

THE IMPACT OF SANCTIONS ON DOING BUSINESS IN BELARUS

Влияние санкций на ведение бизнеса в Беларуси

In recent years, Belarus has faced unprecedented pressure from international sanctions imposed in response to political events in the country. Sanctions affect all sectors of the economy, having a profound impact on the business environment and forcing companies to adapt to new realities. The purpose of this work is to analyze the impact of sanctions on doing business in Belarus.

The sanctions imposed against Belarus were announced in response to events related to the suppression of protests after the presidential election and human rights violations in 2020. The reason for the expansion of sanctions was the support of the country's authorities for Russia's «military special operation» in Ukraine.

The possibility of supplying a wide range of goods to and from the EU has been discontinued. The ban applies, among other things, to the export of certain petroleum products and potash fertilizers, tires, the entire group of timber, furniture, ferrous metals, cement products, cable products, etc. At the initiative of the EU, imports of a wide range of equipment, machinery and mechanisms, and other goods contributing to the industrial development of Belarus have been stopped.

Restrictions are applied in the financial sector, which may affect, among other things, goods that are not directly subject to sanctions. A ban on the provision of a wide range of services has been introduced. In addition to the introduction of bans, the European Union has abolished all kinds of benefits for Belarusian goods, such as the possibility of using tariff quotas and reduced duty rates. Moreover, increased, actually prohibitive duty rates have been introduced for Belarusian agricultural products when they are imported into EU countries.

The imposed sanctions can be divided into three groups:

1) Financial sanctions. These include restrictions on access to international loans, freezing of assets of state and private enterprises, and restrictions on transactions with the state Bank of Belarus.

2) Trade sanctions. They include restrictions on imports and exports, as well as a ban on the supply of certain goods and technologies.

3) Personal sanctions. They imply restrictions on travel and financial transactions for individuals responsible for human rights violations and crimes.

These sanctions cause a number of negative consequences for Belarusian business. Firstly, they contribute to the deterioration of access to finance, making it difficult to obtain loans, investments, and project financing. Secondly, they cause a decrease in demand for Belarusian goods. Thirdly, the increase in the cost of raw materials and components:

difficulties with imports, supply disruptions, rising prices for imported goods. Fourth, difficulties with logistics, instability in transport chains, closure of freight transport. As well as sanctions on the supply of technology and equipment, it has made it difficult to modernize production and develop new sectors. Finally, Belarus is faced with a decrease in investments, an outflow of foreign investors who do not want to take risks in an unstable environment.

The consequences of sanctions for the Belarusian economy include a decrease in economic growth, an increase in inflation and a reduction in the purchasing power of the population, an increase in Belarus' external debt.

However, the Belarusian business demonstrates amazing adaptability. Companies are actively looking for new sales markets in friendly countries, developing the production of domestic analogues of imported goods, introducing digital technologies and optimizing business processes. The domestic market is also becoming an important development factor, especially to support local producers.

As a result, sanctions have a significant impact on the economy of Belarus, causing negative consequences for businesses and the population. Despite the difficulties, Belarusian enterprises are adapting to new conditions, entering new sales markets, developing import substitution and digital technologies.

К. Klimchuk

К.И. Климчук

БГТУ (Минск)

Научный руководитель А.В. Коньшева

CULTURAL DIFFERENCES IN BUSINESS

Культурные различия в ведении бизнеса

Cultural differences significantly impact business practices, communication, and relationships, but language training and other resources can help bridge these gaps. The world's population of over 7 billion people encompasses diverse values, lifestyles, and communication styles, which can foster both connections and misunderstandings. Recognizing cultural differences is essential in global business, where diversity among employees and customers brings both advantages, such as improved productivity, and challenges, like potential conflicts.

The purpose of the article is to consider what key differences arise when doing business using the example of some countries and what consequences may arise.

Companies entering international markets benefit from adapting their products and strategies to fit local customs and preferences. This approach not only increases market reach but also reveals new opportunities tailored to each country. However, managing cultural differences within multinational teams can be complex. Work processes and attitudes vary widely across cultures, yet these variations can also drive innovation and collaboration. Several key cultural differences affect business interactions: