

## Macro Roundup Article

**Headline:** [Closing the Gaps in the Sanctions on Russia](#)

**Article Link:** <https://theovershoot.co/p/closing-the-gaps-in-the-sanctions>

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**Summary:** Russian government spending is soaring. Federal spending was 40% higher in 2022 than in 2021 in U.S. dollars, while spending by subnational governments was up at least 32% as of November. Federal spending in December 2022 was 67% higher than in December 2021. In practice, this additional spending has been (and will continue to be) financed by seizing resources from the Russian private sector, which will become increasingly painful as the economy continues to stagnate. Conscription—forced labor at below-market rates—is holding down some of the fiscal costs of the war. But forced labor cannot care for Russia's rapidly growing population of widows, orphans, and the disabled, nor can it be employed to build the machinery and equipment the military will need to keep fighting against the motivated and heavily-armed Ukrainians. And forced labor cannot compensate for the long-term costs of emigration.

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