



Background Guide

ECOFIN

1 | Economic and Financial Consequences of Russia's Military Attack on Ukraine

No Borders MUN 2022

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Table of Contents

Table of Contents	2
Committee Introduction	3
Agenda Introduction	4
Letter from the Chairs	5
Key Terms	6
Historical Background	7
Current State of Affairs	8-10
Stances of Parties	11
Possible Solutions	12
Questions to Consider	13
Bibliography	14

Committee Introduction

The Economic and Financial Affairs Council, also known as the Second Committee of the United Nations General Assembly, primarily focuses on international economic policies and global finance. It is one of the main committees of the United Nations and allows all 193 member states to join the conference.

The economic ministers of the 193 member states meet in ECOFIN to discuss issues on economic policies at a macroscopic level such as international trade or banking system, regulations on financial markets or capital movements, and strategies for global financial development. The committee also is responsible for global economic relations and may also focus on economic issues in special situations, for instance, Russia and Ukraine. Overall, this committee pursues sustainable economic growth and development in all nations while maintaining peace and acknowledging the interdependent nature of the global economy.

The mandate of ECOFIN, which can be grouped into ten clusters according to the 2017 *GA Handbook: A practical guide to the United Nations General Assembly*, explicitly shows the goals for this committee. From the ten, the bolded ones are suggestions on the most relevant mandates for this particular committee's agenda.

- 1. Macroeconomic policies**
2. Operational activities for development
- 3. Financing for development**
- 4. Groups of countries in special situations**
5. Globalization and interdependence
6. Eradication of poverty
7. Sustainable development
8. Information and communication technologies for development
- 9. Agriculture development, food security, and nutrition**
10. Human settlements and sustainable urban development

Agenda Introduction

Russia's military attack on Ukraine has not only caused consequences regarding human lives and rights, as many Ukrainians and Russians have faced casualties, but it also has caused Russia to face substantial economic and financial consequences; as a matter of fact, it has placed Russia on the verge of bankruptcy as interest rates have doubled, the stock market has closed, and the Russian currency (rouble) has fallen to its lowest level ever.

Russia's sudden attack and the war on Ukraine have caused them to get targeted by numerous other countries, especially by harsh economic tariffs, which ultimately led the country to its state as it is today. As an unexpected and unprecedented amount of tariffs have been placed on Russia, their citizens are not even allowed to convert their money into any form of foreign currency now. Famous chain companies like Starbucks, McDonald's, and IKEA are all blocked so that people in Russia cannot spend money to buy products from these places now.

There are many estimates that this situation would put Russia in an even worse state than the 1998 Russian stock market crash, which was a significant hit to their economy and caused them to see little growth. These estimates predict that the Russian economy will shrink by more than 7% the next year, or maybe even by 15% if the sanctions and situation worsen.

Looking long term, it doesn't seem to get any better for Russia and Putin. If these sanctions are continuously kept, then Russia will lose its main trading partners, and soon be not able to pay back their creditors. If this happens, they would have a difficult time attracting foreign investments, as they would be seen as disreputable borrowers. As a whole, the status quo of Russia is looking dire and in need of solutions to save the country at this point.

Letter from the Chairs

Dear Delegates,

Hello, my name is Hajin Ruy, and I will be serving as the associate chair for this ECOFIN committee. I am a junior in Korea International School Jeju, and this is my third year involved in MUN. From the three years, I was able to widen my perspective and gain additional insight into global affairs. It also made me value cooperation, communication, and active participation, as these are important characteristics for delegates to develop during the conference. Through this conference, I hope that all delegates will understand the Ukraine-Russian War better, and further think about how peace can be protected.

Hello, my name is Ricky Jang, and I am a junior at Daegu International School. It is a great honor to serve as the head chair of the Economic and Financial Committee in NBMUN III. Through various MUN conferences, such as YMUN and HMCA, I played a pivotal role in leading the MUN team as a student coach and a key delegate. These experiences broadened my understanding of global issues and provided a valuable opportunity to communicate with friends from multicultural backgrounds. Recently, SDGs and ESGs are among the most extensive interests we share. As of the digital transformation era, it is integral for global citizens to understand the worldwide trend, effectively communicate, and mitigate global economic issues. I hope this conference will be an opportunity to share joint interests and broaden our vision to find future values through Model United Nations.

Also, as a pro-tip for the conference, putting yourself into the country's perspective is one of the most important things to be a successful delegate. In other words, research not only about the topic itself but also the country's history and stances on specific issues, allies, enemies, and culture will all be a positive addition to your performance at the MUN conference. This research will eventually build up on your speeches, arguments, and even your resolution on what might be the most crucial goal of the nation. MUN is not just about debating topics but about understanding the world and its trends along with different perspectives. Although the conference's success would be one of your priorities, I hope you can benefit much from this conference. The agenda being debated at the conference are trending and valuable topics that might have a tremendous impact on the global economy. Please take advantage of this conference and expand your knowledge as much as you can.

Please contact 2023rjang@dis.sc.kr, sahngwon.lee24@stu.siskorea.org, or hjrui24@kis.ac for any inquiries, you may have.

Sincerely,

Ricky Jang, Sahngwon Lee, and Hajin Ruy

Key Terms

Economic Sanction

Commercial and financial penalties applied by one or more countries against a self-governing state when the state threatens the country's interest or violates international norms. It may include travel bans, asset freezes, arms embargoes, and trade restrictions or more.

NATO

North Atlantic Treaty Organization, or simple put, a political and military alliance of European nations and North American nations. It includes 30 countries, 28 from Europe or North America. The alliance follows the Article 5 of Washington Treaty, which states “an armed attack against one or more of them in Europe or North America shall be considered an attack against them all,”. After the 2014 Donbass War, Ukraine has been increasingly interested to join NATO as anti-Russian sentiment grew; after the Russian invasion of Ukraine-Russian war, Ukraine's president Volodymyr Zelenskyy immediately requested to join NATO.

Financial Assets

Financial assets are non-physical assets which get value from societal recognition. It includes money in the form of cash, stock, bond, funds, loans, and bank deposits.

Inflation

Inflation refers to the increase in consumer prices. Small amount of increase is natural for a growing economy, but rapid increase in price, or hyper-inflation, causes an economic catastrophe as it devalues the nation's currency and quickly overrides the established economic system.

Export Control

Export control is a series of legislations that a nation's government makes to regulate the export of goods, technology, or any other valuable things. Most purposes for export control is to restrict the harmful uses of exported materials. However, in some instances, export controls are done to protect the nation's economic status. For example, India has banned wheat export because of the Ukraine-Russian war increased the local wheat price due to high export demand.

Commodity Price

Commodity as an economic term refers to the goods that are treated equally regardless of the producer; therefore, commodity price refers to the cost of basic

resources such as natural gas, oil, iron ore, gold, wheat, rice, etc. The prices of these commodities are determined by supply and demand.

Historical Background

The Soviet Union was officially dissolved in the early 1990s. Ukraine, which was originally a Soviet republic, officially became an independent nation on August 24, 1991. The western part of the nation is primarily pro-NATO, and pro-EU, while the eastern part, especially in Crimea is pro-Russian.

The political differences lead to territorial disputes on the Crimean peninsula between Ukraine and Russia. On March 16, 2014, the Crimean regional government withdrew from Ukraine, and Russia annexed Crimea. Ukraine and UN nations viewed the annexation as illegal and the UN, therefore, did not recognize the annexation because Ukraine sovereignty and territorial integrity was undermined.

The western world further responded to this crisis with several economic sanctions to deliver clear disapproval of Russia's act. The EU imposed economic sanctions in 2014 on the finance, trade, energy, transportation, technology, and defense sectors. The United States of America, similarly, declared a national emergency and ordered economic sanctions which included limiting financing to Russia's largest banks and energy companies, suspending credit finance that supports Russia's export industry, and prohibiting provision, exportation of most Russian goods. Other nations like Norway, Switzerland, Canada, and Japan also imposed sanctions against Russia.

International sanctions partly being responsible for it, the tension between the region intensified; 4 years later from the 2014 Crimea annexation, Russia showed their aggression again on November 25, 2018, the Russian navy attacked Ukrainian ships in Crimean port, which is located near the Black Sea.

More aggressions continued after the 2018 Kerch Strait incident revealed the escalated tension between Ukraine and Russia. Yet, at this point, many nations predicted a series of negotiation and diplomatic acts would resolve the aggression and did not foresee a war. However, on February 24, 2022, Russia invaded Ukraine on a full-scale military operation. Vladimir Putin attacked Ukraine to demilitarize the Ukrainian government and provoke a regime change. As the war prolongs, the absence of two nations in global trade creates a devastating impact on the macroeconomy.

Historically, the significance of the two nations in the global economy comes from their abundant natural resources and agricultural products. Ukraine's rich farmland makes them the 6th largest producer of corn, 7th largest producer of wheat, and 1st largest producer of sunflowers. It is also dense in raw materials like coal, iron, and natural gas. Russia, similarly, is the 1st largest exporter of wheat, 3rd oil producer, and 2nd natural gas producer. Strategic bombing of Russian Missiles targets Ukrainian fuel facilities; in 2022, on February 27, a missile hit an oil facility near Kyiv, and a gas pipeline in Kharkiv, which connects natural gases to European nations. The world is facing overall inflation as global markets fail to find an alternative for the decreased exports.

Current State of Affairs

Since Russia launched a full-scale military invasion into Ukraine on February 24, 2022, fighting has caused nearly three thousand civilian deaths and internally displaced more than seven million people, according to the United Nations. The conflict has forced another five million Ukrainians to flee to neighboring countries—the majority of whom have arrived in Poland, a NATO country where the United States and other allies are helping to accommodate the influx of refugees.

In October 2021, Russia began moving troops and military equipment near its border with Ukraine, reigniting concerns over a potential invasion. Commercial satellite imagery, social media posts, and publicly released intelligence from November and December 2021 showed armor, missiles, and other heavy weaponry moving toward Ukraine with no official explanation.

In mid-December 2021, Russia's foreign ministry issued a set of demands calling for the United States and the North Atlantic Treaty Organization (NATO) to cease any military activity in Eastern Europe and Central Asia, to commit against further NATO expansion toward Russia, and to prevent Ukraine from joining NATO in the future. The United States and other NATO allies rejected these demands and warned Russia they would impose severe economic sanctions if Russia invaded Ukraine. The United States sent additional military assistance to Ukraine, including ammunition, small arms, and other defensive weaponry.

In late February 2022, the United States warned that Russia intended to invade Ukraine, citing Russia's growing military presence at the Russia-Ukraine border. Russian President Vladimir Putin then ordered troops to Luhansk and Donetsk, separatist regions in Eastern Ukraine partly controlled by Russian-backed separatists, claiming the troops served a "peacekeeping" function. The United States responded by imposing sanctions on the Luhansk and Donetsk regions and the Nord Stream 2 gas pipeline a few days later.

On February 24, during a United Nations Security Council meeting to dissuade Russia from attacking Ukraine, Putin announced the beginning of a full-scale land, sea, and air invasion of Ukraine targeting Ukrainian military assets and cities across the country. Biden declared this attack "unprovoked and unjustified" and has since issued severe sanctions in coordination with European allies, including sanctions that target four of Russia's largest banks, its oil and gas industry, and the financial assets of Putin and Russian Foreign Minister Sergey Lavrov. The U.S. continues to commit military assistance to Ukraine; following Ukrainian President Volodymyr Zelenskyy's address to the U.S. Congress on March 16, Biden announced an additional \$800 million in military assistance. Since Russia's invasion, the United States has committed \$3.4 billion in security assistance, including heavy weapons and artillery. The United States has also dramatically increased the numbers of U.S. troops in Europe, bringing the total to more than one hundred thousand. The United Nations, G7, EU, and other countries continue to condemn Russian actions and support Ukrainian forces. In an emergency United Nations session on March 2,

141 of 193 member states voted to condemn Russia's invasion of Ukraine and demanded that Russia immediately cease its use of force in Ukraine.

The Russia/Ukraine conflict has sent shockwaves throughout the world economy. Commodity prices, including energy, have increased sharply as uncertainty about supply disruptions has grown. In addition, sanctions and trade restrictions have been imposed on Russian banks, businesses, and individuals. Finally, the conflict has sparked a massive refugee crisis, with over four million Ukrainians fleeing their country. All of this is likely to contribute towards greater uncertainty in the economy, among businesses, households, and financial markets.

Domestic Russian banks, followed by European banks with local legal entities in Russia, are the most exposed to risk resulting from sanctions. While direct impact are also predicted, indirect risks could be more substantial, including:

- Slower global growth and consumer spending due to higher oil and food prices
- Negative second-order effects through Europe
- Supply chain distortions
- Credit and asset write-downs
- Cybersecurity risks
- Tightening monetary policy

Tightening monetary policy remains the key risk for equities as central banks grapple with inflation expectations as well.

As Russia and Ukraine account for about 40% of wheat imports in the region and about 75% or more in central Asia and Russia being a major export destination for many countries, the lack of resources and services has demanded the price to go up immediately.

The economic sanctions also resulted in external global impacts not only limited to the Russian economy. As mentioned, increased prices among natural resources such as gas; the war in Ukraine has raised uncertainty about future sales and particularly inflation as well. Between January 2022 and March 2022, uncertainty about sales increased from just over 120% of its 2019 average to almost 140%(Global Scale). However, price uncertainty increased from 140% to around 175% in March 2022, its highest level since the DMP survey began in 2016. Meanwhile, employment uncertainty only increased modestly. This is a different pattern to that seen during Covid-19, and it highlights how uncertainty relating to the Ukraine war is particularly related to inflation, given the large associated movements in energy and other commodity prices.

The biggest current issue lies in that the conflict is ongoing and many people are influenced by the factor. Please check the link provided for more information regarding the situation in Ukraine.

Refugee information: <https://data.unhcr.org/en/situations/ukraine>

Trading trend chart(oils, gas, etc.): <https://tradingeconomics.com/commodity/crude-oil>

Stances of Parties

United States of America

Both in terms of short-term involvement and long-term intentions, America has crossed a watershed in Ukraine. During the fall and winter, the United States was cautious as Russia, a nuclear-armed country with veto power in the United Nations Security Council, stockpiled over a hundred and fifty thousand troops along the Ukrainian border. It didn't want to irritate the Russian bear—or personally provoke Vladimir Putin. On February 24th, two days after huge convoys of Russian tanks rolled across the border, US Secretary of State Antony Blinken maintained that America's mission was simply to stand by the Ukrainian people, supported by hundreds of millions of dollars in military aid. President Biden was desperate to prevent World War 3, which led him to put these sanctions on Russia. The United States of America is still in the stance of wanting to end the war as soon as possible by weakening Putin's Russia and strengthening the Ukraine side.

Republic of Korea

The first reaction of South Korea to Russia's invasion was compared to that of the United States and other close US allies. The Moon Jae-in administration backed international sanctions on Russia, but unlike Japan and Australia, it did not apply its own penalties. Ukrainian President Volodymyr Zelenskyy was even blamed by members of the ruling Democratic Party of Korea for inciting Russia. Seoul, on the other hand, agreed to prohibit the direct transfer of strategic commodities to Russia and Belarus, such as semiconductors, and to freeze transactions with important Russian banks after further study. Despite the fact that Russia is merely South Korea's 12th largest trading partner, these steps are important. South Korea's support for Ukrainian sovereignty has been welcomed and explicitly recognized by both US Secretary of State Antony Blinken and President Joe Biden, despite some policymakers and media outlets criticizing the outgoing Moon government for vacillating early on and not providing greater support to Ukraine's defense.

China

For China, Russia's conflict against Ukraine is first and foremost a proxy war between Russia and the US-led NATO, confirming China's belief that the US continues to advance its hegemony at the expense of others, most notably the People's Republic of China. While China promotes the proxy war narrative through a barrage of disinformation, it is simultaneously pursuing a new paradigm of international relations with Russia, which involves redefining democracy. Beijing accuses the US-led NATO of being the driving force behind Russia's invasion of Ukraine. As a result, sanctions are viewed as the United States putting its will on the Europeans. The Chinese leadership appears to be betting that by blaming the US for the war, it would be able to sever the transatlantic alliance and depict Europeans as pawns of US imperialism.

United Kingdom

Boris Johnson, the British prime minister, has positioned himself as "leading the way" in aiding Ukraine, and was the first foreign leader to declare that Vladimir Putin "must fail." In order to help the Ukrainians out, Johnson even decided to start sending help and military support to them. When British armoury began arriving in Ukraine in 2021, including light anti-tank weaponry and surface-to-air missiles, as well as other munitions and equipment, Ukrainians considered the UK as 'bold,' according to Orysia Lutsevych, head of Chatham House's Ukraine Forum. Johnson promised more armored vehicles, drones, and longer-range anti-naval missiles in his presentation to the Ukrainian parliament. Prior to that, British soldiers were already teaching Ukrainians as part of Operation Orbital, and British ships have been patrolling the Black Sea on a regular basis since 2018. A Russian ship even fired warning shots on one occasion. Ukraine is also grateful to British and American intelligence services for publicly predicting the invasion at a time when other countries' intelligence services were drawing conflicting conclusions, either owing to wishful thinking or skepticism stemming from Iraq. The frequent Twitter updates on the war from the UK Ministry of Defence are now widely read.

France

On February 24, 2022, the Russian Federation invaded Ukraine, eight years after the unlawful annexation of Crimea and the start of the conflict in eastern Ukraine in 2014. In light of this, France has been negotiating with Russia for an early ceasefire. It stands by the Ukrainians and pledges to join other EU Member States in imposing sanctions on Russia in order to raise the cost of the war and sway Russian President Vladimir Putin's decisions. France has set aside €100 million to fund the most critical humanitarian needs, including medication, respirators, tents, and blankets. A humanitarian air bridge has been established through Poland to transfer these goods to Ukrainian authorities or straight to neighboring countries that are accepting migrants. The CDCS has coordinated around 25 solidarity initiatives, highlighting France's outstanding efforts to assist the people of Ukraine. Two funds have been established to unite all goodwill efforts and gather financial contributions to France's humanitarian missions promptly and effectively. As for sanctions, since February 2022, the EU's 27 member states have enacted a number of punitive measures against Russia. The goal of these actions is to cut Russia off from the world financial system and put pressure on those who support the Russian regime politically and economically. As a whole, France is in full support of Ukraine along with the other European countries.

Russia

Russia's economic and financial situation is looking especially gloomy. Due to a paper shortage, Russian banks have reduced the length of receipts. Buttons were running out, according to clothing producers. Even Russia's Central Bank has predicted a stunning inflation rate of 18 to 23 percent this year, as well as a ten percent drop in total output.

At a time when even uttering the words "war" and "invasion" is forbidden, determining the impact of the conflict and sanctions on the Russian economy is difficult. President Vladimir V. Putin has stated that the economy is surviving the sanctions imposed by the US, Europe, and other countries. Moscow's financial machinations initially helped to mitigate the economic harm. The central bank increased interest rates to 19 percent to support the currency at the outset of the conflict, but was recently able to cut rates to 14 percent. Russia and their banks themselves have admitted that Consumer demand and credit in Russia are declining, and "companies are encountering great challenges in manufacturing and logistics".

Ukraine

The GDP of Ukraine is predicted to collapse by 45.1 percent this year, albeit the size of the contraction will be determined by the length and intensity of the conflict. Russia's economy has already entered a deep recession as a result of extraordinary sanctions, with output expected to decline by 11.2 percent in 2022." The scale of the humanitarian disaster wreaked by the war is mind-boggling. The Russian invasion has dealt a major blow to Ukraine's economy and caused significant infrastructural damage, according to Anna Bjerde, World Bank Vice President for Europe and Central Asia. "Ukraine needs massive financial support immediately as it struggles to keep its economy going and the government running to support Ukrainian citizens who are suffering and coping with an extreme situation." The battle has also heightened fears of a dramatic global slowdown, rising prices and debt, and an increase in poverty levels. Multiple routes of economic impact have been felt, including commodities and financial markets, trade and migration links, and a negative impact on confidence.

Belarus

There are some pro-Lukashenka Belarusians who do not accept Russia's aggressive actions in Ukraine, as seen by the recent resignation of Deputy Defense Minister Viktor Gulevich, who said that his people did not want to participate in the Russian invasion of Ukraine. Another instance is the resignation of Natalia Khvostova, a diplomat from Belarus who was serving as consul general of Belarus in Munich. She resigned in opposition to the ongoing invasion of Ukraine. These resignations demonstrate that the Belarusian elites are not a homogenous group and that the conflict in Ukraine could lead to more elite defections. Additionally, it has been claimed that the Belarusian conscripted soldiers who do not wish to fight in the Russia-Ukraine war are very demoralized. These events suggest that Lukashenka would experience political reaction in the event that Belarusian soldiers fully participate in the Russia-Ukraine conflict and that he will be careful before taking any more action in this regard.

Slovenia

18 intellectuals and politicians, including the former presidents of Slovenia Milan Kuan and Danilo Türk, expressed the opinion that the West and Slovenia should come up with alternate solutions to the Ukraine conflict in order to encourage the Russian and Ukrainian governments to hold meaningful peace negotiations. Vladimir Putin, the president of Russia, had without a doubt ordered a "indelible war crime" when he ordered the attack on Ukraine, according to the letter. However, despite the fact that the West's arms assistance to Ukraine strengthens the fight, it is improbable that Ukraine will be able to completely expel the aggressor from its land. The appeal stated that the more advanced weapons Ukraine receives, the more Russia activates, prolonging the war and escalating it into a protracted trench warfare, bringing lasting killing and destruction, while it holds Europe and a large portion of the world hostage with increases in energy and grain prices.

Afghanistan

For Afghanistan and Ukraine, respectively, the Taliban insurgency and U.S. army withdrawal, as well as Russian incursions that culminated in the February 24 invasion, served as existential "stress tests." By averting an absolute Russian victory, Ukraine and its international allies have succeeded in putting Russia through a heavy and ongoing cost, ranging from high casualties to financial penalties. Whatever happens next, the invasion has strengthened Ukraine's sense of national identity, position, and orientation as a sovereign nation that is independent and Western-oriented. In stark contrast, Afghanistan's president and many other key figures fled the nation after U.S. soldiers left, and the Taliban quickly seized control within a month.

Japan

After Russia's invasion of Ukraine, Japanese Prime Minister Fumio Kishida moved quickly to follow the lead of the vast majority of the international community by placing limitations on the Russian central bank and advocating for Moscow's expulsion from the SWIFT global financial network. Analysts note that his actions are more decisive and successful than before actions against the Vladimir Putin administration. When Russian troops violently annexed the Crimea region of Ukraine in 2014, Japan was last asked to impose sanctions on Moscow. Tokyo's reaction to that earlier land grab was muted because the Japanese government, under by Shinzo Abe, wished to avoid upsetting Putin while negotiations over the future of a group of islands off the coast of northern Japan were still ongoing. The islands, known as the Northern Territories in Japan and the Southern Kurils in Russia, were taken by the Red Army of the Soviet Union in the last stages of World War II.

Germany

Olaf Scholz, the German chancellor, described the Russian invasion of Ukraine as "brutal aggression," emphasizing that "this is imperialism," in a recent DW interview. And we won't ever consent to that." It was now necessary to demonstrate on a global scale that "there must never again be a successful attempt to shift boundaries by force," he declared.

According to the German government, Ukraine needs to continue receiving military and financial support while Russia needs to have its gas and oil supplies cut off as soon as feasible. Berlin has emphasized that Germany will not, however, act independently and run the risk of joining the conflict directly. Scholz has a reputation for being uneasy about Ukraine both domestically and internationally. There have been calls for more forceful action in his own government about the delivery of heavy weaponry, particularly from Economy Minister Robert Habeck and Foreign Minister Annalena Baerbock.

India

India's attitude to Russia's invasion of Ukraine stood out among the other major democracies and among the strategic allies of the United States. New Delhi has chosen to maintain a calculated public neutrality toward Russia despite its displeasure with Moscow's conflict. It has consistently voted against Russian aggression in Ukraine in the UN Security Council, General Assembly, and Human Rights Council and has so far refrained from publicly naming Russia as the cause of the conflict. India's neutrality has disappointed many Americans, including those in President Joe Biden's administration, because it revealed a stark difference of opinion between Washington and New Delhi on the legitimacy of using force to alter borders and occupy another country's territory through an overt war of conquest. Whatever their opinions on what led to the conflict in Ukraine and what caused it, the majority of Indian strategic intellectuals would agree that their nation's diplomatic neutrality ultimately represents what one Indian expert called "a veiled pro-Moscow posture."

Dominican Republic

As stated by the President, JOSE ALFONSO BLANCO CONDE (Dominican Republic) stated that the military attack of Russia against the people of Ukraine has rocked his nation. The Minsk agreements, the Budapest Memorandum, the United Nations Charter, and numerous Security Council and General Assembly decisions are all being broken by the Russian Federation. He argued that it also went against the fundamental tenets of international law, such as the obligation to settle conflicts amicably and to abstain from using force, and demanded that diplomatic dialogue be given precedence. The world does not want any more fatalities or suffering after the COVID-19 pandemic. He emphasized that "these values are non-negotiable" and stated that all countries, big and small, have the responsibility and the duty to respect the Charter of the United Nations. He urged other countries to respect Ukraine's desire for world peace. He said, "Humanity is waiting for us today; let us not fail."

Poland

Nothing brings together formerly hostile neighbors in a shared cause like an outside invasion. With Warsaw supporting the influx of millions of refugees, Poland and Ukraine have transformed into unorthodox allies in the face of a greedy Russia. Poland has liberally granted access to the labor market as well as social and health benefits to Ukrainians. Locals are increasingly welcoming individuals in need into their homes. Meanwhile, convoys that cross the border have served as a lifeline for Ukraine by

delivering medical and military supplies. In fact, Poland has developed into a key geopolitical player by providing Ukraine with Stinger missiles and Javelin anti-tank weapons made in the US. If Kyiv wants to change the tide, this equipment is essential.

Kenya

On February 21, Kenya's permanent representative to the UN delivered a harsh denunciation of the Russia-Ukraine situation and compared it to colonization in Africa. Martin Kimani said in a statement to the UN Security Council during an emergency meeting to discuss Russia's decision to recognize the secessionist regions of Donetsk and Luhansk that Ukraine, that Russia's action violates the territorial integrity of Ukraine, and that Africa itself has had to deal with borders created by colonial powers because of the greater goal of peace. "Kenya, and almost every African country, was birthed by the ending of the empire," he said. "Our borders were not of our own drawing. They were drawn in the distant colonial metropolises of London, Paris, and Lisbon with no regard for the ancient nations that they cleaved apart."

Brazil

Foreign Minister Carlos Franca stated on Tuesday that Brazil will not support either side in the dispute over Russia's invasion of Ukraine, adding that the country sought peace and had a "impartial" rather than "indifference" approach. According to the United Nations, the invasion has caused one of the fastest refugee crises in modern history, with more than two million Ukrainians—mostly women and children—fleeing into the European Union in just 13 days to escape Russia's shelling and bombardment of cities and towns. When asked if he opposed the invasion, Franca responded during a news conference in Lisbon, "Brazil's position is clear... We are on the side of world peace." We believe that we can achieve that (peace) by working to end the conflict, not by choosing sides, he said.

Possible Solutions

Solution #1 (Stabilizing the society)

Government and global market to take fiscal tightening policy within each nation to mitigate the inflation among the nation. Countries can push high interests or decrease spending capacity to control the inflation that is occurring at an abnormal rate.

Considering the fundamental issue of human psychology in reacting to a crisis, social stabilization is also a critical factor that can handle the abnormal economic situation. Basic issues such as instability in stocks, inflated economies, and abnormal currency are directly tied with the social issues; therefore, stabilizing the society along with policies and ways to mitigate the economic downsides can help alleviate the current problem with the Ukraine crisis.

Solution #2 (Alternatives for disruption of supply chain)

Creating or appointing international or a national body to design and implement alternative supply chain management. This solution can be implemented to accurately replace or alter ways of businesses and organizations so that their work is not directly targeted by the crisis. This can also be facilitated by the government supporting lowering import taxes on certain products. Management of the import taxes and guidance of alternative supplies can not solve the problem but it can help the situation. As the supply chain has been disrupted, it may be hard to make significant changes at the moment but to facilitate things from getting too extreme until the situation is stabilized.

Solution #3 (Adopting bill for financial assistance)

Along with NATO, IMF, and the EU, the Economic and Financial Affairs Council can also adopt a bill for financial assistance for Ukraine and its refugees. Considering the effectiveness of the sanctions and their strengthening, adopting proper receptions for the refugees on supplying necessary goods and services. This way people in need can get direct support from the global community.

Solution #4 (Continued monitoring)

Paying close attention to the global economy, monitoring of development of the global growth and technological enhancements, and the effectiveness of the economic sanctions that have been implemented to the Russian economy are pivotal factors that need to be addressed among the nations. As sanctions are not a one sided action of a nation, it has to consider the economic downsides of an individual nation. Also, along with the COVID-19 pandemic that shifted the national economy in the digital era, focusing on such concepts and closely monitoring the changes in situation are critical for the future.

Questions to Consider

1. What is the ongoing issue between Ukraine and Russia? Why is it so essential that it leads to a global problem?
 - a. What are this conflict's economic and social impacts on a global scale?
 - b. What is the perspective of your own country on this conflict?
2. What is the best solution to the Ukraine crisis regarding the economic and social issues?
 - a. What do we do with the Ukraine refugees and about the recovery of the involved nation's economy?
 - b. What previous actions have been taken regarding similar conflicts? (Names of leaders, delegates, representatives of your country and what they have said about the issue)
 - c. Are economic sanctions effective enough? Or does it have more negatives or positives?
3. The economic effect that the crisis has had on the global economy is tremendous; how do we prepare or handle the ripple effects of the conflict?
 - a. Who will be responsible for the global impact on this conflict?
 - b. What measures can countries or organizations take?
 - c. How do we solve issues on the following problems?
 - i. Increased prices in natural resources such as gas, metal, and oil
 - ii. Supply chain distortion
 - iii. Inflation
 - iv. Destabilization of stock markets
 - v. Tightened monetary policies
4. Why does this crisis have a historical significance? In other words, why is this such an important event that can set a precedent for future conflicts between nations or regions?
5. In regards to the economic perspective, what measures can be taken to mitigate or prevent further acts of violence like the Ukrainian War?

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