened in states of their regional neighbourhood.

The Russian militarized multipolarism evolved over time in the escalation tensions with the Western countries. In the beginning, the Russian foreign policy reflected the reduced possibilities of a country suffering from economic collapse. From the very beginning the Russian government accorded a key priority to the relations with the other post-Soviet successor countries. In the final phase of the Soviet Union, the forces around the republican leadership around Boris Jelcin – the technocrats and the directors of the state firms – had been the key movers behind the Russian separation from the Soviet Union. Their key motive was to get rid of the “burden” of the poorer Soviet Republics and to take control of the transformation process (cf. Jaitner 2021: 19 f., Zubok 2021: 357 ff.). The desire to take over control of the transformation (and privatization) process was also a driving motive behind independence movements in other Soviet Republics, including Ukraine. Thus, control of the privatization processes was the key element behind the emerging consensus at the top behind the dissolution of the Soviet Union. The consensus included the recognition of the hitherto republican borders as new international borders. The Russian Federation accepted the existing borders as well – though there were dissenting voices regarding the Russian-Ukrainian borders from the very beginning (cf. Zubok 2021: 324 ff., 401). Russian attempts to build new integrative structures in the post-Soviet space met initially only with limited success. Nevertheless, Russia's key role in the post-Soviet space was not contested until the early 2000s. The Russian government considered its dominant position in the post-Soviet space as a being fundamental for a wider international role. During the presidency of Jelcin and the first years of Putin's presidency Russian foreign policy was otherwise West-orientated (while remaining critical vis-à-vis the unipolar pretensions of the US government). Russian cooperation, e.g. in so-called war against terror, was not rewarded by the US government. This led to “deep disappointment” (Stopar 2014: 14) on the Russian side.

The Russian government resented increasingly not only NATO eastward expansion, but also the US role in social revolts in the post-Soviet space, in particular in Ukraine (2004) and Georgia (2003). The revolts had their roots in widespread social discontent due to the dismal socio-economic situation and widespread corruption. The discontent was exacerbated by electoral frauds. Pro-Western forces were able to take advantage of the mass protests. “Perceived both as an attempt of Western interference and an attempt of moving away from the Russian space, the revolutions led to a hardening on the side of the Russian authorities” concludes Aubin (2022: 83). Gradually, the Russian government took a more assertive position vis-à-vis Western countries (in particular the USA), strengthened its ties with the Global South, in particular with Asian countries like China (cf. Luk'janov

2015), and it developed a more high profile policy in the post-Soviet space. In quite conventional terms, it launched the initiative for founding the Eurasian Economic Union, which was realized in 2015. This happened in competition with the EU, which tried to integrate post-Soviet states through Association Agreements into its sphere of influence. This conflict came to head in Ukraine where Western-supported political forces took power after mass protests. The Ukrainian case showed the narrow limits of the attractiveness of the Russian development model. This highly unequal model lacked hegemony in Russia itself. A model, which was not hegemonic internally, could not serve as regional hegemonic model (cf. Colin Lebed 2022: 154). With this, coercive elements became stronger in the Russian regional policies, especially regarding Ukraine. The heightened tensions and competition with Western countries, which were played out particularly in the post-Soviet space, fed an imperial nationalism in Russia. The partisans of an imperial nationalism increasingly questioned the 1991 consensus on post-Soviet borders (cf. Treťjakov 2021: 41). The assertive policy vis-à-vis Western countries plus the imperial nationalism regarding the post-Soviet space have material underpinnings in the aim to remain being “an autonomous centre of capital accumulation in the post-Soviet space” (cf. Ischtschenko 2023: 41). Already in a limited way after Western-backed regime change in Ukraine in 2014 and on a much greater scale in 2022, the Russian government brought the escalation of the geopolitical cum post-disintegration conflict to a qualitatively new stage by using military forces and by annexing parts of Ukraine – after referenda under highly irregular circumstances. Both violates international law. In a way the Russian governments combines the demand for a multilateral global order with wishes of a Russia-centred unipolar regional order in the post-Soviet space.

*Multipolar order with peaceful coexistence:* In this way, the basic position of China, India, Brazil and many other governments in the Global South can be summarized. In its recent “Global Security Initiative Concept Paper”, the Chinese government underlined its search for a multipolar order and the key role of regional organisations. As core principles, the paper highlights “respecting the sovereignty and territorial integrity of all countries”, “abiding by the purposes and principles of the UN Charter”, “peacefully resolving differences and disputes between countries through dialogue and consultation” and “taking all the security concerns of all countries seriously” (Ministry of Foreign Affairs of the People’s Republic of China 2023). Representatives from other countries of the Global South have voiced similar positions. For example, Celso Amorim, former Brazilian foreign minister and presently foreign policy advisor to President Luiz Inácio Lula da Silva, underlined the commitment to a global multipolarity, the search for a closer cooperation with in Latin America, and the search for political solutions to military conflicts. He explicitly criticized the use of military force and the violation of Ukrainian territorial integrity by Russia (Amorim 2022). Though the BRICS countries China, India, Brazil and South Africa had entered into a closer cooperation with Russia through the BRICS format, they have played no role in the escalation of the conflicts in the post-Soviet space and their vision of a multipolar international order differs clearly from the Russian conception.

US unipolar claims and Russian multipolar claims clashed in the post-Soviet space. However, both the US plus their main European allies and Russia see themselves entitled to military aggressions in pursuit of their geopolitical and –economic aims – contrary to international law. Key countries of the Global South pursue a conception of a multipolar order that is clearly linked to peaceful coexistence. With the Russian government, they share the principle of striving for a multipolar order. However, they differ fundamentally from the Russian conception regarding the qualities of the multipolar order. In line with conceptions of Non-Aligned Movement during the Cold War period, key countries of the Global South underline the need for peaceful coexistence and strict adherence to the UN Charter by all countries. The positions of countries of the West, i.e. the Global North, and the Global

South on sanctions against Russia have to be understood against the background of the different understandings of a desirable international order.

### **Character of Western Sanctions against Russia**

Several types of sanction policies can be identified. For the Western sanctions against Russia, two types seem to be of particular relevance: sanctions aiming at accelerating a peace settlement and geopolitical sanctions. The first type of sanctions aims narrowly at the capacities to wage war and would be phased out with the de-escalation of the military conflict. They ban arms exports, crucial high tech exports and target war financing in the narrow sense. With the end of the war, the sanctions end. Geopolitical sanctions aim at structurally weakening the adversary, eliminating it as a relevant international actor. They are fairly encompassing and open-ended. Their end are not linked to the end of the war. They do not provide an incentive to ending a war (Becker 2022a).

The Western sanctions fall into the second category. The Ukrainian government favours this approach. While Western governments have not precisely defined the exact aims of their sanctions against Russia, their rhetoric uses the vocabulary of economic warfare. For example, the French Minister of Economic Affairs compared the financial sanctions to the use of a “financial atomic bomb” (cit. by Didier 2022). The German Minister of Foreign Affairs, Annalena Baerbock commented already the first 2022 sanctions package with the words: “This will ruin Russia.” (cit. by Kunesch 2022).

An indication of the geopolitical character of Western sanctions against Russia is that the US sanctions already imposed the first, still limited sanctions in 2013, i.e. before the military conflict (cf. Bettanin 2022: 131). The second round of sanctions was triggered by the incorporation of Crimea into the Russian Federation and the military conflict in Donbas. These sanctions already targeted selected banks, high tech exports (e.g. deep water drilling equipment), individual firms and individuals (cf. Sakwa 2016: 187 ff.). The US and their closest allies started their third round of sanctions directly after the Russian invasion of Ukraine in February 2022. These economic sanctions are fairly encompassing. They aim at key sectors of the Russian economy: finance relations, Russian high tech imports and energy exports (cf. the ex-ante study of Astrov et al. 2022).

*Financial sanctions:* The Western financial sanctions have been fairly encompassing (cf. Becker 2022b: 56 f.). On 27 February 2022, the Western countries imposed a ban on transactions with the Russian central bank (and also the Russian Ministry of Finance and various Russian parastatals) and froze their assets in Western countries. According to the Russian Minister of Finance, Russia lost the access to 300 bn US\$, i.e. 47% of Russian foreign exchange reserves (cit. in Astrov 2022: 7).

The Western countries excluded successively major Russian banks from the SWIFT payment system. Gazprom Bank, which is key for energy transactions, has been, so far, exempted from this measure. This measure also affects third countries. Alternative payment systems, as the Chinese CIPS system and the Russian SPFS system, are still in embryonic state.

*High tech sanctions:* Western countries have banned high tech exports ranging from dual use good, to IT products and equipment for the oil and gas industry to Russia. The list is continuously prolonged (cf. Becker 2023: 57). In May 2023, the EU Commission proposed export bans against third country companies (including companies of Chinese origin), which had allegedly violated Western high tech sanctions (FAZ 2023b: 1). This would de facto imply the extra-territorial application of sanctions.

*Energy sanctions:* Western energy sanctions are not uniform. The USA, which did not import energy from Russia at any relevant scale, surged ahead. The EU proceed in a differentiated way taking the different degrees of energy import dependence on Russian oil and gas of the member countries into

account. The oil sanctions include exceptions. E.g. Hungary, Slovakia and Czechia can continue to import oil via pipeline. In view of the temporarily strongly increasing oil prices (and Russian export revenues), the EU passed an oil price cap of 60 US\$ per barrel for the Russian brand Ural oil for transport by ship and insurance. The restrictions for the insurance affect also third countries because European, esp. British insurance companies are fairly dominant in the maritime freight insurance business. Russia took retaliatory measures. Several EU countries either reduced or stopped gas imports from Russia. The EU passed a complicated mechanism to cap gas prices (cf. Becker 2023: 57 f.). Sanctions in the sector atomic energy have been discussed in the EU, but have not been passed.

*Other sanctions:* There are a number of other sanctions, at times against individual and individual companies. At times, they make Russian trade, e.g. in fertilizers, fairly complicated (cf. Becker 2023: 58 f.). These difficulties affect also third countries.

The sanctions of Western countries are not confined to the economic relationship between the sanctioning countries and the sanctioned economy, but also affect other countries. Beyond the visions for the international order, the “collateral” effects of sanctions also shape the positioning of and within different states and groups of states.

### **Western Rationalities behind Sanctions**

The USA have systematically applied sanctions in order to shore up its international position over the last years (cf. Richard/Robert 2022). In the case of Russia, their geopolitical and immediate economic interests largely overlap. They pursue the sanctions from a geopolitical logical, but the sanctions serve US immediate economic interests also in key sectors. With the ecologically particularly damaging production of shale gas on a large scale, the US have turned into a gas exporter. In 2016, they started to export liquefied gas to Europe (Teurtrie 2021: 69), and, thus, became a direct competitor to Russian Gazprom. The sanctions-induced temporary increase of energy prices was beneficial for US energy corporations. European manufacturers, especially in Germany and in its supplier states in Central Eastern Europe, lose the access to cheap energy. At least in highly energy-dependent sub-sector, this has an effect on price competitiveness of manufacturing firms in the US, which have suffered significantly from de-industrialisation, vis-à-vis the industrial core of the EU.

With geopolitical priorities, EU countries support the Western sanctions against Russia (Becker 2023), though only with severe reservations in the Hungarian case (cf. e.g. Löwenstein, 2023: 8, Balázs 2023, Máté 2023: 3, background to Fidesz policies vis-à-vis Russia in Sz. Bíró 2019: 145 ff.). Beyond the openly dissenting voice of the Fidesz government, there are different nuances regarding US unipolar pretensions and scenarios for the future role of Russia. The impact of the sanctions on EU firms and countries is uneven. Countries like Germany, Austria, Finland and Italy had established economic links already with the Soviet Union and expanded them after 1991. The links have been particularly strong in the energy sector, but not been confined to it. Though former state socialist countries drastically reduced their economic links with the Soviet Union and its successor states after 1989, they usually retained the energy links. Due to the energy imports, Russia was a more important import partner with 7.5% of EU imports than export partner (4.1%) for the EU in 2021 (Eurostat 2023).

Several EU countries were crucially dependent on Russian gas and oil imports. This dependence was particularly pronounced in the case of gas exports – Latvia was 92% dependent on Russian gas imports in 2021, Austria 86%, Bulgaria 79% (Statista 2023a). In the case of oil, the dependency was 68.8% of Lithuania, 67.5% for Poland and 66.8% for Finland in 2020 (Statista 2023b). Generally, it was countries in Central West, Central East, and Southeastern Europe that were dependent on energy supplies from Russia (Statista 2023a & b). The attempts to delink from imports from Russia drove the prices particularly for these countries up as they replaced long-term contract supplies by spot

deliveries. In this race for new supplies, rich EU countries like Germany were better placed. Thus, the rift between EU core and periphery surfaced also on this occasion. A recent study of the Viennese *wiiw* shows that the higher had been the Russian energy dependence the higher was the rate of inflation between August 2021 and August 2022 (Linton-Kubelka/Stöllinger 2022: 15 f.). Sanctions and Russian counter-sanctions accelerated pre-existing inflationary tendencies in several fields. Lower income groups have been particularly affected by the increased inflation.

The European Central Bank reacted to the rising inflation and the increasingly restrictive monetary policy of the US Federal Reserve by increasing its lending rates. Already the first announcement of the changed ECB monetary policy revealed the vulnerability of peripheral Eurozone countries, particularly Italy. Thus, pre-existing core-periphery tensions have also been actualized in this regard (Becker 2023: 60 f.).

There are likely to be more lasting consequences for some energy dependent industries in the EU, which had benefitted from cheap Russian energy. They are faced with particularly rapid energy price increases and a more disadvantageous situation in the transition to a new energy regime. This might strengthen processes of de-industrialisation in the EU (Becker 2023: 61).

Thus, differently from the US, Western sanctions come at a significant economic cost at least in some EU countries. Their effects weaken the already shaky economic cohesion in the EU. In several countries, the Western sanctions policies are politically contested. The EU sanctions policies are clearly driven by the geopolitical agenda of the dominant political forces. This agenda is increasingly aligned with the US position.

### **Positions in the Global South: Critical towards Washington and Moscow**

The countries in the Global South do not share Washington's unipolar vision for the global order. Their politicians and intellectuals see the Western reaction to the Russian aggression, in particular its demands for arms supplies to Ukraine and for sanctions against Russia, as being primarily motivated by the desire to preserve a Northern dominated global order. In this vein, the influential Saudi newspaper *Al-Riyadh* commented: "The position of certain countries does not seek to defend the principles of liberty and democracy, but their interests, which are linked to the existing global order" (cit. in Gresh 2022: 8). The states in the Global South do not see their interests well represented in the existing global order. They do not share the explicit aim of Western sanctions to "ruin Russia".

Officials in the Global South view Russia's aggression against Ukraine critically. The South African President, Cyril Ramaphosa, used the rather general formulation that "we cannot, however, condone the force of violence or violation of international law" (cit. in Ferreira 2022). The Russian annexation of Ukrainian territory is perceived particularly critically. For example, Wang Yi, at that time Chinese Foreign Minister, declared in 2022 that the territorial integrity is a norm of international relations inscribed in UN Charter and that this principle also applies to Ukraine (cit. in Ríos 2022: 70).

Celso Amorim, presently advisor to Brazilian president Luiz Inácio Lula da Silva, goes beyond affirming principles of international law and is more explicitly critical of Russia: "The Russian intervention in Ukraine has antecedents in the NATO expansion towards Russia, but this may not make us legitimize the military invasion of one country by another" (cit. in Ventura 2023: 9). Such a position puts the Russian invasion into the broader context of preceding conflict escalation and the role of NATO in this process, but clearly identifies the Russian responsibility for starting the war. Differently from the mainstream debate in the North, the role of NATO in the escalation of the conflict before the military confrontation is a much discussed topic in the South. For example, Ramaphosa pointed out: "Our approach is informed by an analysis also of the causes of the conflict. (...) This includes a view shared by many – leading scholars, politicians and a number of other people in international relations – that

war could have been avoided if Nato had heeded the warning form among its own leaders and officials over the years that its eastwards expansion would lead to greater, not less instability in the region” (cit. in Ferreira 2022). The dimension of the war that is linked to the disintegration of the Soviet Union and the Russian attempts to revise the order is not strongly present in the Global South (cf. e.g. on the Latin American debate Kemner 2022). Thus, mainstream analysis of the roots of conflict and war in the post-Soviet space differ. In South, the critique is not confined to the Russian aggression and annexations, but also includes the role of Western states, in particular the USA, in the previous phase of the conflict. In addition, many observers in the Global South point out Western double standards. They point at cases such as the US-led invasion of Iraq in 2003 or the NATO bombardment of Serbia in 1999 (cf. e.g. Dhillon 2022, Robert 2023: 7).

In the Global South, there are also reservations on the unilateral use of sanctions. Only a small fraction of sanctions has been imposed by the United Nations. The Northern countries are the main initiators of (unilateral) sanctions. In 2019, the USA alone accounted for 40% of international sanctions, followed by the EU with about another 20%. The role of the EU has increased very significantly since the early 1990s (Kirilakha et al. 2021: 16, fig. 7). The sanctions are particularly targeted at (semi-)peripheral countries, particularly in Africa and different Asian sub-regions (Kirilakha et al. 2021: 10, fig. 3). Thus, states of the Global South are mainly at the receiving end. The Northern states invoke in particular human rights and democracy as objectives, followed by policy change. Armed conflicts are of much lesser relevance (Kirilakha et al. 2021: 12, fig. 5). Sanctions are not imposed according to clear principles, but rather according to the prevailing political and economic interests at the particular conjuncture (cf. Richard/Robert 2022: 22 f.). For example, the US government invokes security and human rights concerns for economic sanctions against China, but the sanctions actually aim at keeping an economic and geopolitical competitor at bay (cf. e.g. Müller 2023: 16 ff.).

The collateral impact of Western sanctions on countries in the Global South has been very uneven. Oil and gas producing countries benefitted at least temporarily from the sanctions plus speculation induced price hikes of oil and gas. The USA attenuated the energy-related sanctions against Venezuela. The US and European governments pressured the OPEC countries to increase exports in order to attenuate the energy price increases. The OPEC countries, which successfully cooperate with Russia on price issues in the OPEC+ format, did not give in to these pressures (cf. Becker 2023: 61). Similarly, some mineral producing countries received higher export earnings, though prices remained often volatile (cf. Gudynas 2022: 24 ff.). In the field of agricultural exports, the situation has been much more ambiguous. Both Ukraine and Russia are key exporters of some agricultural products like wheat and sunflower oil. The war affects Ukrainian agricultural exports, Russian agricultural exports are rendered more difficult by the sanctions. Russia and Belarus are key exporters of fertilizers. Thus, war and sanctions affect both the export and import side of the agricultural sector in the Global South. On the one hand, war and sanctions gave an extra push to agricultural price increases, but key inputs, in particular fertilizers, became also much dearer. Even in exporting countries, like Brazil or Argentina, producers came under pressure (Gudynas 2022: 31 ff.).

For most peripheral countries of the Global South, the economic effects of war and sanctions were negative, often highly so. War and sanctions accelerated, at least temporarily, price increases for raw materials. Imports of oil and gas became more expensive. At times, importers from the (semi-)periphery could simply not compete with Northern importers on LNG spot markets, and suffered from import shortfalls. Regarding oil, the situation was more varied. At times, importers from the Global South could negotiate price discounts for imports from Russia, which had to diversify energy exports due to Western sanctions (cf. Becker 2023: 61).



Countries in the Middle East, North Africa and, partially, Sub-Saharan Africa had relied particularly strongly on cereal imports from Ukraine and Russia and are highly dependent on food imports due their agricultural production structures as they had been created during colonial rule and cemented in post-colonial times. They have been affected both by price increases and difficulties to buy from their traditional suppliers (cf. Kappel 2022). The parallel agreements, which on the one hand secured the renewed export of agricultural exports from Ukrainian ports and on the other hand should facilitate Russian fertilizer and agricultural exports, brought limited relief on this issue.

Post-soviet countries, particularly in Central Asia, have been hit economically in manifold ways by war and sanctions (cf. Becker 2023: 59 f.).

The countries in the Global South do not share the geo-political aims of the Northern countries, which motivated the sanctions policies, and are predominantly suffer from negative economic collateral effects of the sanctions. Therefore, it should not be surprising that they do not support the Northern sanction regime against Russia (cf. e.g. Gresh 2023: 8). The countries of this group plead for rapid steps towards a political settlement. "We are promoting a peaceful resolution to that conflict" declared the Namibian Prime Minister Saara Kuuonelo (cit. in Prashad/Erskog 2023). In particular, the governments of China and Brazil have taken political initiatives for a political solution. Western governments are highly skeptical about these initiatives (cf. Stahnke 2023: 3, Kersfeld 2023). The North-South divide is not confined to the sanctions issues, but also encompasses the mode of conflict resolution.

### **Political Conclusions**

Regarding the sanctions issue, a clear North-South divide can be observed. The Northern states promote them, the states of the South reject them. There are several reasons for this divide. The Western, i.e. Northern, states have imposed the sanctions in line with their geopolitical agenda. The Southern states do not share the Northern aim of a unipolar, US-centred or at least Northern-dominated world order. They prefer a multipolar international order. The predominant analysis of the roots of the conflict also differs. In the North, the predominant narrative focuses on internal Russian roots of the conflict, and neglects the wider context of geopolitical competition and Eastward enlargement in the period up to open war. In the South, the role of NATO Eastward enlargement in the build-up of the conflict potential is highlighted, while the component of the war, which is related to the attempts to revise the territorial order after the demise of the Soviet Union, is hardly discussed. From such a perspective, NATO Eastward enlargement, massive arms supplies to Ukraine and Western sanctions against Russia are part of an effort to cement Northern, particularly US, global domination. States in the Global South do not only not share the geopolitical objectives of the sanctions policy of Northern states, but often also suffer from their negative "collateral" effects. The critical analysis of the role of the North in the conflict and of the sanctions policy does not imply that the states of the South condone the Russian aggression against Ukraine. They regard the Russian invasion (and the annexation of parts of the Ukrainian territory) as blatant violations of international law. The vast majority of governments in the Global South strives for a multipolar international order with peaceful coexistence. Thus, their perspective of a desirable multipolar differs in a crucial aspect from the Russian perspective: it rejects war as a means of conflict resolution.

The question is how critical social and political forces in the EU should position themselves to this North-South divide.

First, a multipolar order is already in the making. Critical political forces should support a multipolar order with peaceful coexistence and strongly cooperative elements. Such a positioning implies rejecting both the military interventionism of the US, the former colonial powers UK and France (and their allies) in the Global North and of Russia, Turkey and like-minded states in the Global South.

Unilateral military interventionism in any form (including the “humanitarian” cloak). Diplomacy aiming at war prevention should be strengthened. This applies obviously also to the increasing conflict potential around Taiwan. Parallels to the escalation of the conflict around Ukraine are clearly visible. Forces in the West foment internal divisions in Taiwan seeking to strengthen the Taiwanese forces that are advocating independence as a clear break with the PR of China. The US government builds military alliances against China in the region (cf. Müller 2023: 55 ff.). Instead of this, a détente policy would be desirable.

Secondly, sanctions policies should be changed. Presently, the sanctions policies are arbitrary and are characterized by strong double standards. Northern countries have imposed encompassing sanctions against warring Russia, but continued to supply arms to states like Turkey or Saudi Arabia, which also launched military operations outside their borders. In the concrete Russian case, the sanctions policy should be inserted into a broader de-escalating strategy. No new sanctions should be imposed, existing sanctions should be dropped when de-escalating steps are taken by the Russian government. With the end of the war, sanctions should end.

Sanctions with particularly strong “collateral” effects on countries in the Global South should be dropped or at least be modified in order to ease the sanctions burden for peripheral countries. Extra-territorial sanctions rules effecting third countries should not be applied. Such rule constitute a form of legal neo-colonialism.

Thirdly, a more cooperative relationship with Southern states might also enable joint efforts towards a de-escalation of the war.

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