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Russian Military Personnel Costs Hit Record High – Analysis

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Sergei Kiselev / Moskva News Agency

Russia's spending on military personnel reached a record 2 trillion rubles ($25.68 billion) in the first half of 2025, according to new estimates from Re: Russia, an analytical platform run by exiled Russian academics.

The surge in spending — driven by enlistment bonuses, salaries and compensation for wounded soldiers and bereaved families — reflects the Kremlin's determination to keep waging its war in Ukraine at any cost.

Between January and June, federal and regional budgets allocated an estimated 400 billion rubles ($5.14 billion) for enlistment bonuses, 865 billion rubles ($11.11 billion) for military salaries and 765 billion rubles ($9.82 billion) in payments to families of the dead and wounded.

If the current pace of spending continues, total personnel costs are projected to exceed 4 trillion rubles ($51.36 billion) by year's end.

That figure would account for roughly 9.5% of all planned federal government spending in 2025 and represent about 2% of Russia's gross domestic product (GDP).

These figures mark a steep rise from last year, with personnel expenses expected to increase by 1 trillion rubles ($12.84 billion) year-on-year.

The uptick comes as the Russian government offers increasingly attractive financial incentives to replenish its ranks in the face of sustained battlefield losses.

According to Re: Russia, approximately 200,000 new military contracts have been signed over the past six months.

"An effective commercial 'contract for war' remains a key factor enabling Vladimir Putin to carry out offensive campaigns in Ukraine for a second consecutive year, despite extremely high losses and limited tangible gains in terms of captured territory," the analysts argue.

Security Council Deputy Chairman Dmitry Medvedev recently praised the pace of recruitment as "quite decent, good," adding that he expects it to remain steady.

But the cost of maintaining troop levels has come with a heavy human toll.

According to estimates by The Economist, Russian battlefield fatalities between May 1 and July 9 may have reached approximately 31,000, making it the deadliest stretch of the war so far this year.

Overall casualty estimates since the invasion began range from 900,000 to 1.3 million, including between 190,000 and 350,000 deaths or permanent injuries, based on Western intelligence and independent analyses.

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