

## Analysis of the Russian-Ukraine War- A Global Economic Perspective

**Mayurakshi Ojah**

Research Scholar  
Department of Commerce  
Gauhati University  
Guwahati-781014

**Dr. Gour Gopal Banik**

Associate Professor  
Department of Accountancy  
Gauhati Commerce College  
Guwahati-781021

### Abstract

Although war has its own destructive impacts in all sectors, it has always been a part of the evolution since inception. Russia and Ukraine are rightly said to be the bread baskets for the whole world. As such the conflict between these two countries has made the already COVID disrupted world economy more volatile. Russia is one of the world's biggest exporters of fossil fuels and as such it is a great concern that the prices of oil and gas might sore up to an extent beyond control. At the same time several countries have announced bans on Russian oil. Besides, prices of other commodities like nickel and aluminium have also sored up. Prices of food, cooking oils, cereals have also risen to a great extent. There is a great concern about the upcoming sowing season in Ukraine. Although it is believed that the USA, Europe and India could cover the shortages of wheat but it could be more complicated in case of sunflower and corn for which Ukraine is said to be a major player.

In this paper, the researchers have planned to analyse the Russian-Ukraine war as a global economic perspective.

**Keywords:** War, Russia, Ukraine, Global, Economy

### Introduction

War has been an inevitable part of the world since its inception. War has its own destructive consequences which includes disruption to normal economic activity, inflation, infrastructural damage, decline in the working population, shortages in essential items and rise in debt. Although from certain perspectives, war can prove to be beneficial in terms of creation of job opportunities, technological advancement and profits for business.

With the collapse of the Soviet Union, it was thought that major wars had become obsolete (Mueller, 1989) and perhaps regional conflicts might be brought under control (Cederman, Gleditsch, & Wucherpfennig, 2017) but Russia's recent invasion on Ukraine is probably the onset of war in Europe with an aim to end NATO's expansion towards the east. The conflict between both the countries dates back to the time when Russia invaded Crimea and annexed it from Ukraine in 2014. Since then, Ukraine has been living in fear of war with Russia. Tension escalated between both the countries again in early 2021 because the Ukrainian President, Volodymyr Zelenskyy hinted the US President Joe Biden to grant permission to Ukraine to join NATO. In opposition of this, Russia began sending military troops near the Ukrainian border. Ukraine's alliance with NATO would have posed as a threat to the Russia's national security

and had demanded NATO to stop expanding towards eastern Europe. On 21<sup>st</sup> February 2022, Russia declared the non-government-controlled areas of Donetsk and Luhansk as independent entities. Following this, nations across the globe had accused Russia of planning a probable attack on Ukraine but Russian officials completely denied it till 23<sup>rd</sup> February 2022. Finally on 24<sup>th</sup> February 2022, Russia launched its military operation in Ukraine with missiles and airstrikes donning the sky of Ukraine including its capital Kyiv. A martial law was enacted and all male Ukrainian citizens between the age group of 18-60 were prohibited from leaving the country. Gradually as the days passed by Russia had started capturing nook and corner of Ukraine with a north-eastern, eastern and southern front attack on the city of Kharkiv, Kyiv and Kherson respectively.

The war had rendered thousands of civilians homeless. The missile attacks and airstrikes resulted in millions of casualties. Students pursuing medical and other courses including thousands of Indians were stranded at different places in Ukraine. There was shortage of food and other basic amenities creating a chaos amongst the people. The war is triggering global ripple effects through multiple channels, including commodity markets, trade, financial flows, displaced people and market confidence. (Guenette, Kenworthy, & Wheeler, 2022)

### Review of Literature

**Weinstein & Imai (2000)** studied that civil war has a negative impact on economic growth. Civil wars reduce private investment and has no negative impact on the fiscal balance of governments. Widespread civil wars are costlier than narrow internal conflicts which indicates that effect on growth depends on the scope of civil war. The link between civil war and the economy is supported by fixed and random effects model. Lastly, the results are qualified by systematically exploring the uncertainty associated with the point estimates of economic cost.

**Schneider & Troeger (2006)** examined the influence of the political developments on financial markets from 1990 to 2000 within three war regions. It was found that conflicts affected the interactions at the core financial markets in the Western World negatively

**Ghosh & Ghosh (2019)** detailed the international conflict types with its economic impact. Along with defining the core idea of international conflict, the research analysed the relevant data that reinforces the very fact of economic loss and cost due to various disputes. A correlation analysis was performed that indicated that the relationship between military expenses and capital formation varied from countries of different strata. A policy model was suggested to cater to the ideological and developmental needs of the countries in figuring out policies to overcome the conflicts.

**Thies & Baum (2020)** looks at the impact of war on GDP per capita. The paper questions the assumptions of many that war increases employment and production, ignoring the fact that it adds to the loss of lives and destruction of physical and human capital ignored by national income accounting, the mistreatment of the cost of war as positive value by national income accounting and the tendency of war to reduce GDP per capita. Countries suffering from war underperform in terms of production and consumption.

**Groot et.al (2022)** analysed the global macro-economic consequences of violent conflicts. It has been found that though an economy grows faster post-conflict and provides benefits for external participants, violent conflict leads to net losses that stays even after peace is achieved. Public policy options strengthen the benefits of peace as a global public good.

### Objectives of the study:

The objectives of the study include:

- 1) To study the causes of the Russian-Ukraine war.

- 2) To analyse the affects of the Russian-Ukraine war on the global economy.

### **Research Methodology:**

The research is descriptive and analytical in nature. The research paper is based on secondary sources of data taken from different websites, research articles, newspapers and YouTube. The authors whose research articles have been referred to is given due acknowledgement in the reference section.

### **History of the countries in war**

From the year 1922 to 1991, Ukraine was a part of Russia when Moscow was the capital of Union of Soviet Socialist Republic (USSR), also known as the Soviet Union. Altogether 15 Soviet Socialist Republic (SSR's) were part of USSR. The creation of USSR was the part of Treaty of Creation which was approved on December 28, 1922. The United Kingdom recognised USSR as a country on 1<sup>st</sup> February, 1922 and it was approved in December 1922. It was governed by the Communist Party.

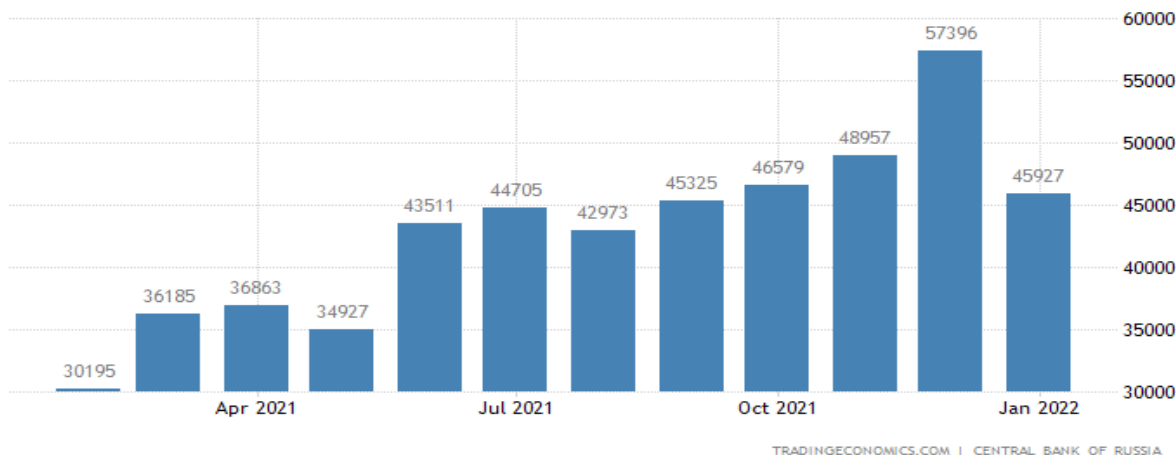
The disintegration of the USSR happened in 1991 because people were dissatisfied with the governance policies of the communist party. There was widespread nepotism, corruption and lack of transparency and shortage of consumer goods. The SSR's slowly split into independent units with Latvia and Estonia announcing their full independence in 1990. Except Kazakhstan and Russia, all the republic separated from the USSR in 1990. Ukraine announced its independence in 1991. (1)

- **Brief economic profile of Russia**

Russia, officially known as the Russian Federation is located partly in Eastern Europe and partly in North Asia. The country shares its borders with 14 countries namely Azerbaijan, Belarus, China, Estonia, Finland, Georgia, Kazakhstan, North Korea, Latvia, Lithuania, Mongolia, Norway, Poland and Ukraine. It also shares maritime borders with Japan, Sweden, Turkey and the United States. The total size of the Russian Federation is twice the size of the United States of America. It is the largest country in the world (by area) and covers more than 11% of the Earth's landmass. The capital city Moscow is the hub of culture and trade and regarded as the core of political power. (2)

Russia is known to be a major supplier of oil and gas with crude oil being its biggest export followed by refined petroleum (petrol and diesel), gas and coal. The country is also the largest of wheat as well as semi-finished iron which includes iron bars and other items used to make iron products. In terms of raw materials, Russia is the second largest exporter of cobalt, used in making rechargeable batteries and also the world's second largest supplier of vanadium which is commonly used in large-scale energy storage and steelmaking. The country is also the leading exporter of gold and lead. The other commodities majorly exported by Russia includes nickel, platinum, tungsten, manganese, zinc and copper. China is the leading destination for the country's exports followed by Netherlands, United Kingdom, Germany and Belarus. (3)

The export and import details of Russia from April 2021 to January 2022 is depicted below in the figures:

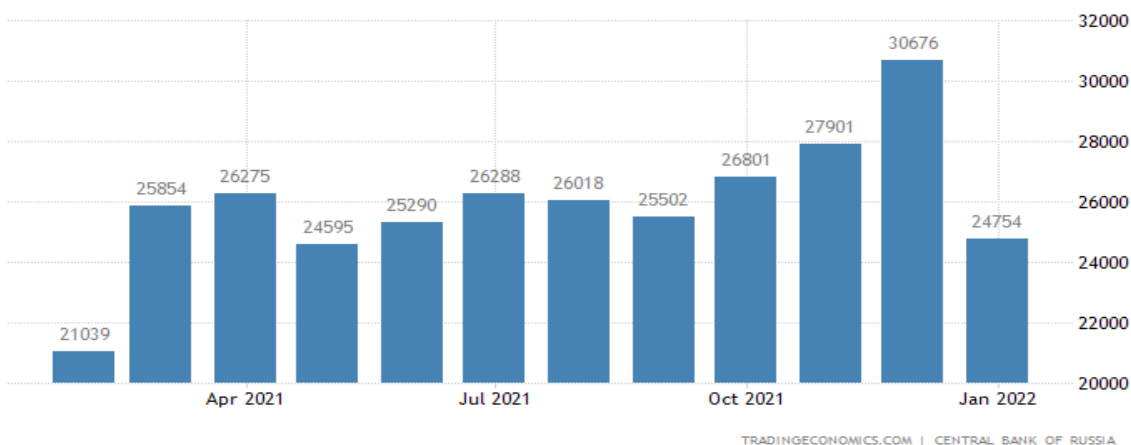


Source: Trading Economics- Russia Exports (4)

**Figure 1: Export details of Russia from April 2021 to January 2022 (in USD million)**

**Interpretation:**

Although exports of Russia soared up to a huge extent in December 2021 over the previous months, the same came down in January 2022 to a great extent. This may be due to the reason that during the pre-war period, the cold war had already begun which distracted the government’s concentration on trade and commerce and shifted towards war preparation. Moreover, the various phases of sanctions by European Union in March 2022 further added fuel to the fire.



Source: Trading Economics-Russia Imports (5)

**Figure 2: Import details of Russia from April 2021 to January 2022 (in USD million)**

**Interpretation:**

The above bar chart shows the tremendous soaring up of imports to Russia in December 2021 over the previous months. But it has surprisingly slashed down in January 2022 i.e., the pre-war period. This can be interpreted in this way that the war preparation itself started having its adverse effect on the import of Russia before the actual war started in February 2022. This was followed by the various phases of sanctions by European Union in March 2022 which tremendously disrupted the trade and commerce of the country.

Details of items exported and imported between Russia and its major trading partners is given in the table below:

**Table 1: Items of Export and Import between Russia and other countries from 2020-2022**

	Import from		Export to	
	Items	Countries	Items	Countries
<b>Russia</b>	Electrical and Electronic equipment, Mobile Phones and other communication equipment, Automobile	China	Crude and Refined petroleum products, wood	China
	Machinery, motor vehicles, trailers and semi-trailers, chemicals and chemical products	Germany	Crude Oil, Natural Gas, Metals, Coke and Refined petroleum, coal	Germany
	Cut Flowers, Unpackaged Medicaments, Amino-resins, Packaged Medicaments, Ethylene Polymers	Netherlands	Crude Petroleum, Refined Petroleum, Raw Nickel, Refined Copper	Netherlands
	Cars, Hard Liquor, Large Construction Vehicles, Combustion Engines, Gas Turbines	United Kingdom	Gold, Refined Petroleum, Crude Petroleum	United Kingdom
	Cheese, Butter, Tractors, Vehicle Parts, Concentrated Milk	Belarus	Crude Petroleum, Cars, Rapeseed, Hot-rolled iron	Belarus
	Packaged Medicaments, Other Heating Machinery, Blood, antisera, vaccines, toxins and cultures, wine and valves	Italy	Crude Petroleum, Refined Petroleum, Platinum, Coal Briquettes	Italy
	Pesticides, Heating Machinery, Packaged Medicaments, Lifting Machinery	France	Refined Petroleum, Crude Petroleum, Petroleum Gas, Iron Ore	France
	Passenger and Cargo ships, Vehicle Parts, Vehicle Bodies, Large Construction Vehicles, Ethylene Polymers	South Korea	Refined Petroleum, Crude Petroleum, Petroleum gas, Coal Briquettes	South Korea
	Cars, Vehicle Parts, Delivery Trucks, Rubber Tires, Large Construction Vehicles	Japan	Petroleum gas, Crude petroleum, Coal Briquettes, Platinum, Raw Aluminium	Japan
	Fishing ships, Citrus, Vehicle Parts, Sunflower seeds, Non-Knit Women's Suits	Turkey	Refined Petroleum, Crude Petroleum, Hot-Rolled Iron, Semi-finished Iron	Turkey

Machinery, aircraft, vehicles, optical and medical instruments, electrical machinery	United States	Mineral fuels, precious metal and stones, iron and steel, fertilizers and inorganic chemicals	United States
Iron Ore, Precious Metal Ore, Coated Flat-Rolled Iron, Hot-Rolled Iron	Kazakhstan	Refined Petroleum, Gold, Semi-finished iron, Wheat, Precious Metal Ore	Kazakhstan
Packaged Medicaments, Vehicle Parts, Nitrogen Heterocyclic compounds, Large flat-rolled stainless steel, crustaceans	India	Diamonds, Nitrogenous fertilizers, Coal Briquettes, Refined Petroleum	India

Source: This table is prepared by the researchers on the basis of the information collected from The Observatory Economic Complexity. (6)

Table 1 shows the various items of export and import between Russia and its most important trading partners which includes China, Germany, Netherlands, United Kingdoms, Belarus, Italy, France, South Korea, Japan, Turkey, United States Kazakhstan and India. The main items of import as observed from the above table includes electrical and electronic equipment, machinery, automobile and their parts, medicines, metal ores significantly imported from China, Germany, South Korea, United States and Belarus. The main items of export as observed from the above table includes crude and refined petroleum products and metals significantly exported to China, Netherlands, Turkey, Germany and Italy.

• **Brief economic profile of Ukraine**

Ukraine, known as the ‘Breadbasket of Europe’ due to its fertile black soil is the second largest country in the European continent after Russia. It is located in Eastern Europe, north of the Black Sea sharing its borders with Belarus, Poland, Slovakia, Hungary, Romania and Moldova. The capital of Ukraine is Kyiv.

Ukraine mainly exports seed oils, corn, wheat, iron ore and semi-finished iron mostly to China, Poland, Russia, Turkey and Egypt. Ukraine was the world’s biggest exporter of Seed Oils in 2020. Ukraine imports Refined Petroleum, Cars, Packaged Medicaments, Petroleum Gas mostly from China, Russia, Poland, Germany, Belarus. Ukraine was the world’s biggest importer of Animal Hair in 2020. (7)

The export and import details of Ukraine from April 2021 to January 2022 is depicted below in the figures:



Source: Trading Economics- Ukraine Exports (8)

**Figure 3: Export details of Ukraine from April 2021 to January 2022 (in USD million**

**Interpretation:**

Ukrainian exports in December 2021 was \$6825.2 million and \$6020.60 million in January 2022. Therefore, there was a decline of 11.79%. This implies that the declining trend in the trade and commerce has already started during the pre-war period since the cold war was already going on during that period which adversely affected the export of the country.



Source: Trading Economics- Ukraine Imports (9)

**Fig 4: Import details of Ukraine from April 2021 to January 2022 (in USD million)**

**Interpretation:**

Ukrainian imports decreased to \$6186.60 million in January 2022 from \$7933.20 million in December 2021. Hence, there was a decrease of 22%. This was due to the fact that the threats due to the Russian attack as well as the consequent war preparations adversely affected the country’s import along with other normal trade and commerce.

**Details of items exported and imported between Ukraine and its major trading partners is given in the table below:**

**Table 2: Items of Export and Import between Ukraine and other countries from 2020-2022**

	Import from		Export to	
	Items	Countries	Items	Countries
Ukraine	Telephones, Pesticides, Models and Stuffed Animals, Computers and Polyacetals	China	Iron Ore, Barley, Other Vegetable Residues, Seed Oils, Ferroalloys	China
	Pharmaceutical products, Motor cars and caravans, Chassis, bodies, engines etc. for automobiles, other chemical final products, agricultural machinery	Germany	Machinery for electricity production & distribution, oilseed and oleaginous fruits, furniture, tubes, pipes of iron or steel, iron ores	Germany
	Cars, Packaged Medicaments, Vehicle Parts	Poland	Iron Ore, Insulated Wire, Seats	Poland

Coal Briquettes, Coke, Refined Petroleum, Iron Ore	Russia	Aluminium Oxide, Hot-Rolled Iron, Raw iron bars, Flat-rolled steel, Gas Turbines	Russia
Refined Petroleum, Citrus, Electric Generating Sets	Turkey	Semi-finished iron, hot-rolled iron, corn	Turkey
Refined Petroleum, Mixed Mineral or Chemical fertilisers, Petroleum Coke	Belarus	Soyabeans, Soybean Meal, Other Vegetable residues	Belarus
Processed Tobacco, Non-knit women's suits, Wine	Italy	Semi-finished iron, seed oils, corn	Italy
Cars, Coal Briquettes, Vehicle Parts, Soil Preparation Machinery, Non-fillet Frozen Fish	United States	Pig iron, iron pipes, iron ore, seed oils, titanium	United States
Packaged Medicaments, Broadcasting equipment, Ground Nuts	India	Seed oils, Nitrogenous fertilizers, Ammonia	India
Medicines, Flowers and Plants, Cacao, Computers, laptops, tablets, Mobile phones, modems, routers	Netherlands	Refined Vegetable oil and Sunflower Oil, Maize, Oil Seeds, Meat and edible offal (poultry)	Netherlands

Source: This table is prepared by the researchers on the basis of the data collected from The Observatory of Economic Complexity. (10)

Table 2 shows the various items of export and import between Ukraine and its most important trading partners which includes China, Germany, Poland, Russia, Turkey, Belarus, Italy, United States, India and Netherlands. The main items of import as observed from the above table includes Refined Petroleum and Petroleum Gas, Cars, Packaged Medicaments significantly imported from China, Russia, Poland, Germany and Belarus. The items majorly exported are maize, barley, corn, oilseeds and various metals significantly exported to China, Turkey, Belarus, Russia, India and Netherlands.

### Causes of the war

The Russia-Ukraine war is a result of the decision of Ukraine to join NATO. Russia had demanded NATO to stop expanding towards Eastern Europe and not to grant permission to Ukraine to join the alliance- a request that was declined. The alliance of Ukraine with NATO poses as a threat to Russia's national security and Ukraine would be able to get support from the members of NATO. A strong military backup would mean Ukraine would be able to take back Crimea which Russia had invaded and annexed from Ukraine in 2014. Therefore, Russia did not want Ukraine to form an alliance with NATO and instead demilitarize and become a neutral state.

### Role of NATO in the war

North Atlantic Treaty Organization (NATO) is an intergovernmental organization which facilitates its member countries freedom and security through political and security means. NATO promotes democratic values and enables members to consult and cooperate on defence and security related issues to solve problems, build trust and prevent conflict. In case



of failure of diplomatic efforts, the crisis management operations is undertaken by the military power that NATO possesses. Currently there are 30 member countries. (11)

Russia and Ukraine both are non-members of NATO. Time and again Ukraine had shown interest in becoming a member of NATO which has been strongly opposed by Russia as the membership would bring Ukraine closer towards Europe and build a more amicable relationship with the U.S. NATO had already marked its presence by expanding towards Eastern Europe and Russia has strongly opposed to it. Russia had demanded NATO to prohibit Ukraine from joining its alliance which was rejected. Ukraine's alliance with NATO will make Russia's security vulnerable as it directly makes the U.S. as a strong back up for all the European nations which are members of NATO.

NATO's actions are designed not to give rise to a conflict but to prevent conflict. It is the utmost responsibility of the alliance to prevent the war from escalating beyond the borders of Ukraine as it would be even more devastating and dangerous. As a result, it has abstained from sending troops to Ukraine to tackle the Russian invasion and enforcing a no-fly zone. This would unnecessarily escalate the war and bring in more human suffering and destruction across the globe.

NATO and its allies have delivered help in the form of humanitarian and non-lethal aid. Members of NATO have sent in military equipment and medical supplies to aid Ukraine against a possible chemical, biological, radiological and nuclear war. Many allies have also hosted Ukrainian refugees who fled the country in order to save their lives. The treaty organisation along with the European Union and other partners have placed several sanctions and imposed unprecedented costs on Russia in response to its brutal and devastating actions. The Russian Federation is facing a near total isolation on the global stage following its attack on Ukraine which has been regarded as a terrible strategic mistake. (12)

### **Role of European Union in the war**

The European Union (EU) is an amalgamation of 27 countries confined primarily in Europe governing common economic, social and security policies. The Maastricht Treaty gave birth to the formation of EU and the former was designed to enhance the European political and economic integration through the creation of the Euro, an integrated foreign and security policy and common citizenship rights. In recognition of the organization's effort in promoting peace and democracy in Europe, EU was awarded the Nobel Peace Prize in 2012. The founding member, United Kingdom withdrew its membership from the organization in 2020. (13) (14)

The European Union has stood in solidarity with Ukraine owing to the Russian invasion. EU strongly condemned the declaration of non-government-controlled areas of Donetsk and Luhansk administrative regions as independent entities by Russian President Vladimir Putin on 21<sup>st</sup> February 2022. This followed a positive vote by the lower house of the Russian Parliament on 15<sup>th</sup> February 2022.

### **Five packages of sanctions by EU**

Five packages of sanctions were adopted by the EU to counterattack Russia's unprecedented and brutal attack on Ukraine and also in response to the declaration of the administrative regions of Donetsk and Luhansk as independent entities. These measures vouched to weaken the economic base of Russia so that they lose their ability to fight the war.

### **First Package (23<sup>rd</sup> February 2022)**

- Individual sanctions were placed against the members of the lower house of the Russian Parliament who voted in favour of declaration of the non-government-controlled areas of Donetsk and Luhansk as independent entities.
- Restrictions were imposed on maintaining any economic relations with the above independent entities.
- Russia was forbidden access to the EU's capital and financial markets and services.

### **Second Package (25<sup>th</sup> February 2022)**

- Individual sanctions were put into place against the important officials of the Russian Federation including the Russian State Duma (Lower house) and National Security Council.
- Economic sanctions were imposed on the financial, energy, transport and technological sectors.
- Visa facilities were suspended for Russian diplomats and other officials and businesspeople.

### **Third Package (28<sup>th</sup> February and 2<sup>nd</sup> March 2022)**

- The EU airspace was closed to all Russian aircrafts.
- Transactions with the Russian Central Bank were prohibited.
- SWIFT (Society for Worldwide Interbank Financial Telecommunication) ban was placed on seven Russian banks so that they are cut-off from the international financial system which would affect their operations globally.
- Broadcasting suspension in the EU of state-owned outlets Russia Today and Sputnik.
- Individual sanctions were placed on the Belarusians for their involvement in Russia's military invasion.

### **Fourth Package (15<sup>th</sup> March 2022)**

- Further sanctions were imposed on individuals who had connections to Russia's defence and industrial base so that they do not have the leverage to enhance the defence and security sector.
- Transactions with certain state-owned enterprises were prohibited.
- Restrictions were imposed on providing credit-rating services to any Russian person or entity.
- New investments in the Russian energy sector were prohibited.
- Prohibition on export of luxury goods to Russia and import of iron and steel from Russia to the EU were imposed.

### **Fifth Package (8<sup>th</sup> April 2022)**

- Import of coal and other solid fossil fuels from Russia to the EU were prohibited.
- The ports of the European Union were closed to all the vessels bearing the flag of Russia.
- Goods transportation through road within the EU was prevented as a ban was imposed on any Russian and Belarusian road transport undertaking.
- Imports of wood, cement, seafood and liquor was prohibited from Russia.
- Export of jet fuel and other goods to Russia was prohibited.
- Further series of targeted economic measures were imposed on the Russian Federation.
- Sanctions were imposed on companies whose products or technology have helped in the invasion, other key officials, business tycoons and also the family members of already sanctioned individuals. (15)

### **Role of International Monetary Fund in the war**

The International Monetary Fund is an international organization that works to foster global monetary cooperation, ensure financial stability, facilitate international trade, promote high employment and sustainable economic growth and reduce poverty in the world. It has 189 member countries. (16)

The IMF has predicted that Russia's invasion of Ukraine will cause a major setback to the global economy. Accordingly, it has expected the world economy to expand by 3.6% in 2022 and 2023, a sharp decline to the growth rate of 6.1% in 2021. The economy of Russia and Ukraine is also expected to shrink by 35% and 8.5% in 2022 respectively. (17)

### **Role of World Trade Organization in the war**

The World Trade Organization is a global international organization which deals with trade between different nations. The main goal of WTO is to ensure steady, predictable and free trade flows. It has over 160 members and headquartered at Geneva, Switzerland. (18)

The growth rate of the entire economy had slowed down since Russia's attack on Ukraine on 24<sup>th</sup> February, 2022, compelling WTO economists to reassess their projections for world trade for the upcoming two years. Uncertainty in the duration of the conflict in Ukraine, has pushed the growth of world merchandise trade volume to 3% in 2022, down from previous 4.7%. World GDP at market exchange rate is expected to increase by 2.8% in 2022, a sharp downfall from the previous 5.7% in 2021. Output growth rate is expected to be 3.2% in 2023.

Despite of having a small share in world trade and output of both the countries, Russia and Ukraine majorly export essential goods including food, energy and fertilizers which are now affected by the war. A sharp decline of 12% in imports and 7.9% drop in GDP of 2022 should be expected by the CIS (Commonwealth of Independent States) region. Exports of Russia should preferably grow by 4.9% as other countries continue to rely on Russian energy. The trade in services will also be affected by the war including the transport sector. (19)

### **Role of United Nations in the war**

The United Nations is an international organization wherein the nations across the globe can gather together, discuss common problems and find suitable solutions. Its works are guided by the purpose and principles described in its founding charter. The main bodies of the UN include the General Assembly, the Security Council, the Economic and Social Council, the Trusteeship Council, the International Court of Justice and the UN Secretariat. The chief administrative officer of the UN is the Secretary-General. Currently there are 193 member states of the UN. (20)

The UN considered the attack on Ukraine by Russia to be a violation of the territorial integrity and sovereignty of Ukraine, contrary to the principles of the Charter of the UN. The UN General Assembly demanded protection of civilians and humanitarian access in Ukraine, while criticizing Russia for creating such a pathetic situation in Ukraine. The member states adopted a resolution titled, "Humanitarian consequences of the aggression against Ukraine" at its 11<sup>th</sup> Emergency Special Session on 24<sup>th</sup> March, 2022. Subsequently, the UN instructed Russia to suspend its military operation in Ukraine and withdraw their troops from the territory of Ukraine. On 7<sup>th</sup> April, a resolution to suspend Russia from the Human Rights Council was adopted.

The UN and its humanitarian partners have been closely monitoring the situation in Ukraine. They have launched coordinated emergency appeals worth \$1.7 billion on 1<sup>st</sup> March, 2022 to help the crisis hit Ukraine and thereby doubling its emergency appeal to \$2.25 billion as the number of people in need of humanitarian assistance increased. As per records available,

humanitarian assistance to 2.1 million people in Ukraine have already been provided by the UN agencies. (21)

### Conclusion

The Russian-Ukraine war which had started following the invasion of Crimea in 2014, gained momentum after Ukraine hinted at joining the NATO alliances which was strongly opposed by Russia fearing threat to their national security. As a result, Russia invaded Ukraine through a military attack on 24<sup>th</sup> February 2022. The war not only caused humanitarian crisis but also caused a major global economic setback.

Condemning the attack by Russia, NATO, EU, IMF and WTO stood in solidarity with Ukraine. NATO and its allies have sent in help in the form of humanitarian and non-lethal aid. EU has imposed various sanctions upon the trade in Russia in the form of five packages. IMF and WTO have forecasted the future trend of growth and trade post war.

The sanctions put in by the EU and West upon Russia has drastically affected the import and export of essential commodities including crude and petroleum products, natural gas, metals and metals ores, wheat, corn, maize etc. Subsequently, the countries dependent on the trade of these goods are getting affected.

Therefore, if the war continues for a longer period of time, the entire global economy will go for a toss and it will be tough to recover the losses.

### References

#### Journals

Cederman, L. E., Gleditsch, K. S., & Wucherpfennig, J. (2017). Predicting the Decline of Ethnic Civil War: Was Gurr Right and for the Right Reasons? *Journal of Peace Research*, 54(2), 262-274.

Ghosh, A., & Ghosh, G. M. (2019). International Conflicts and its Menacing Impact on Global Economy: A Suggestive Policy Model. *International Journal of Research in Business Studies and Management*, 6(11), 18-25

Groot, J. O., Bozzoli, C., Alamir, A., & Bruck, T. (2022). The global economic burden of violent conflict. *Journal of Peace Research*, 59(2), 259-276.

Guenette, J. D., Kenworthy, P., & Wheeler, C. (2022). Implications of the War in Ukraine for the Global Economy. Washington, D.C.: World Bank Group.

Imai, K., & Weinstein, J. (2000). Measuring the Economic Impact of Civil War. CID Working Paper No. 51. Centre for International Development at Harvard University.

Mueller, J. (1989). *Retreat from Doomsday: The Obsolescence of Major War*. New York: Basic Books.

Schneider, G., & Troeger, E. V. (2006). War and the World Economy: Stock Market Reactions to International Conflicts. *Journal of Conflict Resolution*, 50(5), 623-645.

Thies, F. C., & Baum, F. C. (2020). The Effect of War on Economic Growth. *CATO Journal*.

#### Websites

[1] History of Russia: How USSR was disintegrated, Ukraine gained independence in 1991. (2022, February 25). *India Today*. Retrieved from <https://www.indiatoday.in/education-today/gk-current-affairs/story/history-of-russia-how-ussr-was-disintegrated-ukraine-gained-independence-in-1990-1917949-2022-02-25>

[2] Russia in brief. Retrieved from <https://www.nationsonline.org/oneworld/russia.htm>

- [3] Broom, D.(2022, March 18). What else does Russia export, beyond Oil and Gas? World Economic Forum. Retrieved from <https://www.weforum.org/agenda/2022/03/russia-gas-oil-exports-sanctions/>.
- [4] Russia exports. (April 2021-January 2022). Retrieved from [https://tradingeconomics.com/russia/exports#:~:text=Russia's%20main%20exports%20are%3A%20fuels,agricultural%20products%20\(5%20percent\)](https://tradingeconomics.com/russia/exports#:~:text=Russia's%20main%20exports%20are%3A%20fuels,agricultural%20products%20(5%20percent).).
- [5] Russia imports (April 2021-January 2022). Retrieved from <https://tradingeconomics.com/russia/imports>.
- [6] Russia's export and import of goods with other countries. The Observatory Economic Complexity. Retrieved from <https://oec.world/en/home-a>.
- [7] Ukraine, The Observatory Economic Complexity . Retrieved from <https://oec.world/en/profile/country/ukr>.
- [8] Ukraine exports (April 2021-January 2022). Retrieved from <https://tradingeconomics.com/ukraine/exports#:~:text=Ukraine%20exports%20mainly%20steel%2C%20coal,Others%20include%20Turkey%20and%20China>.
- [9] Ukraine imports (April 2021-January 2022). Retrieved from <https://tradingeconomics.com/ukraine/imports>.
- [10] Ukraine's export and import of goods with other countries. The Observatory Economic Complexity. Retrieved from <https://oec.world/en/home-a>.
- [11] Homepage. North Atlantic Treaty Organization. Retrieved from <https://www.nato.int/>.
- [12] NATO's response to Russia's invasion of Ukraine. Retrieved from [https://www.nato.int/cps/en/natohq/topics\\_192648.htm](https://www.nato.int/cps/en/natohq/topics_192648.htm)
- [13] Homepage, European Union. Retrieved from [https://european-union.europa.eu/index\\_en](https://european-union.europa.eu/index_en).
- [14] Anniversary of the 2012 Nobel Peace Prize for the EU: A prize for everyone in Europe. Retrieved from <https://www.eu2020.de/eu2020-en/news/article/nobel-prize-eu-2012/2425320#:~:text=On%2010%20December%202012%2C%20the,historian%20L.uuk%20van%20Middelaar%20explains>.
- [15] EU response to Russia's invasion of Ukraine. Retrieved from <https://www.consilium.europa.eu/en/policies/eu-response-ukraine-invasion/>.
- [16] U.S. Department of the Treasury. International Monetary Fund. Retrieved from <https://home.treasury.gov/policy-issues/international/international-monetary-fund>.
- [17] Horowitz, J. (2022, April 19). IMF says Russia's war in Ukraine will 'severely set back' global economy. CNN Business. Retrieved from <https://edition.cnn.com/2022/04/19/investing/imf-economic-outlook/index.html>.
- [18] Homepage. World Trade Organization. Retrieved from <https://www.wto.org/>.
- [19] Russia-Ukraine conflict puts fragile global trade recovery at risk. World Trade Organization. Retrieved from [https://www.wto.org/english/news\\_e/pres22\\_e/pr902\\_e.htm](https://www.wto.org/english/news_e/pres22_e/pr902_e.htm).
- [20] Homepage. United Nations. Retrieved from <https://www.un.org/en/about-us>.
- [21] The UN and the war in Ukraine: key information. United Nations. Retrieved from <https://unric.org/en/the-un-and-the-war-in-ukraine-key-information/#:~:text=On%201%20March%2C%20the%20United,and%20refugees%20in%20neighbouring%20countries>.