

The Impact of Russia's Invasion of Ukraine on the World Economy

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Abstract

Ukraine was attacked by Russia on February 24, 2022. As a result, numerous international sanctions were put in place against Russia in an effort to get it to defuse the situation. Despite being designed to harm Russia, the sanctions imposed had unintended consequences for the global economy, primarily through the disruption of global supply chains. Energy, commodity, and trade supply shocks were caused by the conflict. This resulted in increased energy prices, commodity prices, and food prices, which in turn caused an increase in worldwide inflation in several nations. Israel mediated the peace between Russia and Ukraine, but the economic fallout from the crisis continued to be felt throughout much of Europe and beyond.

Keywords: Wars • Conflicts • Sanctions • SWIFT • Invasions • Economic effects • NATO

Introduction

During the COVID pandemic, the lockdown limitations caused a considerable interruption in economic activity around the world [1]. Early in 2022, the global COVID pandemic recovery process started. Due to a sharp reduction in the number of COVID infection and mortality cases reported, numerous nations declared plans to lift COVID-era restrictions.

Beginning in 2022, there was a lot of hope for post-COVID economic growth as numerous nations stepped up their attempts to curb growing inflation and promote prosperity. The IMF's World Economic Outlook (WEO) forecast that as a result, global growth would pick up and reach 4.4 or 4.9 percent in 2022.

Russia invaded Ukraine in February of 2022 during the same time frame. The invasion increased geopolitical tensions between the West and Russia, and also lowered expectations for global development because it was unclear how the battle would affect the world's supply chains.

This article examines how the Russian-Ukrainian conflict affected the world economy during the month of the invasion. The impact of the invasion on international commercial operations, prices, and implications for the future must be understood and identified. I start off by answering the query, "Why do nations fight and go to war in the modern era?" The short answer is that nations go to war or engage in hostilities in order to defend their national interests, maintain their regional clout, increase their control over shared resources, uphold colonial rights, traditions, or ideals, or all of the above [2].

Russia's motivation for engaging in conflict with Ukraine is to safeguard its border and uphold its local sway over Eastern Europe [3].

But how did the conflict between Russia and Ukraine begin? Ukraine has been vacillating between the West and Russia since the 2000's. This indicates that Ukraine has not been able to totally ally with the West or tolerate being entirely influenced by Russia. After Russia declared its opposition to Ukraine's participation in NATO, France and Germany rejected Ukraine's plans to formally join the North Atlantic Treaty Organization (NATO) in 2008. The United States supported Ukraine's plans, but they were opposed by France and Germany. The decision to join Ukraine was then delayed until a later date.

A new Ukrainian president was elected in February 2010 and campaigned on a platform of making Ukraine a "neutral state" that would work with both Russia and Western alliances like the EU and NATO.

Soon after Russia occupied Crimea in 2014. Intense warfare and brutality were caused by the annexation along the border areas that divided Russia and Ukraine in the east of Europe, as well as in Donbas. Since then, there have been calls for Ukraine to ally with the West by joining NATO and the EU in order to lessen its reliance on Russia. However, since 2010, Russia has been opposing Ukraine's participation in NATO, which has led to an escalation in tensions between the two nations [4].

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Early economic data indicates some considerable movement in global economic statistics as a result of the Russian invasion of Ukraine, while the full economic effects may not be completely known until the conflict is resolved.

The remainder of the essay is organized as follows:

- The literature review.
- The reason why Russia would invade Ukraine in 2022.
- Details how the world reacted to Russia's invasion during the conflict.
- The effect on the world economy.
- Conclusion.

Literature Review

Studies on the costs and benefits of war

War has an impact on the economy, according to research that have already been done on the subject. Kang and Meernik, for instance, demonstrated that there are two schools of thought about the effects of war. The first school of thinking is known as the "war renewal" school, and the second is known as the "war ruin" school. While the "war ruin" school of thought sees wars as destructive events with no benefit to the economy, the "war renewal" school of thought contends that wars can produce beneficial effects because they increase efficiency in the economy by reducing the power of special interests, bringing technological innovation, and increasing human capital [5].

According to Mazower, there is a perception that the great depression directly caused the collapse of parliamentary democracy in many countries.

According to Heydemann, the Middle Eastern civil wars have not produced circumstances that would make it possible to rethink sovereignty or disentangle it from government. Instead, parties to a war vie for control of and monopolization of the advantages brought forth by international recognition. Middle Eastern civil wars are unlikely to be resolved through negotiation in these circumstances. According to Chassang and Miquel, poor countries are more likely to experience civil wars, particularly when they experience negative income shocks.

Numerous studies empirically calculate the costs of war. Koubi examined the effects of interstate wars on economic growth in a wide range of nations between 1960 and 1989. The analysis discovered a consistent relationship between the presence and nature of conflict and cross-country disparities in economic growth. The study found a correlation between post-war economic performance and conflict severity and duration. However, these consequences are negatively correlated with the economic progress of a nation. From 1960 to 2002, Kang and Meernik looked at how civil wars affected various economies. They conclude that conflicts have a detrimental impact on economic fundamentals and that the international community's response to civil wars has a significant impact on economic growth [6].

Collier created a model to examine the economic impacts of every civil war that has occurred since 1960. Collier noted that the economy quickly bounces back after protracted civil wars, but not after brief ones. Nordhaus demonstrated the high cost of war, and over the course of a decade, the United States' estimated cost of the Iraq War ranged from \$100 billion to \$1.9 trillion. Glick and Taylor used data that was available as far back as 1870 to study how war affected bilateral trade.

While accounting for other trade-related factors and the effects of reverse causality, they estimated the effects of conflicts on global trade using the gravity model.

They discover that wars have a significant and lasting impact on commerce, national revenue, and the welfare of the global economy. The short-term causal impacts of the Donbass war on Ukraine's GDP from 1995 to 2017 were quantified by Bluszcz and Valente. They discover that from 2013 to 2017, the war caused a 15.1% drop in the GDP of Ukraine per person. According to Ganegodage and Rambaldi, the war in Sri Lanka significantly and negatively affected GDP. They also demonstrate that substantial positive externalities did not result from investments in physical capital with high returns. Kesternich et al. look into how the Second World War affected older people's socioeconomic standing and health over the long term in Europe [7].

They examine information from SHARELIFE, a retrospective survey carried out in 2009 as part of SHARE in Europe. SHARELIFE provides comprehensive information on childhood experiences before, during, and after the war for more than 20,000 people in thirteen different European nations. They develop a number of indicators of exposure to war, including times of starvation and experiences with displacement, persecution, localized conflict, and deprivation. They discover that exposure to combat and the personal shocks brought on by the war greatly predict later-life economic and health outcomes [8].

Studies on the conflict between Ukraine and Russia

These papers examine the impact of the 2014 Ukraine-Russia crisis. Shelest argued that the winter 2014 Ukrainian protests led to Russia's annexation of Crimea. The conflict was seen as a Russian-Ukrainian one in Ukraine. Russia, on the other hand, saw the crisis as a confrontation between Russia and the West and claimed that NATO's intention to expand into the area where Russia has significant interests was what started it. Samokhvalov argued that the internal political practices, economic international politics, and ideological dimension choices made by the Ukrainian political class, business elites, and larger society have an impact on the conflict in the EU-Ukraine-Russia triangle [9].

From November 21, 2013 to September 29, 2014, Hoffmann and Neuenkirch examined the effects of the pro-Russian fighting on stock returns in Russia and Ukraine. They discover that the crisis decreased stock returns in Russia and Ukraine. According to Stukalo and Simakhova, Ukraine requires an integrated strategy to address all

of its economic and social issues. According to Wang, the 2014 Ukraine crisis and Russia's annexation of Crimea brought Russian-Western relations to the brink of collapse. However, despite the international sanctions put in place against Russia, which were spearheaded by the US and Europe, Russia maintained political stability, diplomatic stability, and population cohesion.

According to Liefert et al., Russia's agricultural and food industries were impacted by the country's economic crisis and a ban on agricultural imports from the United States and other Western nations that went into effect in 2014. They provide evidence that the import embargo had an impact on Russian consumers by cutting imports of food and agricultural products, sharply increasing food prices, and reducing consumption. However, the import prohibition had no impact on Russia's access to staple foods. Instead, the import embargo encouraged Russian agriculture, assuring food security during the ban. According to research by Dreger et al., the 2014 conflict between Russia and Ukraine caused the Russian ruble to lose 50% of its value in relation to the US dollar [10].

As a result of higher investment risks, Havlik demonstrated that the cost of the conflict for Russia from 2014 to 2016 was estimated to be around 1% of Russia's GDP.

The reason why Russia would invade Ukraine in 2022

The reasons for the Russian invasion of Ukraine are variously attributed. There is the Pro-Russian explanation for why the invasion occurred. There is also the pro-Western or Western explanation on why the invasion occurred. Pro-Russian forces invaded Ukraine because they believed it was under the control of Western powers, that it was employing force against its own inhabitants in separatist regions that supported Russia, and that it was committing genocide against its own people. The Russian government also asserted that Ukraine's desire to join NATO's military alliance posed an existential threat to Russia's national security since it would cause NATO to expand eastward and draw closer to its border, endangering Russia's very existence [11].

It will make it easier for the West to sabotage Russian national security by infiltrating the country. According to Russia, these two problems gave it cause to intervene militarily in Ukraine. Additionally, Russia asserted that it had studied both invasion and diplomacy as alternatives for resolving the conflict. However, the Russian government said that it picked the least hazardous alternative, which was to invade Ukraine in order to overthrow the pro-Western administration in Kyiv, install a new government, then sign a peace agreement with the newly installed government because Ukraine refused to talk before the invasion. The peace agreement will forbid accession to the European Union and NATO.

The pro-Western or Western explanation of what precipitated the invasion is that Russia feels threatened by Ukraine's desire to be a democratic country, free from Russian influence, and seek cooperation with the West in politics, security, and trade, including the possibility of joining NATO and the European Union. This explanation is reported by numerous Western media. The pro-Western media claims that Russia disagrees with Ukraine's decision

to adopt Western democracy and alliance because Russia's national security may be threatened by Ukraine's western affiliation with the European Union and NATO. According to Western media, Russia's 'special military operation' in Ukraine was initiated in order to overthrow the country's president and the current administration in Kyiv and replace them with a new pro-Russian one in Ukraine.

Details how the world reacted to Russia's invasion during the conflict

The invasion of Ukraine by Russia was opposed by several Western nations. In response, many nations publicly denounced Russia for invading Ukraine. As a response, several nations imposed sanctions on Russia, including those of the United States, United Kingdom, European Union, and France. Australia, Canada, New Zealand, Taiwan, Japan, and Australia. During the 2022 invasion, Russia was subject to a number of sanctions, including:

- Preventing some Russian banks from using the SWIFT system for international payments. A high-security network called SWIFT enables payments between 11,000 financial institutions in 200 nations [12].
- The certification of Russia's Nord Stream 2 gas pipeline project, which would have provided energy to Europe, was halted by Germany.
- In response to the invasion of Ukraine, New Zealand forbade the supply of commodities to Russian armed forces and security personnel.
- Russia's ability to progress its military and aerospace industries has been severely constrained by the United States' restriction on the sale of war technology to that country. The restriction will restrict US exports to Russia of technologies related to navigation, avionics, semiconductors, telephony, encryption security, lasers, sensors, and maritime transport. The United States also denied access to the dollar external reserves held by Russian financial institutions and the Russian Central Bank. As a result, neither Russian financial institutions nor the Russian Central Bank can conduct business in US dollars. The US also forbade the import of any Russian gas or oil.
- Financial sanctions were placed on Russia by the European Union, which targeted important state-owned firms and 70% of the country's banking industry. It forbade selling assets denominated in euros to Russian customers as well as Russian deposits over €100,000 in EU banks and on Russian accounts held by central securities depositories. The listing of Russian state-owned company shares on EU trading platforms is prohibited by the EU. The sale, supply, transfer, or export of oil refining technologies to Russia was outlawed by the EU. The export of any aircraft, spare parts, or machinery to Russian airlines or the Russian space industry has been prohibited by the EU. The EU stopped granting visas to prominent Russians. This means that visa facilitation rules that grant privileged access to the EU will no longer be available to diplomats, Russian officials, and businesspeople. Russia was banned by the EU from participating in all sporting and cultural competitions, including the Eurovision and the UEFA Champions League.

- Canada revoked all active export licenses related to Russia.
- Certain Russian citizens' assets held in Swiss and Japanese institutions are frozen by Switzerland and Japan.
- Australia imposed financial and travel restrictions on eight Russian Federation Security Council members.
- Visas for citizens of the "Donetsk People's Republic" and the "Luhansk People's Republic" have been suspended by Japan. Additionally, Japan forbade the primary and secondary market trading of new Russian sovereign debt.
- A visa deal that, starting in 2009, made it simpler for Russians to enter Switzerland, especially for diplomats, has been partially canceled by Switzerland. Additionally, it slapped travel restrictions on five unnamed Putin-related oligarchs with connections to Switzerland.
- By freezing the assets of Russian billionaires held in UK institutions, the United Kingdom imposed financial penalties on Russian banks. The UK also forbade Sberbank, the biggest bank in Russia, from clearing payments in British pounds. By the end of 2022, the UK will phase out Russian oil, according to an announcement. The Russian airline "Aeroflot" was forbidden by the UK from flying in its airspace.
- Russian aircraft were also forbidden from entering the airspace of Finland, Belgium, Latvia, Ireland, Estonia, Lithuania, Poland, Bulgaria, Moldova, Romania, Slovenia, and the Czech Republic.

Discussion

The effect on the world economy

Delays in the global supply chain: Through the interruption of the global supply chain, military operations during the Russian invasion of Ukraine will impact operations in many sectors. The embargo on Russian exports and a reciprocal embargo on international imports by Russia, as well as Russia's reluctance to permit foreign shipments to travel through its waterways and airspace during the conflict, can disrupt the world's supply chain. It may lead to shortage, which would raise the cost of imported items. Businesses have predicted that the inconvenience brought on by cross-border blockades and trade bans will cause people to stockpile products, driving up costs.

Additionally, there will be a disruption in cargo flow and border operations as border officials may stop or delay cross-border supplies due to processing refugees before attending to cross-border goods due to restrictions on commercial flights near the Ukraine-Russian border as well as increased security checks at refugee camps in neighboring countries. This will make the global supply chain disruption even worse and drive up the cost of imports. Rising costs for gas and oil: Energy costs had been rising prior to the Russian invasion of Ukraine as a result of a number of factors, including the COVID pandemic, constrained energy sources, and escalating tensions between Russia and Ukraine. Before the invasion, oil prices remained consistent between the range of US\$80 to US\$95. Following the invasion, oil prices surpassed \$100 per

barrel in USD. Because Russia is the second-largest oil producer in the world and sends the majority of its crude to European refineries, acquiring energy supplies from Russia could become challenging as a result of the invasion. In addition, Russia supplies nearly two-fifths of Europe's natural gas needs, making it the region's top supplier.

The Russian invasion of Ukraine is likely to cause shocks in the energy supply and a persistent increase in energy prices because of Russia's significant proportion of global oil exports. If Russia imposes a retaliatory export block on energy supplies to Europe and the rest of the world, this effect could get worse. Russia's retaliatory restriction on oil exports will cause a significant disruption in the world's energy supply, raising energy prices. The Russia-Ukraine conflict may cause oil prices to rise above \$140 per barrel, considerably dampen projected global economic growth, and trigger a recession in some European and non-European nations.

Fears of a disruption in the world's energy supplies may also lead to a rise in gas prices for domestic use. Despite the fact that the United States can release its energy reserves to address energy shortages in international energy markets, it will take a considerable amount of time to fulfill rising energy demand due to energy trade agreements as the cost of energy continues to climb globally.

Global banking system impact: The invasion of Ukraine by Russia has had no direct impact on the world banking system. Only the international banks with significant operations in Russia are among the banking sectors that have been badly impacted by the invasion. After various nations implemented monetary restrictions on Russian institutions and rich Russians, these foreign banks were impacted. The most impacted banks include France's Societe Generale, Italy's Unicredit, and Austria's Raiffeisenbank. However, if pro-Russian organizations conduct a large cyberattack on the world payment system in retaliation for Western financial sanctions, the global banking system may suffer as an indirect result of the conflict. An attack on the global payment system might result in possible global losses of up to US\$1.8 billion each day.

Decrease in economic growth and output: Western meddling in Russia's fight for regional dominance may put pressure on Russia to implement an oil export ban in retaliation for the sanctions the West has placed on Russia. This might result in increased energy prices and have an impact on economic expansion. This is due to the fact that firms will have to spend more to produce goods and services as well as more to import raw materials.

People might not be able to afford expensive goods and services as a result of rising input and output prices. This will decrease consumer spending and may result in a tightening of the supply of goods and services, which would decrease economic production.

Consumption expenditure will be impacted as well since households will pay more on gas and oil for heating and cooking. After taxes, this will result in a decrease in household disposable income, which will reduce consumer spending. This will have an impact on the GDP component for consumption expenditures.

Impact on international stock markets: After Russia invaded Ukraine, share prices fell significantly on all major international stock exchanges.

When news of Russia's invasion of Ukraine broke, investors ran for cover. The lowest price at which stocks were traded on significant stock exchanges during the invasion window is shown in Table 1.

| | United States | United States | Australia | Europe | United Kingdom | South Africa | China |
|-----------|-------------------------------------|--|---|--|--|---------------------------------|---|
| | Dow Jones Industrial Average (DJIA) | The Standard and Poor's 500: S and P 500 Index | Market-capitalization weighted and float-adjusted S and P/ASX 200 Index | The blue chip index: Europe Next 100 Index | The Financial Times Stock Exchange 100 Index: FTSE 100 Index | The All Share Index (J203): JSE | Stock market index of all stocks: SSE Composite Index |
| | Lowest cost | Lowest cost | Lowest cost | Lowest cost | Lowest cost | Lowest cost | Lowest cost |
| Year 2022 | % change (Basis points) | % change (Basis points) | % change (Basis points) | % change (Basis points) | % change (Basis points) | % change (Basis points) | % change (Basis points) |
| Feb 25 | 3.11 (311) | 4.18 (418) | 2.242 (224.2) | 1.12 (112) | 1.12 (112) | 1.27 (127) | 1.2 (120) |
| Feb 24 | 1.08 (-108) | -2.53 (-253) | -2.604 (-260.4) | -4.27 (-427) | -4.45 (-445) | -1.69 (-169) | -1.68 (-168) |
| Feb 23 | -0.84 (-84) | -1.07 (-107) | 0.515 (-51.5) | 1.93 (-193) | 2.42 (-242) | 1.74 (-174) | 0.597 (-59.7) |
| Feb 22 | -1.8 (-180) | -1.38 (-138) | -0.664 (-66.4) | -1.55 (-155) | -1.73 (-173) | -0.403 (-40.3) | -0.979 (-97.9) |
| Feb 21 | - | - | -0.633 (-63.3) | -2.19 (-219) | -2.15 (-215) | -1.63 (-163) | 0.715 (-71.5) |
| Feb 18 | -0.79 (-79) | -1.07 (-107) | -1.104 (-110.4) | -0.63 (-63) | -1.7 (-170) | 0.817 (-81.7) | -0.209 (-20.9) |

Table 1. Global stock markets (the lowest price at which stocks were traded during the time period).

It demonstrates that the day of the invasion, on February 24, 2022, experienced the smallest decline in share values throughout a 5-day span (from February 18 to February 25).

More than 100 points were lost by the Dow Jones industrial average. More than 250 points were lost by the S and P500 index. More than 400 points were lost by the EuropeNext 100 index.

According to Table 1 below, the Shanghai composite index dropped by more than 150 points. The day after the invasion, however, equities recovered as a result of the widespread announcement of harsh penalties against Russia.

Rising living standards and inflation worldwide: The cost of living will rise in the majority of European nations, including Germany and the United Kingdom, if the invasion continues. For instance, the UK's inflation rate of 5.5% is quite high.

This indicates that consumers are already buying fewer items for a higher price. Oil, gas, food, and food ingredients will all see further increases in price as a result of the battle. The price of mortgage deductibles, vehicles, and lighting may rise dramatically as

a result, raising the cost of life. There will be impacts that spread to developing nations that depend on energy imports.

While income levels stay unchanged, developing countries will pay a higher price for energy imports, which could result in an increase in local fuel pump costs, a rise in food prices, and an overall increase in merchandise imports. As a result, inflation will grow and the cost of living in developing nations will rise. When wealthy and developing nations work together, the result could be a rise in global inflation and a high cost of living.

Additional economic effects: Table 2 displays changes in some economic indices for February, the invasion month, compared to January, including central bank responses to Russia's invasion of Ukraine, while Table 3 displays the impact of the invasion on global commodity prices.

| Selected countries | A few economic markers | Direction |
|--------------------|--|-----------|
| Netherlands | From 9.0 points in January 2022, business confidence dropped to 8.5 points in February 2022. | Negative |
| Turkey | From 100.8 points in January 2022 to 98.2 points in February 2022, the economic confidence index decreased. Additionally, manufacturing PMI dropped from 50.5 points in January 2022 to 50.4 points in February 2022. | Negative |
| Denmark | From -1 point in January 2022 to -2 points in February 2022, the manufacturing confidence index decreased | Negative |
| France | The annual inflation rate is anticipated to increase from 2.9% in January 2022 to 3.6% in February 2022. | Negative |
| Ukraine | Due to the crisis between Ukraine and Russia, the PFTS stock exchange remained closed. | Negative |
| Italy | In February 2022, the manufacturing confidence index dropped from 113.7 to 113.4 points. | Negative |
| European Union | From -10 points in January, the EU's consumer confidence index dropped to -10.20 points in February 2022. | Negative |
| Slovakia | From 21.4 in January to -22.3 in February of 2022, the consumer confidence index decreased by 0.9 points. | Negative |
| Iceland | In February 2022, Iceland's annual inflation rate increased to 6.2 percent from 5.7 percent in January. | Negative |
| Sweden | In February 2022, the business confidence index increased to 114.8 points from 109.9 points in January. | Negative |
| Russia | In February 2022, the IHS Markit Russia manufacturing PMI dropped from 51.8 points in January to 48.6 points. | Negative |
| Kyrgyzstan | On February 28 th , 2022, the central bank boosts interest rates by 150 basis points to 10% in reaction to lingering COVID-19 infections, inflationary pressures, and increasing geopolitical danger in eastern Europe. | Negative |
| Taiwan | From 73.67 points in January 2022 to 73.19 points in February 2022, Taiwan's consumer confidence index decreased | Negative |
| Myanmar | From 48.5 in January to 47.3 in February 2022, the IHS Markit Myanmar Manufacturing PMI decreased. | Negative |

Table 2. Country-specific economic consequences after the invasion in February.

| Commodity | Economic effect |
|-------------|---|
| Natural gas | The cost of natural gas in the EU nearly surpassed €100 per megawatt-hour. |
| Oil | On February 28, Brent crude futures increased by about \$100 per barrel. Additionally, WTI crude oil increased to above \$96 a barrel on February 28 as a result of new sanctions the West put on Russia, fueling concerns about supply disruptions. |
| Gold | On February 28, the price of gold almost touched \$1,900 per ounce. |
| Palm oil | At 6291 MYR/T, palm oil reached an all-time high. |
| Uranium | In response to Western sanctions against Russia for invading Ukraine, Russia threatened to use nuclear energy, driving up the price of uranium futures to a peak of over \$46 per pound. |
| Mineral | Palladium futures surged to \$1834 an ounce as a result of the ongoing unrest in Ukraine. |
| Silver | In response to the Ukraine war, there was a rise in demand for precious metals, which led to silver futures trading above \$24 per troy ounce on February 24. |
| Cocoa | Due to decreased global demand and supply constraints caused on by Russia's invasion of Ukraine on February 28, cocoa futures traded at roughly \$2527 per ounce. The selling of coffee and chocolate is prohibited by travel restrictions brought on by border closures. |

Coal

Due to the increasing demand for electricity and power, notably from European nations affected by the ongoing Russia-Ukraine war, Newcastle coal futures traded at a high price of \$274.5 per tonne on February 28.

Source: Trading economics

Table 3. Effect on global commodity.

Conclusion

The research examined how Russia's invasion of Ukraine affected the world economy. According to the study, the invasion's impact on the world economy was a disruption of the worldwide supply system. Shocks to the trade and energy supplies made this obvious. It caused an increase in the cost of energy, commodities, and food, which in turn caused an increase in worldwide inflation in several nations. The implication is that geopolitical conflicts frequently have economic effects that spread to other nations and do not only affect the sanctioned country.

The conflict between Russia and Ukraine has demonstrated that imposing sanctions on a belligerent nation is not the best course of action because it affects non-belligerent nations as well, particularly when those non-belligerent nations are trading partners with the belligerent nation. Political leaders should make an effort to prevent crises like the one between Ukraine and Russia and should adopt discussion as a method of resolving disputes. Future research can evaluate how well discussions can settle disputes and appease nations who start wars to maintain their regional influence.

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