THE POLITICAL-ECONOMIC DYNAMICS IN MOLDOVA: UNREVEALING THE IMPACT OF SANCTIONS AGAINST RUSSIA

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Contextul în schimbare al relațiilor economice internaționale, în special în ceea ce privește sancțiunile, evidențiază necesitatea ca Moldova să diversifice relațiile comerciale, să își consolideze piața internă, să investească în infrastructură și educație, să combată corupția și să se integreze în UE. Gestionarea eficientă a riscurilor și crearea de rezerve economice sunt esențiale pentru minimizarea impactului sancțiunilor. Aceste strategii vizează consolidarea economiei Moldovei, reducerea dependenței de Rusia și asigurarea stabilității în contextul schimbărilor economice globale.

The constantly changing context of International Economic Relations describes the most interesting turns at the level of interaction between states. The new economic relations that have been established, together with the main changes in the international system, determine the need to bring this topic back to the discussion of the international agenda. Trade wars are economic conflicts that arise when states impose trade barriers on each other, such as tariffs, in retaliation for the other side's trade obstacles. In due course, sanctions appear to be a commonly used tool in international affairs. [1, p. 153]

Economic sanctions are most effective, since in the context of globalization, the exclusion of target States from the international division of Labor inflicts the most significant blow to domestic politics and the economy, which in most cases leads to a deterioration in the standard of living of the population; a high degree of dissatisfaction in society inevitably provokes a division in it, which can subsequently lead to serious civil actions, which will prefer to make every effort to maintain their position and strengthen internal stability.

The impact of sanctions on the country's potential remains very significant, but sanctions can also affect the country that introduces them. Yes, there are examples when countries try to compensate for the effects of sanctions, but still leave an indelible mark on citizens, who suffer most from the introduction of prohibitions and restrictions. The sanctions are imposed as part of a broad package of measures to put pressure on a particular country. The purposes of imposing sanctions vary, and there may be many of them, which demonstrates the complex nature of this, but the main goal is a moderate change in the political course of the recipient country. Such cases are extremely rarely accompanied by military deterrence measures or special service operations. Sanctions are used here by themselves, in their purest form. An example

of such goals is the pressure to improve the human rights situation, solve the problem of expropriation of property, force them to adhere to certain agreements. Sanctions often have an influence on the country that applies them, in addition to the countries concerned. Sanctions have a lasting impact on both the people they target and the country that imposes them, despite some trying to mitigate their effects in different ways. [2, pp. 152]

The sanctions imposed on Russia have highlighted the disadvantages of many systems in Moldova, which in turn represent an impetus for modernization. We see this phenomenon when our government tries to correct the political, economic situation and to influence the social aspects that improve the lives of ordinary citizens of the Republic of Moldova. Efforts to improve infrastructure and improve the business climate have been key to promoting economic resilience. The government has implemented reforms to streamline red tape, reduce red tape and increase transparency, making Moldova a more attractive destination for investors.

The sanctions have catalyzed geopolitical shifts in the region. From now on, the only and most appropriate way of development of the country is precisely clear - integration into the European Union is our way of development. Moldova also sought closer integration with European markets. This agreement gave Moldovan goods and services more access to EU markets, which is vital for the country's economy. To promote economic growth and provide jobs, the government has also prioritized attracting foreign investment. [3, pp. 19-32]

No matter how much our country builds neutral or positive relations with the Russian Federation, after the recent events in Ukraine, our country will no longer be able to move in this direction of rapprochement with the aggressor country. The war in Ukraine showed that Moldova is not in the safest position, therefore, rethinking the concept of foreign policies and methods that will help secure our country is the most important topic for discussion. [4]Sanctions against Russia presented serious obstacles, but the Moldovan government proved to be resilient and flexible in its handling of the situation. The government's diversification of trade contacts and the search for new business partners outside Russia was a major policy. This strategy contributed to reducing the negative impact of sanctions on Moldova's economy. The government has also put in place specific programs to help sectors such as industry and agriculture that have been badly hit by declining trade with Russia. [5]

Moldova's fragile economy faces numerous challenges. The Russo-Ukrainian war disrupted trade channels, which affected exports and exacerbated poverty. Sanctions against Russia hamper Moldova's economic prospects. The nation's dependence on imports and remittance flows underscore its susceptibility. Even with Moldova's laudable reform efforts, corruption and institutional weaknesses persist. Sanctions against Russia have also prompted more political and economic changes in Moldova as the administration works to fortify the country's barriers against external shocks. Strengthening governance, transparency and the business environment are priorities for attracting foreign investment and promoting prosperity. In addition, reducing the social effects of

the economic slowdown caused by sanctions has been made possible by initiatives to improve social protection programs and assistance to marginalized communities.

Moldova, as a country facing the negative consequences of sanctions against Russia, can take a number of measures to mitigate their impact and ensure the sustainability of its economy and security. These recommendations will help Moldova strengthen its economy, reduce dependence on the Russian market and ensure stability in the face of sanctions.

- Moldova should actively pursue the development of trade relations with different countries in order to alleviate dependence on the Russian market by expanding exports to the European Union and other regions.
- Strengthening the internal market is essential for Moldova to reduce its dependence on external factors by supporting local producers and diversifying the range of goods and services available domestically.
- Investments in infrastructure and education are essential to stimulate economic resilience, with a focus on modern technologies, educational advances and innovations to improve the competitiveness of the Republic of Moldova.
- The implementation of effective measures to combat corruption and strengthen the rule of law will create a more favorable investment climate and will increase confidence in the economic stability of the Republic of Moldova.
- Moldova should continue its integration into the European Union, developing cooperation through various programs and projects and capitalizing on access to European markets.
- Establishing economic reserves and maintaining a flexible response to global economic changes is vital for Moldova, with in-depth risk analysis and forecasting to minimize the adverse effects of international sanctions and economic disruptions.

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