

To Russia With Love?

The Impact of Sanctions on Elections

Linz — November 12, 2025

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Sanctions are everywhere

- Sanctions against Russia
- Sanctions against Iran
- Sanctions against North Korea
- Embargoes and blockades against Gaza and Cuba
- ... Libya, Myanmar, Syria, Sudan, Venezuela, ...

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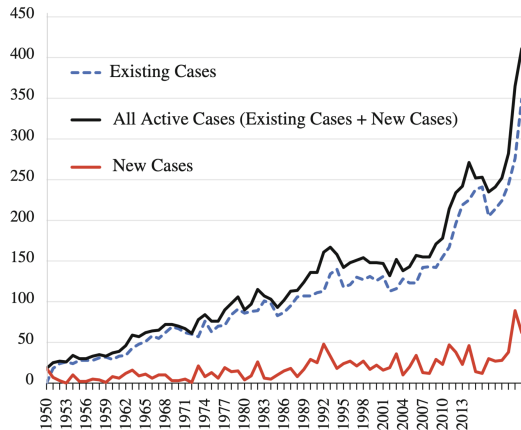


Figure 1: Felbermayr et al. (2023)

Consequences of Sanctions

- Economic consequences quite well understood
 - Quantitative evidence on political impact is scarce
- ...although sanctions a means to achieving political goals

Politics

83% of Russians Approve of Putin's Actions as President in New Survey

- Poll finds 83% approval for Putin, highest since 2017
- Russia has imposed harsh penalties for opposition to the war

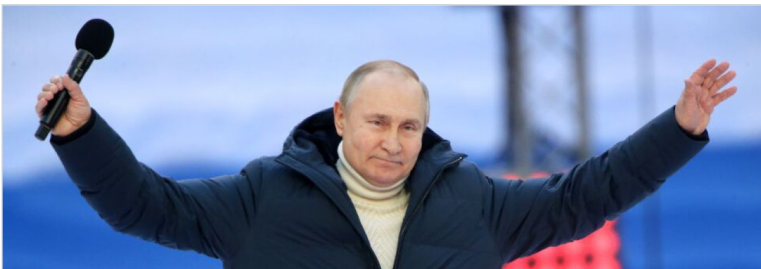


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Putin's Support Strong in Russia Amid Ukraine War: Poll

The latest survey found that the Russian leader's approval rating is rising even as his forces struggle on the ground in Ukraine after more than a month of fighting.

By [Elliott Davis Jr.](#) | March 31, 2022



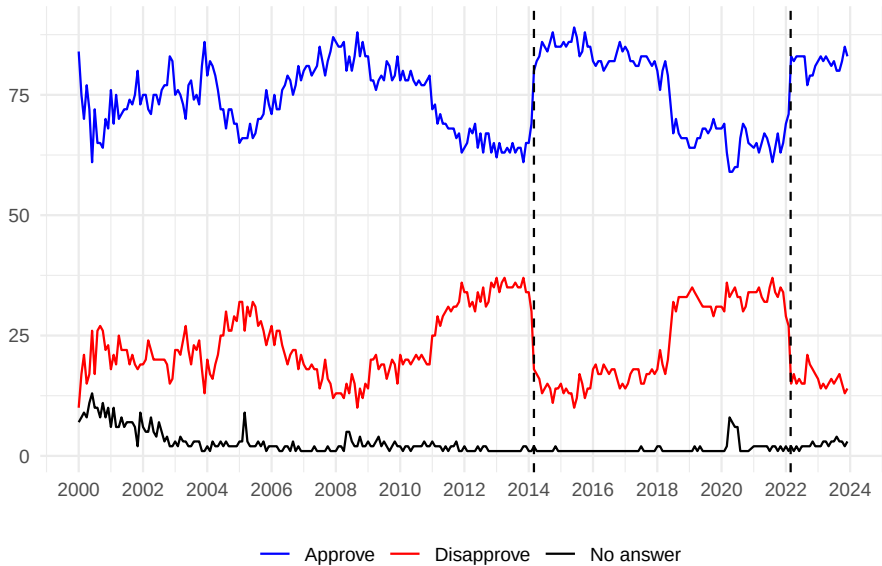


Figure 3: Approval ratings of President Putin. Source: Levada Center.

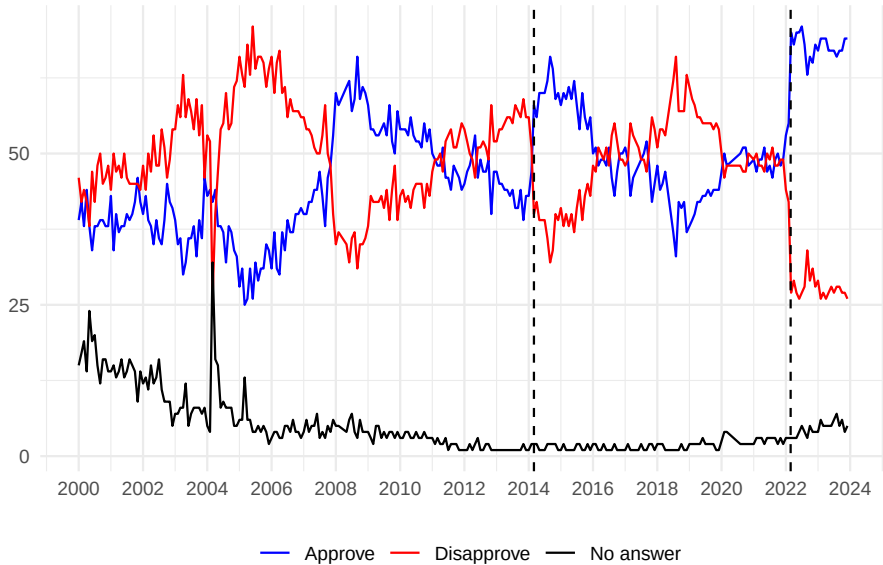
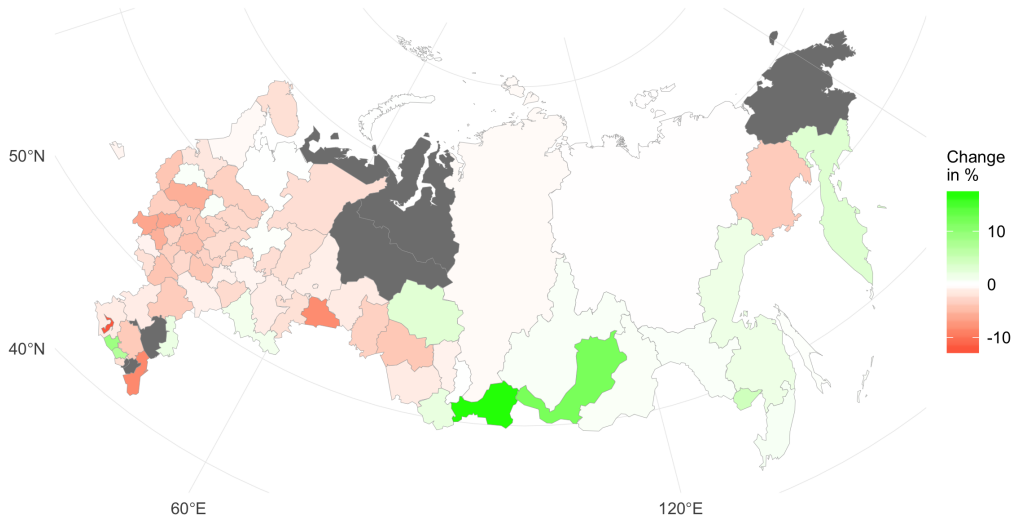


Figure 4: Approval ratings of the Russian government. Source: Levada Center.

Did the 2014 sanctions against Russia affect regime support?

- Look at electoral outcomes and sanctions exposure
- Russian ballot box level election data for past 20 years
- Compute sanctions impact with regional trade data
- Estimate effect of regional sanctions exposure on (change in) voting behavior

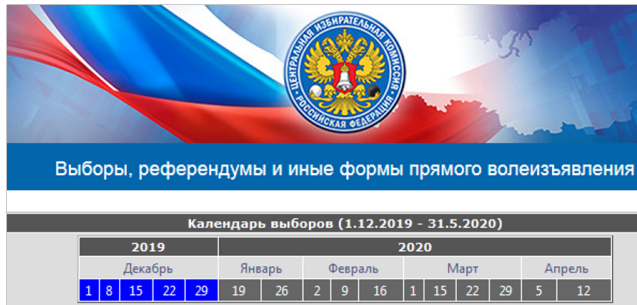


Sanctions' exposure of exports



Putin vote share

A word on Russia Data



- Very rich data
 - with statistical irregularities
 - regional heterogeneity therein

A word on Russia Data

Наименование Избирательной комиссии: Момская		
Сводная таблица предварительных итогов голосования		
Число участковых избирательных комиссий	7	
Число участковых избирательных комиссий, приступивших к передаче сведений	7	
	Сумма	УИК №323
1 Число избирателей, включенных в список избирателей	2697	1564
2 Число избирательных бюллетеней, полученных участковой избирательной комиссией	3000	1670
3 Число избирательных бюллетеней, выданных избирателям, проголосовавшим досрочно	71	0
4 Число избирательных бюллетеней, выданных в помещении для голосования в день голосования	1797	959
5 Число избирательных бюллетеней, выданных вне помещения для голосования в день голосования	153	110
6 Число погашенных избирательных бюллетеней	979	601
7 Число избирательных бюллетеней в переносных ящиках для голосования	224	110
8 Число бюллетеней в стационарных ящиках для голосования	1797	959
9 Число недействительных избирательных бюллетеней	8	0
10 Число действительных избирательных бюллетеней	2013	1069
11 Число утраченных избирательных бюллетеней	0	0
12 Число избирательных бюллетеней, не учтенных при получении	0	0
13 Бабурин Сергей Николаевич	7	3
14 Грудинин Павел Николаевич	0.35%	0.28%
15 Жириновский Владимир Вольфович	464	268
16 Путин Владимир Владимирович	22.96%	25.07%
17 Собчак Ксения Анатольевна	39	22
18 Сурайкин Максим Александрович	1.93%	2.06%
19 Титов Борис Юрьевич	1461	752
20 Явлинский Григорий Алексеевич	72.29%	70.35%
	24	13
	1.19%	1.22%
	10	5
	0.49%	0.47%
	4	3
	0.20%	0.28%
	4	3
	0.20%	0.28%

- Would bias our results only if election fraud increased with sanction exposure

→ no indication for that

Road map

1. Related literature and context
2. Computing sanctions exposure
3. Sanctions and election impact
4. Effect Heterogeneity and Election Fraud

Related literature and context

Economic consequences of economic sanctions

- in sanctioned countries: Ahn and Ludema (2020), Hinz and Monastyrenko (2019), Nigmatulina (2023), Aytun et al. (2024)
- and in sanctioning countries: Besedes et al. (2017), Crozet and Hinz (2020), Crozet et al. (2021), Goldbach et al. (2022)
- Global trade effects: Hufbauer and Oegg (2003), Felbermayr et al. (2019, 2020, 2023), Li (2024)

Political impact of economic sanctions

- Proximity to sanctioned firms: Peeva (2022)
- Impact in democratic elections: Crozet and Hinz (2024)
- Retaliatory tariffs: Blanchard et al. (2022), Li et al. (2022)

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Source: AFP (2014)

Context and timeline of events

November 2013	Ukrainian President refuses to sign association treaty with EU Demonstrations in Kiev and Western part of the country
February 2014	Yanukovych government removed Armed men progressively take over Crimea and unrest in Donbass
March 2014	Smart sanctions: Travel bans and asset freezes Escalation of tension in Donbass, conflict with separatists Referendum in Crimea
July 2014	Malaysia Airlines flight MH17 shot down killing 298
August 2014 September 2014	Broad economic sanctions: Financial restrictions and embargo Signing of Minsk protocol

Context and timeline of events

December 2011	Russian Parliamentary Election
March 2012	Russian Presidential Election
November 2013	Ukrainian President refuses to sign association treaty with EU Demonstrations in Kiev and Western part of the country
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August 2014	Broad economic sanctions: Financial restrictions and embargo
September 2014	Signing of Minsk protocol
September 2016	Russian Parliamentary Election
March 2018	Russian Presidential Election

Assessing Sanctions Effects on Regime Support

Exploiting regional variation in a difference-in-differences model:

$$\Delta y_{irt} = \alpha + \beta_1 \text{sanctions exposure}_{rt} + \Delta X'_{irt} \beta_2 + \epsilon_{irt}$$

- y = parties'/candidates' vote shares ($i \approx$ district/county)
- t = treatment period (2018/16 - 2012/11) or placebo period
- X'_{irt} = regional-level controls
- $\text{sanctions exposure}_{rt}$ = on subject-level ($r \approx$ state)

- Challenge 1: sanctions exposure $_{rt}$ is not observable
→ Solution: use trade loss as proxy

paper/figures/plot_map_sanctions_impact_exp_diff_1415.png

paper/figures/plot_map_sanctions_impact_imp_diff_1415.png

- Challenge 2: observed trade loss captures many things
 - Use trade losses caused by sanctions only
 - Solution: Derive counterfactual trade flows from structural gravity model

Computing sanctions exposure

Computing lost trade with Gravity

Crozet and Hinz (2020):

- Sanctions generate “lost trade”
- Idea: Predict flows without sanctions and compute difference to observed flows
- General equilibrium counterfactual with structural gravity
- Effects for Russia: decline of 7.4% vis-a-vis predicted exports until end of 2015

→ we adopt their strategy to regional data for Russia

Counterfactual with Structural Gravity

- Structural gravity model à la Head and Mayer (2014), trade between countries/regions o and d at time t :

$$X_{odt} = \frac{Y_{ot}}{\Omega_{ot}} \cdot \frac{X_{dt}}{\Phi_{dt}} \cdot \phi_{odt}$$

- o and d : 75 Russian regions + ROW (incl. 37 sanctioning countries)
- t : pre-sanction vs. post-sanction
- Counterfactual: What if ϕ_{odt} had not changed?

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General equilibrium counterfactual

- Estimate with PPML on untreated observations (data from 2012-13)

$$X_{odt} = \exp(\Psi_{ot} + \Theta_{dt} + \phi_{od}) + \epsilon_{odt}$$

→ derive pre-sanctions bilateral FE ϕ_{odt}

- Using pre-sanctions ϕ_{odt} , account for changes in Ω_{ot} , Φ_{dt} , Y_{ot} , and X_{dt} to construct counterfactual flows

Conditional General Equilibrium

- Update multilateral resistance terms as in Dekle et al. (2007) and Anderson et al. (2018)

$$\tilde{\Omega}_{o,t \in (post)}^{CGE} = \sum_{\ell \in \mathbf{L}} \frac{\tilde{X}_{\ell,t \in (post)}}{\tilde{\Phi}_{\ell,t \in (post)}^{CGE}} \hat{\phi}_{o\ell,t \in (pre)}$$

and

$$\tilde{\Phi}_{d,t \in (post)}^{CGE} = \sum_{\ell \in \mathbf{L}} \frac{\tilde{Y}_{\ell,t \in (post)}}{\tilde{\Omega}_{\ell,t \in (post)}^{CGE}} \hat{\phi}_{\ell d,t \in (pre)}$$

- This gives conditional general-equilibrium (CGE) counterfactual trade-flows

$$\tilde{X}_{od,t \in (post)}^{CGE} = \frac{\tilde{Y}_{o,t \in (post)}}{\tilde{\Omega}_{o,t \in (post)}^{CGE}} \cdot \frac{\tilde{X}_{d,t \in (post)}}{\tilde{\Phi}_{d,t \in (post)}^{CGE}} \cdot \hat{\phi}_{od(pre)}$$

Full General Equilibrium

- Update production and expenditure figures following Anderson et al. (2018) and setting $\sigma = 5$, *factory-gate* price adjustment obtained as

$$\tilde{Y}_{o,t \in (post)}^{GE} = \tilde{Y}_{o,t \in (post)} \cdot \left(\frac{\tilde{\Omega}_{o,t \in (post)}^{CGE}}{\hat{\Psi}_{o,t \in (post)}} \right)^{\frac{1}{1-\sigma}}$$

$$\text{and } \tilde{X}_{d,t \in (post)}^{GE} = \tilde{X}_{d,t \in (post)} \cdot \left(\frac{\tilde{\Phi}_{d,t \in (post)}^{CGE}}{\hat{\Theta}_{d,t \in (post)}} \right)^{\frac{1}{1-\sigma}}$$

Counterfactual trade flows

- Iterate until convergence, then

$$\tilde{\chi}_{od,t \in (post)}^{GE} = \frac{\tilde{\gamma}_{o,t \in (post)}^{GE}}{\tilde{\Omega}_{o,t \in (post)}^{GE}} \cdot \frac{\tilde{\chi}_{d,t \in (post)}^{GE}}{\tilde{\Phi}_{d,t \in (post)}^{GE}} \cdot \hat{\phi}_{od,t \in (pre)}$$

- all components reflect counterfactual world with pre-sanctions bilateral frictions
→ mimicking a world without sanctions
- Regional quantity of interest is

$$\tilde{T}_{r(post)} = \sum_{t \in (post)} \sum_{l \in d} \tilde{\chi}_{rlt}^{GE}$$

Trade data at the country/region-product-month level for 2012 – 2015

- for each Russian region with rest of the world (ROSSTAT)
- for each country in the world with rest of the world (UN Comtrade)

Predicted and observed export values

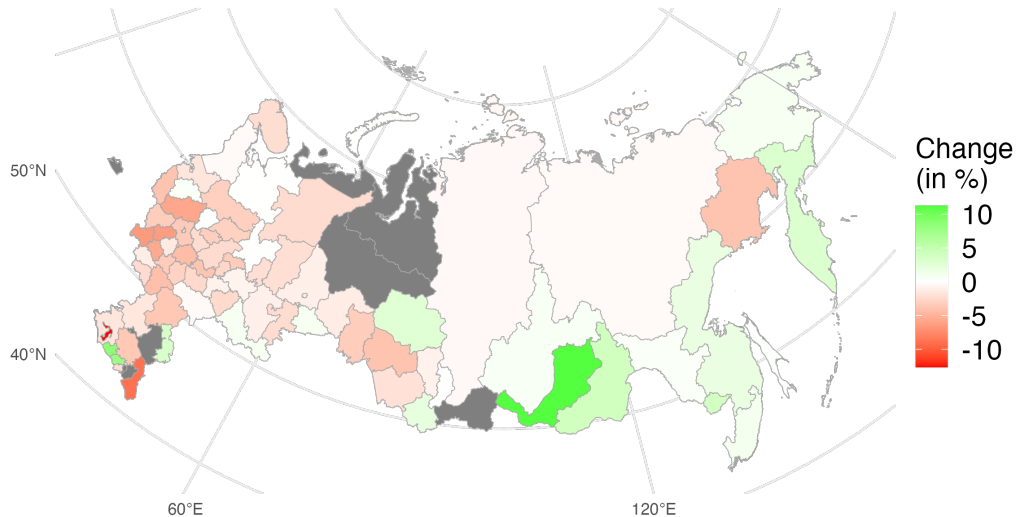
Figure 5: Russian exports to Poland and Turkey



Treatment: Sanctions exposure

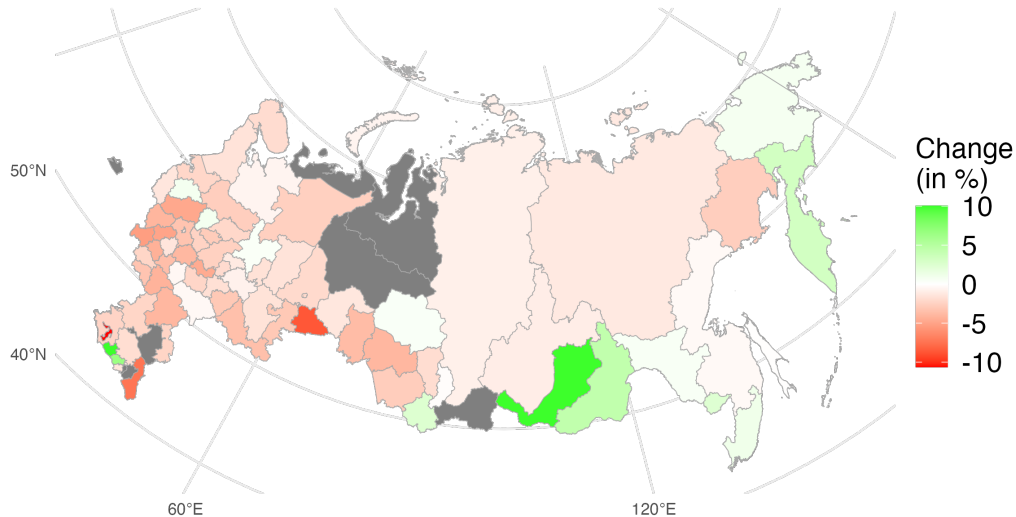
For each Russian region (r) we have:

$$\text{sanctions exposure}_{rt} = \frac{\sum_{l \in d} [X_{rlt} - \widehat{X}_{rlt}^{GE}]}{\sum_{l \in d} \widehat{X}_{rlt}^{GE}}$$



Sanctions' exposure of exports

► Observed change in exports '13-'15

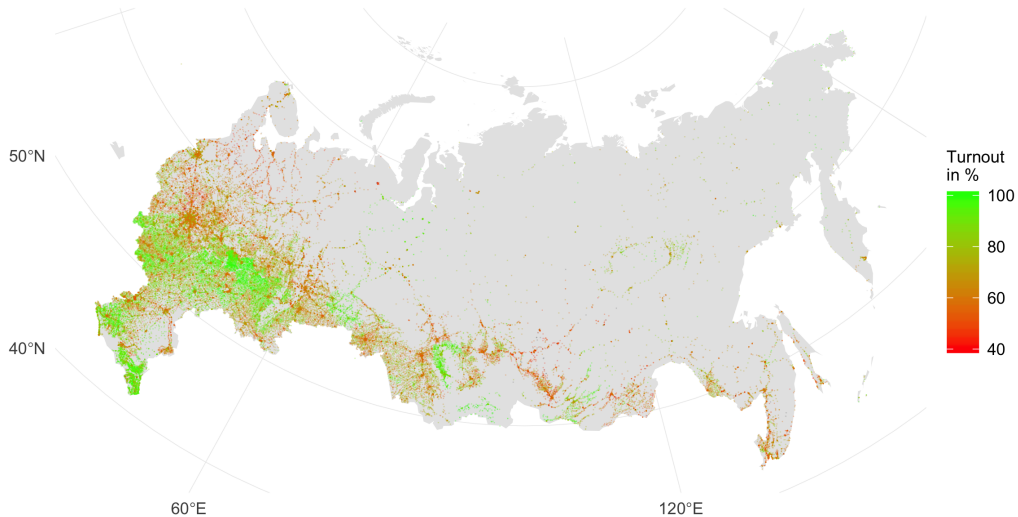


Sanctions' exposure of imports

► Observed change in imports '13-'15

Sanctions and elections

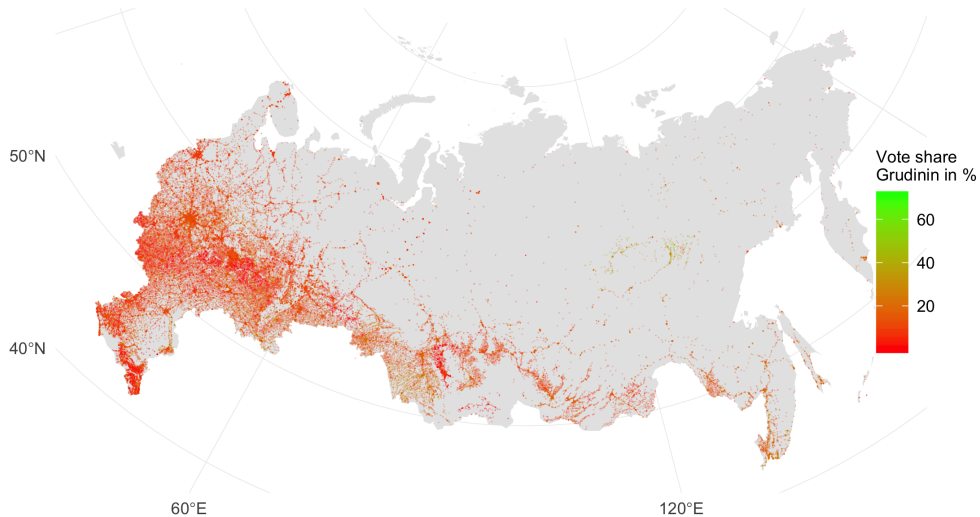
- Official election data from Russian Election Commission (izbirkom.ru)
- All elections since 1998: Presidential, Duma, regional, local,...
- About 100.000 ballot boxes throughout the country
- Rich additional information on location and candidates



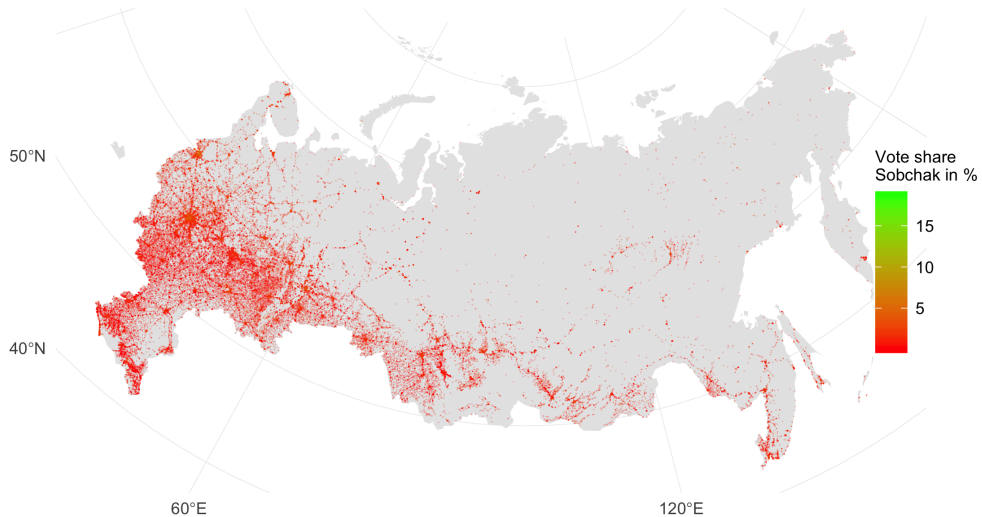
Turnout in 2018



Putin vote share in 2018



Grudinin vote share in 2018



Sobchak vote share in 2018

Identification

Difference-in-differences:

$$\Delta y_{irt} = \alpha + \beta_1 \text{sanctions exposure}_{rt} + \Delta X'_{irt} \beta_2 + \epsilon_{irt}$$

Identifying variation rests on

- Sanctions shock “only” trade policy shock → see paper
- Pre-existing differences in specialization w.r.t. production
- Pre-existing differences in specialization w.r.t. trading partners
- Pre-existing differences in propensity to substitute trading partners
- Pre-existing differences cancel out (FD or FE)

Exposure to sanctions: political outcomes

Vote shares of parties (duma-elections) and candidates (presidential elections) as

- **Regime:** Putin/Medvedev + United Russia
- Loyal: Parties/Candidates supporting regime, founded with support the Kremlin
- Liberal: “True” opposition
- Communist: Communist parties/candidates
- Nationalist: Nationalistic parties/candidates
- Other: The rest

→ aggregated to district level (raion) for time-consistency

Exposure to sanctions: effect on regime support

	(1)	(2)	(3)	(4)
sanctions exposure _{rt}	0.576** (0.229) [0.236]	0.565** (0.214) [0.229]	0.575*** (0.170) [0.225]	0.486*** (0.103) [0.146]
...	...	...	...	...
Controls	Baseline	+ labor force	+ industry	+ political
Mean	0.062	0.062	0.062	0.062
Obs	4,486	4,486	4,486	4,486
# clusters	75	75	75	75
R-squared	0.204	0.227	0.290	0.300

→ 1 SD increase in treatment leads to $(0.029 \times 0.486 \times 100 =)$ 1.4 percentage points

→ $1.4/6.3 \approx 22\%$ of change in vote share, $\approx 13\%$ for average region

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Exposure to sanctions: Effect on regime support

	(1)	(2)	(3)	(4)
Δ Regime	0.576** (0.229)	0.565** (0.214)	0.575*** (0.170)	0.486*** (0.103)
Δ Loyal	-0.005 (0.072)	-0.024 (0.063)	0.010 (0.074)	0.006 (0.076)
Δ Liberal	-0.028 (0.032)	-0.048* (0.025)	-0.056** (0.026)	-0.055** (0.026)
Δ Communists	-0.266*** (0.091)	-0.282*** (0.091)	-0.340*** (0.086)	-0.315*** (0.085)
Δ Nationalists	-0.050 (0.059)	-0.043 (0.053)	-0.117** (0.054)	-0.126** (0.057)
Δ Other	-0.013 (0.025)	-0.001 (0.020)	-0.027* (0.016)	-0.035** (0.017)
Δ Turnout	0.025 (0.153)	0.025 (0.145)	0.106 (0.164)	0.155 (0.159)
Controls	Baseline	+ labor force	+ industry	+ political

Placebo

Placebo: Effect on 2007/08 – 2011/12 changes				
	(1)	(2)	(3)	(4)
...	...	...	...	...
sanctions exposure _{rt}	0.078 (0.191)	0.031 (0.202)	0.061 (0.146)	0.052 (0.153)
Controls	basic	+demo	+industry	+quali.
Mean	-0.102	-0.102	-0.102	-0.102
Obs	4,482	4,482	4,482	4,482
# clusters	75	75	75	75
R-squared	0.326	0.350	0.396	0.408
Adj. R-squared	0.324	0.349	0.393	0.405

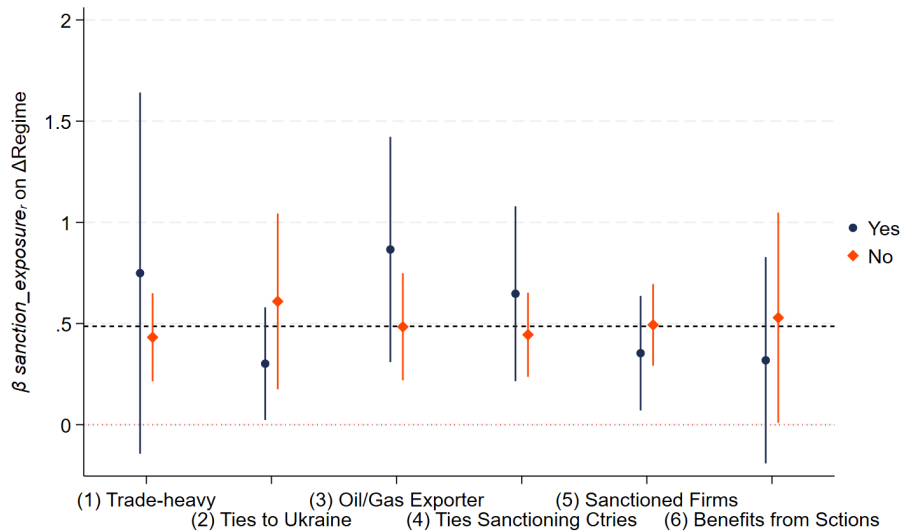
► View event study

Comparison with Alternative Measures

	(1)	(2)	(3)	(4)
	Δ regime		Δ turnout	
	Exports	Imports	Exports	Imports
$sanction_exposure_r^{trade}$	0.014*** (0.003)	0.011*** (0.003)	0.001 (0.006)	-0.001 (0.005)
Δ Trade	0.005* (0.003)	-0.001 (0.004)	-0.004 (0.006)	0.011** (0.006)
Δ Trade (sanctioning)	0.009*** (0.003)	-0.000 (0.004)	-0.002 (0.006)	0.009** (0.004)
Controls	+ political	+ political	+ political	+ political
Election-FE	Yes	Yes	Yes	Yes
Observations	4,396	4,396	4,396	4,396

Heterogeneity and Election Fraud

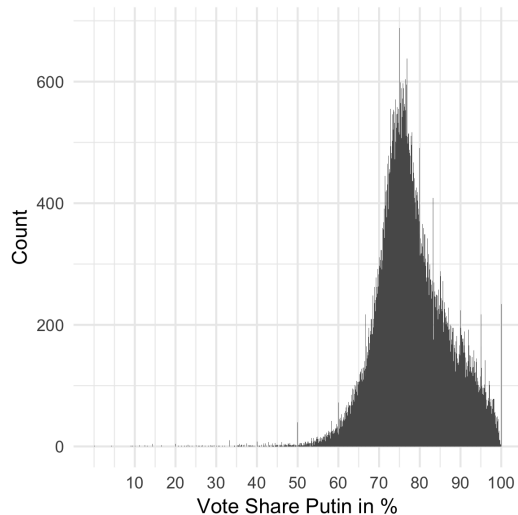
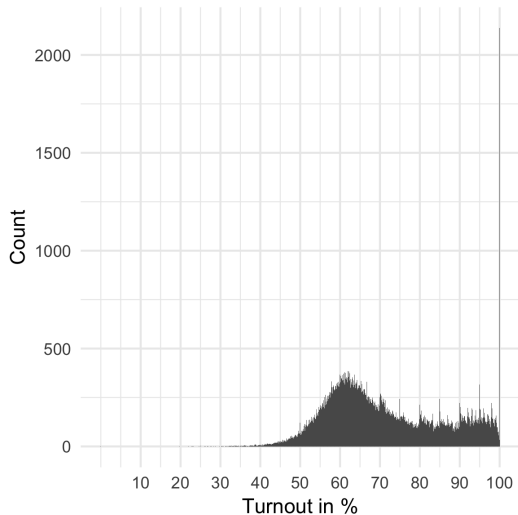
Heterogeneity: Trading Patterns



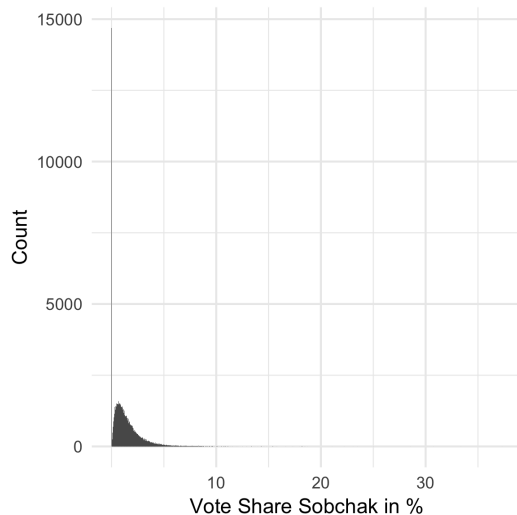
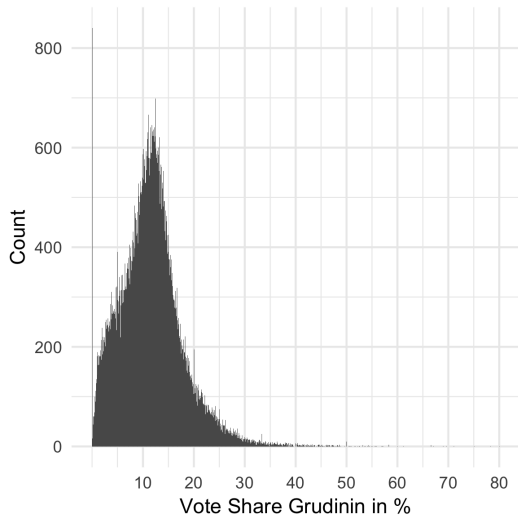
Heterogeneity: Politics

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Election Fraud: Turnout and Putin votes



Election Fraud: Grudinin and Sobchak votes







Comparison with Alternative Measures

	(1)	(2)	(3)	(4)	(5)	(6)
	All party shares		Regime shares		Turnout	
	Δ even	Δ meaningful	Δ even	Δ meaningful	Δ even	Δ meaningful
<i>sanction_exposure_r^{exp}</i>	0.113 (0.166)	0.109 (0.166)	0.044 (0.043)	0.041 (0.042)	0.021 (0.047)	0.008 (0.046)
Controls	all	all	all	all	all	all
Election-FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	4,396	4,396	4,396	4,396	4,396	4,396

Conclusions

- Economic Sanctions have economic effects
 - they reduce the sanctioned country's ability to trade
- ...but they do not necessarily change minds
 - “rally around the flag” effect
 - sanctions cause an increase in support for the ruling regime

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The Impact of Sanctions on Elections

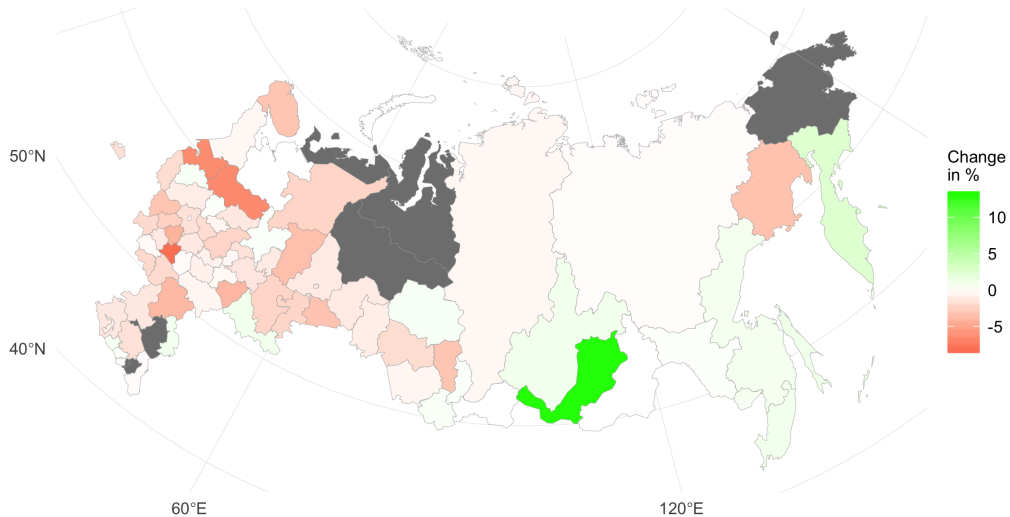
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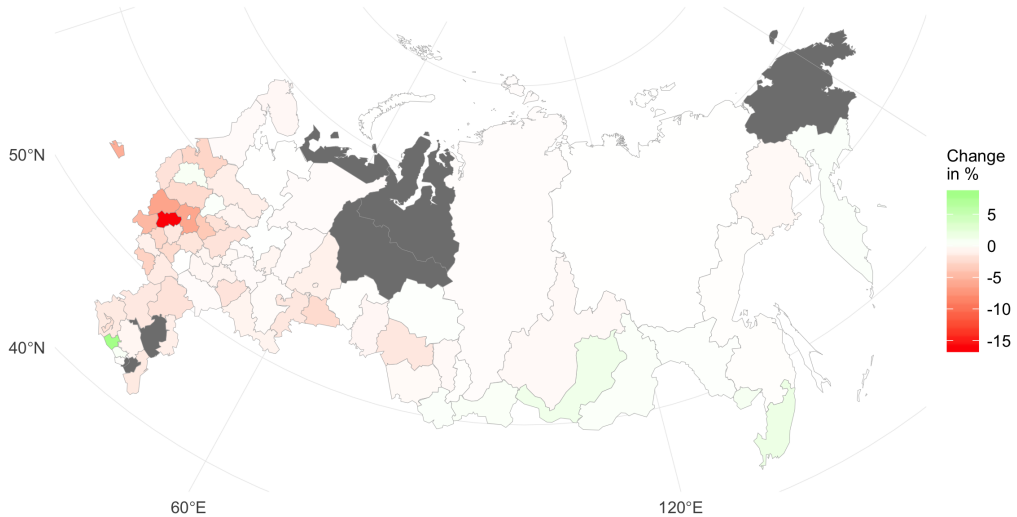
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Sanctions' exposure of exports normalized by GRP

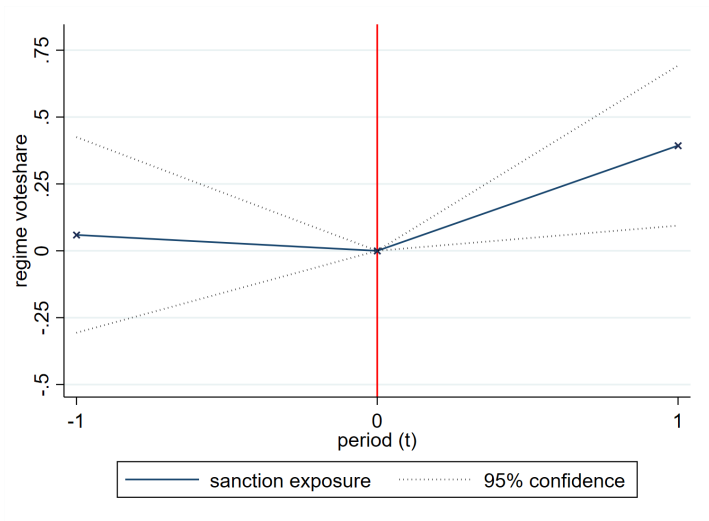


Sanctions' exposure of imports normalized by GRP

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Event study



► Back to placebo regressions