

Putin's Guns-And-Butter Economics Take a Blow as Russia Turns to Turkish Dairy Farmers

November 07, 2024



Alexander Ryumin / TASS

Unhappy at Turkey's continued delivery of guns to Ukraine, Russia is on the other hand only too happy to get hold of a share of Turkey's butter.

Russia began importing Turkish butter last week with an initial 20-ton shipment. President Vladimir Putin has previously contended that Russia's war economy is well balanced to supply both guns and butter, but fine words butter no parsnips, and in reality the economy is overheating and surging inflation is distorting certain prices, including those charged for butter. The price of a block of butter has risen by 26% since December, according to the Russian state statistics service.

Reuters reporters found that the price of a pack of Brest-Litovsk high-grade butter in Moscow was up 34% in the year to date to 239.96 rubles (\$2.47) amid growing difficulties with climbing consumer price inflation.

"The Armageddon with butter is escalating; we wouldn't be surprised if butter repeats last year's situation with eggs," economists on Russia's popular MMI Telegram channel warned.

The 2023 spike in egg prices alarmed consumers as officials hurried to address it with imports, just as they are now doing with butter.

Related article: [Butter Prices Spike in Russia. Dairy Producers Blame Ice Cream](#)

In a Moscow supermarket, Reuters spoke to Sergei Popov, an anxious shopper, who said: "Every morning, we have to eat butter for breakfast. We buy milk, cheese, sausages, eggs and bread. And where has that 1,500 rubles [\$15.35] gone? It's very expensive. It is not clear why prices are going up."

Government officials met last week with Russian dairy producers and struck an agreement on tracking butter output in an attempt at easing prices, Bloomberg [reported](#).

The news agency noted that one-quarter of Russia's butter consumption comes from abroad, according to figures from the butter industry's lobby group. However, since the full-scale Russian invasion of Ukraine began in February 2022, many traditional sources of butter, including New Zealand and Latin America, have frozen butter shipments in moves designed to punish Russia or made necessary by new obstacles to payments and logistics caused by sanctions.

Belarus, India and Iran were among the countries that then sprung to prominence as important butter suppliers to Russia. Turkey — with a butter-making industry that is largely concentrated in the Marmara, Aegean and central Anatolian provinces — is the latest country Russia is turning to as it struggles to maintain its butter stocks.

Another difficulty where butter is concerned for Russia is that the reworking of supply chains has coincided with the overheating war economy that has triggered a rise in cheese and ice cream making. As reported by Bloomberg, producers use the same cream to make those products as they do for butter. That's further pushed up butter prices.

Russian media, meanwhile, last month reported on a growing difficulty with butter thefts from supermarkets, with some retailers responding by placing individual blocks of butter inside plastic security containers to put off shoplifters.

This article was first [published](#) by bne IntelliNews.

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