



Vivekananda  
International  
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VIF PAPER | JULY 2022

# **SOUTH ASIAN RESPONSE TO UKRAINE CRISIS**

**POLITICAL, ECONOMIC &  
HUMANITARIAN IMPLICATIONS**

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Published in 2022 by

Vivekananda International Foundation

3, San Martin Marg | Chanakyapuri | New Delhi - 110021

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ISBN: 978-93-91498-02-3

Website: [www.vifindia.org](http://www.vifindia.org)

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# **South Asian Response to Ukraine Crisis**

## **Political, Economic & Humanitarian Implications**

### **Introduction**

The Russian “special military operation” launched against Ukraine on February 24, 2022, has impacted countries worldwide. While the global powers are busy in either extending support or condemning Russia in their respective ways, the fundamental issues arise from the political and economic impact of the crisis on the world economy. So far, the most visible impact of the Ukraine crisis globally has been the price rise in petroleum products. Also, the global sanctions on Russia have further interrupted the supply chain of goods from one region to another. In terms of response and impact of the Ukraine crisis on South Asian countries, it has been a mix of condemnation of Russian aggression and opting for neutral positions. However, all countries in the region have urged both parties to opt for peaceful means of diplomacy to resolve the differences. Yet, there has been a severe impact on the economic well-being of the South Asian Countries. For instance, Sri Lanka, the island country, is facing the worst economic and political upheavals with no immediate handy solutions. The economy had already been in disarray since COVID-19, and policy-level mishaps have cost dearly the people of Sri Lanka. With its exhausted foreign reserves, it depends on foreign assistance, including India and the International Monetary Fund, to ensure the supply of fuels and adequate supply of food items. Coupled with the internal crisis, Sri Lankan tea export has received a huge hit with international sanctions

in place. This prevents Sri Lanka from exporting tea to Russia, which is a huge market for the former. Amidst geo-strategic compulsions, Sri Lanka had abstained from the UN resolution against Russia.

Pakistan, on the other hand, has come out all open in extending support to Russia and the visuals of Prime Minister Imran Khan's visit to Russia on the eve of Russian aggression on Ukraine left no doubts. As a major importer of Russian defence products, Pakistan also abstained from the UN resolution against Russia. Bangladesh also abstained from the US resolution. However, it urged both parties to use peaceful means to resolve the crisis. In the case of Bangladesh, it is important to mention the Russian support extended to India and Bangladesh during the 1971 *Mukti Juddho* (Freedom War) against the Pakistani brutalities on Bangladeshis, which finally resulted in the formation of an independent Bangladesh. Surprisingly, Nepal has conveyed its displeasure against Russia. Further, Bhutan, Maldives and Afghanistan have opted for a neutral position on the matter. Against this backdrop, the contributors of the present paper look closely at the political, economic and humanitarian aspects of the Ukraine crisis.

### **Resolution on Russian Special Military Operation in Ukraine at the United Nations: South Asian Response**

Sr. No.	Resolution No. and Name	Dated	Afghanistan	Bangladesh	Bhutan	India	Maldives	Myanmar	Nepal	Pakistan	Sri Lanka
1	S/RES/2623(2022) Security Council resolution 2623 (2022) [on convening an emergency special session of the General Assembly on Ukraine]	27 February 2022	N/A	N/A	N/A	A	N/A	N/A	N/A	N/A	N/A
2	A/RES/ES-11/1 Aggression against Ukraine: resolution / adopted by the General Assembly	02 March 2022	Y*	A	Y	A	Y	Y	Y	A	A

3	A/RES/ES-11/2 Resolution on Humanitarian consequences of the aggression against Ukraine	24 March 2022	Y*	Y	Y	A	Y	Y	Y	A	A
4	A/RES/ES-11/3 Suspension of the rights of membership of the Russian Federation in the Human Rights Council: resolution / adopted by the General Assembly	7 April 2022	A*	A	A	A	A	Y	A	A	A

\*Delegation includes representatives of the Former Republic of Afghanistan

Y –Yes | N –No | A – Abstained | N/A –Not Applicable

## Afghanistan

### Political

The Ukraine-Russia conflict has overshadowed the grave crisis in Afghanistan. The country lies at the edge of an abyss. While the Taliban in Afghanistan is facing multiple challenges at home, especially on the governance and economic front, as a responsible member of the international community, the Taliban has highlighted its diplomatic neutrality as it urged restraint in Ukraine-Russia conflict. This was also done primarily to portray its benign image to the world and gain international recognition. In the official statement released by the Ministry of Foreign Affairs, the Taliban government has insisted that the concerned parties adopt peaceful and diplomatic means to resolve the issue. The official statement reads that “the Islamic Emirate of Afghanistan is closely monitoring the situation in Ukraine and expresses concern about the real possibility of civilian casualties. The Islamic Emirate calls for restraint by both parties.”<sup>1</sup> It further added that “All sides need to desist from taking positions that could intensify violence. The Islamic Emirate of Afghanistan, in line with its foreign policy of neutrality, calls on both sides of the conflict

1 Ministry of Foreign Affairs, Islamic Republic of Afghanistan, Statement concerning crisis in Ukraine, February 25, 2022, <https://mfa.gov.af/en/statement-concerning-crisis-in-ukraine/>.

to resolve the crisis through dialogue and peaceful means.”<sup>2</sup>The statement also requested the two parties to “pay attention to safeguarding the lives of Afghan students and migrants in Ukraine.”<sup>3</sup>

## Humanitarian and Economic

The impact of the Ukraine conflict would be massive for Afghanistan, considering it's in a middle of a humanitarian catastrophe. The situation in Afghanistan is unparalleled as it faces an alarming malnutrition crisis and food insecurity. According to the United Nations, acute hunger in the country rose from 14 million in July to 23 million in March. Further, the economy is in dire straits. According to the UNDP report, GDP will likely contract by 20 per cent within a year. Further, UNDP also mentions that covid-19; poverty, food insecurity and climate change can bring a situation of near-universal poverty in Afghanistan.<sup>4</sup> The multiple crises will be further exacerbated by the Ukraine-Russia conflict. The world's attention having shifted to the Ukraine crisis, and Afghanistan has been left to fend for itself. According to the UN Office for the Coordination of Humanitarian Affairs (OCHA), over 24.4 million people require humanitarian assistance to survive. United Nations has appealed for USD 4.5 billion in humanitarian and USD 3.5 billion in development assistance<sup>5</sup>. However, amidst the conflict, the Integrated Food Security Phase Classification (IPC) has stated that there will be a major reduction in Humanitarian Food Assistance to Afghanistan that is from 38 per cent to 8 per cent. Further, the conflict is already battering the global food system<sup>6</sup>. The drastic rise in prices of imported essentials, such as milk,

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2 Ibid.

3 Ibid.

4 Business Standard, *Afghanistan's GDP is likely to drop 20% within a year, says UNDP*, December 02, 2021, [https://www.business-standard.com/article/international/afghanistan-s-gdp-is-likely-to-drop-20-within-a-year-says-undp-121120200121\\_1.html](https://www.business-standard.com/article/international/afghanistan-s-gdp-is-likely-to-drop-20-within-a-year-says-undp-121120200121_1.html)

5 United Nations, *UN News: Afghanistan: UN launches largest single country aid appeal ever*, January 11, 2022, <https://news.un.org/en/story/2022/01/1109492>

6 Relief Web, *Afghanistan IPC Acute Food Insecurity Analysis: September 2021 - March 2022 (Issued in October 2021)*, October 25, 2021, <https://reliefweb.int/report/>

biscuits, and cooking oil will have a tremendous impact on Afghanistan, which is already dealing with food shortages. Further, the geopolitical tensions have impacted the leverage US and NATO countries have on Afghanistan. The uncertainty will lead to China and Pakistan taking the lead in bringing stability to Afghanistan.

The gargantuan task lies ahead for the Taliban as the country is failing to cope with new shocks. While the world's attention and aid money have been shifted to the crisis in Ukraine, Afghanistan is on the brink of collapse. Therefore, as crises in Ukraine become more acute, the Taliban will face a challenge in saving Afghanistan from a humanitarian disaster, economic collapse and financial bankruptcy.

## Bangladesh

### Political

Bangladesh has adopted an unofficial policy of neutrality concerning the war in Ukraine. Through a statement from its Foreign Affairs Ministry, it has urged both Russia and Ukraine to engage in dialogue and diplomatic channels.<sup>7</sup> More notably, Bangladesh abstained from a vote condemning the Russian invasion in the UNGA by stating that the resolution was “not meant to stop the war but to blame somebody.”<sup>8</sup>

Additionally, a second explanation for the abstention was issued by Bangladesh's Planning Minister, MA Mannan. In this case, it was claimed that Bangladesh “did not vote on the Russia-Ukraine issue keeping in mind the interests of

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afghanistan/afghanistan-ipc-acute-food-insecurity-analysis-september-2021-march-2022-issued.

- 7 Rejaul Karim Byron, and Ahsan Habib, “IMF Cuts Bangladesh's GDP Growth Forecasts to 6.4%.” *The Daily Star*, April 20, 2022. <https://www.thedailystar.net/news/bangladesh/news/imf-cuts-gdp-growth-forecasts-64pc-3008051>.
- 8 The Daily Star, *Why Didn't Bangladesh Vote on the UN Resolution Condemning Russia? Momen Explains*, March 6, 2022, <https://www.thedailystar.net/news/world/2022-russian-invasion-ukraine/news/why-didnt-bangladesh-vote-un-resolution-condemning-russia-momen-explains-2977011>.

the country.”<sup>9</sup> Moreover, he also added that this decision was in line with “many other states that have taken a similar position and abstained from voting.”<sup>10</sup> On the one hand, this indicates Bangladesh’s growing emphasis on maintaining its strategic autonomy to preserve its national interests. Dhaka’s balancing act comes at a time when South Asia is the emerging theatre of ‘Great Power Rivalries’. While Bangladesh is significantly dependent on Western markets for its exports, it is also one of Russia’s strategic partners in the realms of energy, power, infrastructure and arms cooperation. Therefore, not taking a definitive side in this conflict would allow Bangladesh to prioritize its economic and social development by utilizing resources from a myriad of sources.<sup>11</sup> At the same time, this could also highlight Bangladesh’s ‘Neighbourhood Syndrome’ when dealing with the issue. Since India, China, Pakistan and Sri Lanka all chose to abstain from voting, Bangladesh might feel more comfortable following the majority of its South Asian neighbourhood.<sup>12</sup>

### **Economic Impacts**

The International Monetary Fund (IMF) has revised its economic growth projection for Bangladesh to 6.4 per cent for the current fiscal year, largely because of the Russia-Ukraine war and supply chain disruptions.<sup>13</sup> Bangladesh, as an oil-importing country, is already under strain due to high import payments. The Bangladesh Petroleum Corporation has reported losses of over Taka 19 crore per day.<sup>14</sup> The chain effect is felt as oil prices rise, resulting in price increases for petrol, fertilizers, and other essentials. As a result,

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9 Ibid.

10 Ibid.

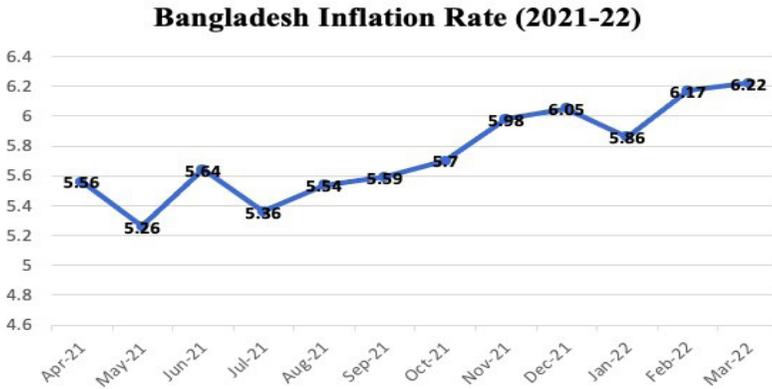
11 Hassan Ahmed Showon, “Decoding Bangladesh’s Response to the Ukraine Crisis” *The Diplomat*, March 15, 2022, <https://thediplomat.com/2022/03/decoding-bangladeshs-response-to-the-ukraine-crisis/>.

12 Ibid.

13 Rejaul Karim Byron, and Ahsan Habib, Op Cit, No.7.

14 Khatun, Fahmida. 2022. “What the Russia-Ukraine War Means for Bangladesh’s Economy.” Centre for Policy Dialogue (CPD). March 21, 2022. <https://cpd.org.bd/what-the-russia-ukraine-war-means-for-bangladeshs-economy/>.

production costs are rising, resulting in increased consumer prices and an inflation rate of 6.22 per cent in March 2022.<sup>15</sup>



**Source:** Bangladesh Inflation Rate - March 2022 Data - 1994-2021 Historical, April Forecast, Trading Economics.<sup>16</sup>

Regarding Bangladesh's global trade, supply chains had already received a setback by the pandemic, and the outbreak of war would only delay their recovery. This is particularly noted in the challenges Bangladeshi exporters are facing in the shipment of their products by both air and sea.<sup>17</sup> Moreover, since the European region accounts for 62.66 per cent of Bangladesh's current exports, one of the country's greatest concerns is the possibility of the war spilling into neighbouring states.<sup>18</sup> Therefore, increased political upheaval in the region would lead to a loss of exports and the exacerbation of an already

15 "Bangladesh Inflation Rate - March 2022 Data - 1994-2021 Historical - April Forecast." n.d. TRADING ECONOMICS. Bangladesh Bureau of Statistics. Accessed April 23, 2022. <https://tradingeconomics.com/bangladesh/inflation-cpi>.

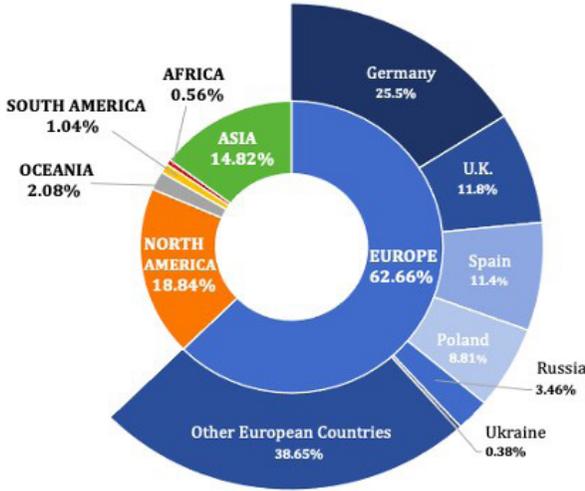
16 Ibid.

17 Halder, Sukanta, AKM Zamir Uddin, and Refayet Ullah Mirdha. 2022. "Businesses Fear Ripple Effect of Russian Invasion of Ukraine." *The Daily Star*. February 25, 2022. <https://www.thedailystar.net/business/economy/news/businesses-fear-ripple-effect-russian-invasion-ukraine-2970116>.

18 Mavis, Meraj, and Saddam Hossein. 2022. "No Immediate Impact on Bangladesh, but Businesses Wary of Oil and Food Price Hike." *Dhaka Tribune*. February 27, 2022. <https://www.dhakatribune.com/business/2022/02/27/no-immediate-impact-on-bangladesh-but-businesses-wary-of-oil-and-food-price-hike>.

expanding current account deficit.<sup>19</sup>

**Bangladesh Exports by Continent (2020)**



**Source:** “Bangladesh (BGD) Exports, Imports, and Trade Partners, The Observatory of Economic Complexity, the Observatory of Economic Complexity<sup>20</sup>

Given Bangladesh’s implied neutrality in the conflict, it is also important to note that most of its trade could be subject to Western arm twisting. Garment exports have long played a crucial role in Bangladesh’s economy, and the U.S. and E.U. have assisted this sector by continuing bulk purchases and enabling the country to become number two only to China.<sup>21</sup> The example of Lithuania rescinding its promise of COVID-19 assistance over Bangladesh’s abstention in the UN vote is indicative of a divided global order and a growing compulsion to choose between the pro-West and non-West

19 Bangladesh’s external current account deficit had already reached a record high of over \$8 billion in the first half of 2021 due to a steep increase in import payments and a significant deceleration in remittances.

20 “Bangladesh (BGD) Exports, Imports, and Trade Partners | OEC - The Observatory of Economic Complexity.” n.d. OEC - The Observatory of Economic Complexity. CEPII. Accessed April 23, 2022. <https://oec.world/en/profile/country/bgd>.

21 Northlines. 2022. “Russia’s Ukraine War Impacts Bangladesh’s Trade and Development Programs.” Northlines. March 14, 2022. <https://www.thenorthlines.com/russias-ukraine-war-impacts-bangladeshs-trade-and-development-programs/>.

blocs. If the Western bloc as a whole were to turn hostile and buy garments from other countries, Bangladesh's economic development would face an existential challenge.

Furthermore, global sanctions on Russia suggest that Bangladesh's bilateral trade with the country is prone to encountering setbacks as well. One of the most significant impacts would occur in the domain of apparel exports. Previously, Bangladesh exported apparel accounting for USD 473.5 million to Russia, which then saw a 42.25 per cent rise to USD 687.81 million in 2021.<sup>22</sup> Due to the ongoing war, however, shipments to and payments from Russia have considerably declined. A vast majority of garment suppliers are not receiving their export receipts due to several Russian banks being banned from the SWIFT.<sup>23</sup> Additionally, since shipping lines are reluctant to transport their goods to Russia, exporters have reported their goods being stuck at Chattogram Port.<sup>24</sup> In response, Russian buyers have now asked to delay the shipments. This would grossly disconcert Bangladesh's garment manufacturing processes because many exporters have already invested in raw materials and relevant production lines. Having said that, it is noteworthy that Russia is currently exploring scopes for continuing bilateral trade with Bangladesh and for bypassing the SWIFT system as well.<sup>25</sup>

When addressing the nature of Bangladesh's imports from both Russia and Ukraine, the country procures 21 per cent of its wheat and similar food-grain requirements from either state.<sup>26</sup> Given the present body of sanctions on

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22 Apparel Resources. 2022. "Escalating Russia-Ukraine Conflict Has Garment Makers on Edge." Apparel Resources India. March 16, 2022. <https://in.apparelresources.com/business-news/trade/escalating-russia-ukraine-conflict-garment-makers-edge/>.

23 Apparel Resources. "Escalating Russia-Ukraine Conflict Has Garment Makers on Edge." Apparel Resources India. March 16, 2022. <https://in.apparelresources.com/business-news/trade/escalating-russia-ukraine-conflict-garment-makers-edge/>.

24 Ibid.

25 Chowdhary, Shahidul Islam. 2022. "Russia Seeks Alternatives to SWIFT for Bangladesh Deals." New Age. March 24, 2022. <https://www.newagebd.net/article/166323/russia-seeks-alternatives-to-swift-for-bangladesh-deals>.

26 Northlines. 2022. "Russia's Ukraine War Impacts Bangladesh's Trade and

Russia and the temporarily halted exports from Ukraine, Bangladesh could expect a decrease in the supply of food grains and a consequent increase in the prices. Such a scenario might contribute to rising levels of food insecurity in the country. However, in the short run, the country's policy of accumulating a surplus of essentials like wheat should be able to combat a large proportion of the expected food crisis.<sup>27</sup>

It is also noteworthy that Russia has heavily invested in pursuing special projects in Bangladesh. The war and accompanying sanctions, therefore, create uncertainty surrounding the completion of these projects. For example, Bangladesh's first and largest nuclear power plant is currently under construction with Russian technological and financial sponsorship at Rooppur.<sup>28</sup> However, the financial and payment sanctions against Russia would make disbursements from the country's 7.8 billion aid pipeline a considerable challenge.<sup>29</sup> This makes the successful completion and implementation of the project uncertain in the near future. Although Russian diplomats have asserted that the project is 'being carried out on schedule', the joint U.S.-European embargo would make procuring the relevant materials for implementing the second unit of the project very difficult.<sup>30</sup>

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Development Programs."Northlines. March 14, 2022. <https://www.thenorthlines.com/russias-ukraine-war-impacts-bangladeshs-trade-and-development-programs/>.

27 Ibid.

28 Mavis, Meraj, and Saddam Hossain. 2022. "No Immediate Impact on Bangladesh, but Businesses Wary of Oil and Food Price Hike."Dhaka Tribune. February 27, 2022. <https://www.dhakatribune.com/business/2022/02/27/no-immediate-impact-on-bangladesh-but-businesses-wary-of-oil-and-food-price-hike>.

29 Hussain, Zahid. 2022. "No One Immune from the Impact of Russia-Ukraine Conflict."The Daily Star. March 3, 2022. <https://www.thedailystar.net/business/economy/news/no-one-immune-the-impact-russia-ukraine-conflict-2974496>.

30 Chowdhary, Shahidul Islam. 2022. "Russia Seeks Alternatives to SWIFT for Bangladesh Deals."New Age. March 24, 2022. <https://www.newagebd.net/article/166323/russia-seeks-alternatives-to-swift-for-bangladesh-deals>; Mavis, Meraj, and Saddam Hossain. 2022. "No Immediate Impact on Bangladesh, but Businesses Wary of Oil and Food Price Hike."Dhaka Tribune. February 27, 2022. <https://www.dhakatribune.com/business/2022/02/27/no-immediate-impact-on-bangladesh-but-businesses-wary-of-oil-and-food-price-hike>.

## Bhutan

### Political Response

In terms of the diplomatic position on the Ukraine crisis, Bhutan's Ministry of Foreign Affairs did not release any official statement, its Permanent Representative- Doma Tshering, at the United Nations in her remarks at the 5th & 6th Meetings of the 11<sup>th</sup> Emergency Special Session of the General Assembly added that "Uniting for Peace resolution must be invoked for the first time in 40 years due to the deadlock in the Security Council."<sup>31</sup> She invoked the challenges faced by the smaller countries, including over their sovereignty and freedom and national integrity, added that:

*"Perched atop the Himalayas, even the folds of the mighty mountains cannot shield our country from the reverberations of this conflict... and we cannot condone the unilateral drawing of international borders."*

During the meeting, she made a point that

*"International security is in danger far beyond the borders of Europe. Whereas all Member States are beholden to the principles of the Charter, for small States such as Bhutan, they are the guarantor of peaceful existence and good-neighbourly relations, she said. The threat or use of force against a sovereign State is unacceptable."*

There were identifiable similarities in the positions held by the Himalayan countries- Bhutan and Nepal, in calling out Russia against its military operations in Ukraine at the United Nations. It is important to note that Bhutan also faced a similar situation in 1950 after the Chinese invasion of Tibet. Located on the foothills of the Himalayas, Bhutan has maintained

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31 The United Nations General Assembly 11<sup>th</sup> Emergency Special Session, *General Assembly Overwhelmingly Adopts Resolution Demanding Russian Federation Immediately End Illegal Use of Force in Ukraine, Withdraw All Troops*, March 02, 2022, <https://bit.ly/3MYh9FF>

friendly ties with its neighbours except for China. As per Bhutan's Ministry of Foreign Affairs, it has so far established diplomatic ties with a total of 54 countries and neither Russia nor Ukraine figure in the list.<sup>32</sup> Such a strong message from Bhutan on the Ukraine crisis exhibits the global concerns of the geographically smaller and landlocked countries concerning their sovereignty and national integrity. Regarding the humanitarian impact of the crisis, the Foreign Minister of Bhutan "Tandi Dorji, said the ministry is studying and assessing the impacts the war will have on Bhutan. The minister said there are no Bhutanese in Ukraine."<sup>33</sup> However, the Bhutanese Embassy in Brussels had set up a helpline for the Bhutanese stranded in Ukraine and Russia.<sup>34</sup>

### **Economic**

Bhutan is a landlocked country with India on its three sides and China on the north. Historically, Bhutan has remained a closed cultural society with Buddhism as the sole basis of everyday life. With its limited role in international politics, the country has maintained deep friendly all-weather ties with India. Due to its geographical compulsions, Bhutan imports most of its needs, including fuels and food items from/through India.<sup>35</sup> Therefore, like Nepal, Bhutan also had an indirect impact on its economy, especially in terms of fuel prices. Yet, the prices of goods, including fuel, reached an all-time high. While the country's major emphasis has been on the eco-friendly way of life and insists on green options in the industry and transportation sector, it has begun the process of shifting traditional fuels to green energy.<sup>36</sup>

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32 Ministry of Foreign Affairs, Bhutan, *Bilateral Relations*, [https://www.mfa.gov.bt/?page\\_id=8824](https://www.mfa.gov.bt/?page_id=8824), accessed on June 10, 2022.

33 Kuensel, *No Bhutanese in Ukraine: Foreign Minister*, February 25, 2022, <http://www.bbs.bt/news/?p=166169>.

34 Royal Bhutanese Embassy, Brussels, Belgium, *Notification*, <https://www.mfa.gov.bt/rbebrussels/499-2/>.

35 Kuensel, *The Ukraine Invasion and Us*, March 10, 2022, <https://kuenselonline.com/the-ukraine-invasion-and-us/>.

36 Ibid.

## Myanmar

### Conflicting Political Responses

The Russia-Ukraine crisis has further revealed the conflicts between the two opposite forces in Myanmar - the military and the anti-coup forces, especially the National Unity Government and the Ethnic Armed Organisations. The differences are starkly visible as the Myanmar military has out rightly justified Russia's actions against Ukraine; whereas the opposition forces in Myanmar have condemned Russia's actions and stated their support for the Ukrainian people. In addition to this, the crisis has also led to a shift in strategic diplomatic relations between Myanmar and Russia as well as China.

At the Emergency Special Session of the United Nations on March 02, 2022, Myanmar voted in support of the resolution deploring Russia's aggression against Ukraine. This is because the current position is held by the previous National League of Democracy (NLD) appointed candidate, Ambassador Kyaw Moe Tun. In his statement, he welcomed the emergency special session as timely to raise the voices on Ukraine and adhered to its support for territorial integrity, independence and sovereignty of all countries. He stated that "Myanmar condemns the invasion of Ukraine and unprovoked attacks against the people of Ukraine. These acts are a flagrant violation of the United Nations Charter and international law."<sup>37</sup> He called for an immediate cessation of hostilities and attacks on Ukraine. He further empathised with the suffering of the people of Ukraine and the similarities in what Myanmar is suffering due to the acts and atrocities of the military junta.<sup>38</sup>

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37 Statement by Ambassador Kyaw Moe Tun, Permanent Representative of the Republic of the Union of Myanmar to the United Nations at the Emergency Special Session of the United Nations General Assembly on the Situation in Ukraine (New York, 2 March 2022), Ministry of Foreign Affairs, March 02, 2022, <https://bit.ly/3N9ev0b>.

38 Ibid.

Soon after the invasion by Russia, the National Unity Government (NUG) issued a statement on February 25, 2022, and condemned the acts of war directed against Ukraine. It stated that “these acts are a flagrant violation of the United Nations (UN) Charter and international law.” Furthermore, the anti-coup and pro-democracy activists also led protests in support of the people of Ukraine. They also exclaimed that the Ukraine and Myanmar people have a common enemy, i.e., Russia, which has attacked Ukraine and continued to supply arms and technology transfers to the Myanmar military, which is using them against anti-coup activists. In states like Yangon and Kachin, protests were rallied in solidarity with Ukraine people and their stand against the Russians.<sup>39</sup>

On the other hand, the Myanmar military leader Senior General Min Aung Hlaing, came to Russia’s defence and described the attacks as an “appropriate action”. He justified Russia’s actions as a means to claim its sovereignty and also to balance power in international geopolitics. In addition, Myanmar military Major General Zaw Min Tun justified Russia’s actions. In his interaction with Sputnik, he stated, “Firstly, I see it as an effort to consolidate Russian sovereignty,” and “Secondly, it shows that Russia is a force to be reckoned with in the balance of power to ensure world peace.”<sup>40</sup> He also hoped that Russia would be able to uproot “modern colonialism,” and emphasised that the actions of the Russian leadership are aimed at protecting national interests and demonstrating the unity of the Russian people.

Tom Andrews, United Nations Special Rapporteur, has reiterated the close diplomatic and military relationship between Myanmar and Russia in past few years. Russia actively supports the Myanmar military, which seized power on 01 February 2021. The Russians refused to condemn the military action

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39 Myanmar Democracy Activists Hold Rallies in Support of Ukraine, The Irrawaddy, February 28, 2022, <https://www.irrawaddy.com/news/burma/myanmar-democracy-activists-hold-rallies-in-support-of-ukraine.html>

40 Myanmar Supports Russian Actions in Ukraine, *Sputnik International*, February 28, 2022, <https://sputniknews.com/20220228/myanmar-supports-russian-actions-with-respect-to-ukraine-1093435534.html>

and argued that the military is the only force capable of guaranteeing unity and peace in the multi-ethnic country. Russia has also been supplying arms and ammunition to the country, and since the coup, Senior Leader Min Aung Hlaing has visited Russia twice. Russia was also welcomed at the Armed Forces Day both in 2021 and 2022. The year has also witnessed high-level exchanges, especially with defence ministers and heads of defence companies, such as Rosoboron Export, one of the leading Russian companies exporting arms and ammunition to the Myanmar military. However, the current sanctions regime could impact the sale of Russian arms and international banking transactions.

However, it must also be noted that Ukraine is also one of the defence partners of Myanmar, as the two countries signed a military-technical cooperation agreement in 2018. Though a modest supplier of arms and ammunition, Ukraine has supplied air surveillance radar systems, armoured personnel carriers, aircraft engines, and MMT-40 light tanks. Also, an agreement was signed to set up a factory in Myanmar, and the arms supply continued till May 2021. However, in June 2021, Ukraine voted in favour of the UNGA resolution to ban arms sales to Myanmar.<sup>41</sup>

Further, it has also been pointed out that due to the Russia-Ukraine crisis, there are chances that a vacuum will be created in Myanmar regarding arms exports and diplomatic relations. Russia and Ukraine both supply arms to Myanmar, but as they are engulfed in a conflict, there are chances that the vacuum created by them may be filled by China. Soon after the military coup, international sanctions isolated the country once again, and Russia and China became Myanmar's inevitable supporters. But as Russia is busy with its conflicts and international isolation, there are possibilities of more Chinese arms into Myanmar.<sup>42</sup> Nevertheless, there are also fears among the military

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41 Ukraine is Arming the Myanmar Military, Justice for Myanmar, September 08, 2021, <https://www.justiceformyanmar.org/stories/ukraine-is-arming-the-myanmar-military>

42 Jason Tower, *Ukraine Crisis Prompts China to Swing Behind Myanmar's*

leaders, as it has been reported that the military is worried that China might attempt similar actions in Myanmar if its investments were threatened. Since then, the military has increased security and protected Chinese infrastructure in the country.<sup>43</sup>

Global researchers have drawn comparisons between the crisis in Ukraine and Myanmar and the acts of Russia and the Myanmar military. The attacks by both- Russia and Myanmar military against their opponents are brutal and brought to the surface the debate between ‘democracy versus authoritarianism’. Also, the Russia-Ukraine conflict exposed the double standards of the West. While the West, that is, the United States and its allies such as Australia, Singapore and Japan, were quick to impose sanctions on Russia and garnered support for the same; similar actions were not taken for Myanmar.<sup>44</sup> The Western nations, including European Union, imposed sanctions against Myanmar’s military leaders and companies, but they have failed to recognise the opposition forces, that is, the NUG, as the legitimate leaders of the country.

### **Humanitarian and Economic**

The NUG has raised voices for its recognition and demanded that Myanmar’s voices must not be unheard. The answer to this could lie in the geostrategic significance of both countries. The NUG’s Foreign Minister, Zin Mar Aung, “Ukraine is important for the European and Western governments due to its geographical position.”<sup>45</sup> The military coup in Myanmar resulted in a refugee

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*Junta, United States Institute of Peace, April 13, 2022, <https://www.usip.org/publications/2022/04/ukraine-crisis-prompts-china-swing-behind-myanmars-junta>*

43 Say Wansai, *Ukraine Conundrum: Myanmar and ASEAN struggle with response to Russian invasion, Mizzima*, March 08, 2022, <https://mizzima.com/article/ukraine-conundrum-myanmar-and-asean-struggle-response-russian-invasion>

44 Ye Myo Hein and Lucas Myers, *Action on Ukraine, Quiescence on Myanmar: The Limitations of a “Democracy versus Authoritarianism” Framing*, Wilson Center, April 2022, [https://www.wilsoncenter.org/sites/default/files/media/uploads/documents/2022-04\\_ActionOnUkraineQuiescenceOnMyanmar\\_Hein\\_Myers.pdf](https://www.wilsoncenter.org/sites/default/files/media/uploads/documents/2022-04_ActionOnUkraineQuiescenceOnMyanmar_Hein_Myers.pdf)

45 David Hutt, *Myanmar’s message to the EU amid Ukraine crisis: ‘Don’t forget*

emergency, with more than 440,000 displaced and thousands crossing borders and reaching India and Thailand. The situation in Ukraine is far more severe, as the conflict has led to the displacement of more than 2.2 million people into neighbouring European states. In addition, Ukraine is a major food supplier to Europe, and Ukraine-EU trade is around Euro 43 billion (2019), but Myanmar-EU trade is merely Euro 3.1 billion (2020).<sup>46</sup>

And finally, the Russia-Ukraine crisis could lead to rising prices of oil, gas, fertilisers and cereals. According to a report published by CNBC, Myanmar is potentially vulnerable to the prices of fertilisers as it imports three per cent of it from both countries and cereals. Myanmar imports five per cent of cereals from Russia and ten per cent from Ukraine. However, studies are required to state the actual cost that Myanmar's economy faced because of the crisis. The current Russia-Ukraine crisis, however, poses a significant challenge to Myanmar's diplomatic and defence relations with Russia and Ukraine.

## **Nepal**

### **Political**

With over a hundred days since Russia launched its “special military operation” in Ukraine, the global response to the Russian invasion has come under heavy condemnation. Other than the United States and the European Union implementing severe sanctions against Russia, the world community has witnessed active participation of the South Asian countries, including India, in condemning/requesting Russia to find peaceful means to resolve the differences. Meanwhile, in a stark deviation from its long-held non-alignment, Nepal has requested the two parties to resolve the issues through diplomatic means. However, Nepal took part in the major four UN resolutions, including A/RES/ES-11/1 titled Aggression against Ukraine and

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about us’, EuroNews, March 16, 2022, <https://www.euronews.com/my-europe/2022/03/15/myanmar-s-message-to-the-eu-amid-ukraine-crisis-don-t-forget-about-us>

46 Ibid.

A/RES/ES-11/2 titled Humanitarian Consequences of the Aggression against Ukraine, where it voted against Russia.

In one of the rare reactionary stances, Nepal's Ministry of Foreign Ministry (MoFA) released an official "Statement on the Recent Development in Ukraine" on February 24, 2022. The statement added that "the Government of Nepal has been closely following the development in Ukraine. Nepal calls on all parties concerned to exercise maximum restraint and not to escalate tension."<sup>47</sup> It further added that "As a member of the United Nations, Nepal views that the principles of sovereignty and territorial integrity as enshrined in the UN Charter are sacrosanct and must be fully respected by all members."<sup>48</sup> The statement was issued soon after the Russian invasion of Ukraine. Historically, Nepal has maintained that global issues must be resolved through peaceful means using the international norms established under the International Organisations, where the sovereignty and integrity of countries are protected and respected. Nepal had followed a similar course during the takeover by the Taliban in Afghanistan, where it requested the international community to facilitate a safe and orderly environment.

Constitutionally, Nepal maintains "to conduct independent foreign policy based in the Charter of the United Nations, non-alignment, principles of *Panchasheela*, international law and the norms of world peace, taking into consideration of the overall interests of the nation, while remaining active in safeguarding the sovereignty, territorial integrity, independence and national interest of Nepal."<sup>49</sup> In the past seven decades, Nepal has, on many occasions, asserted the policy of non-alignment on many occasions including the August 2021 humanitarian crisis in Afghanistan. Since the advent of modern-day Nepal in 1950, the country has focussed on ensuring its sovereignty and

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47 Ministry of Foreign Affairs, Government of Nepal, *Statement on the Recent Developments in Ukraine*, February 24, 2022, <https://mofa.gov.np/statements-in-ukraine/>.

48 Ibid.

49 Embassy of Nepal in the United States, *Constitutional Provisions on Foreign Policy*, <https://us.nepalembassy.gov.np/constitutional-provisions-foreign-policy/>.

integrity by deploying constitutional, treaty, and security mechanisms locally, bilaterally, and multilaterally. In this regard, Nepal has invoked the UN charter on many occasions, yet it was a rare diplomatic action when Nepal voted against Russia. Nepal's vote against Russia in the United Nations indicates Nepal's departure from a neutral position on bilateral matters of concerned countries.

Meanwhile, Nepal's decision to vote at the United Nations deploring Russia's actions in Ukraine can be examined through the prism of Nepal's geo-strategic location and flourishing ties with the United States. It is noteworthy that Nepal is located between two geographically and economically bigger countries, namely India and China. As a result, Nepal has always protected its sovereign and independent identity. Soon after present-day Nepal was born in 1950 after the overthrowing of the Rana regime, Nepal signed a Treaty of Peace and Friendship where mutual respect for sovereignty and independence was the prime focus. At the same time, the People's Army of China was crushing the Tibetans and annexing Tibet. A Tibet-like situation was always feared by Nepal since China had now come close to its northern border. To ensure that it does not face a Tibet-like situation, Nepal signed a similar treaty with China in 1960 based on the principles of *Panchasheela*. Further, due to the close ties of the Rana regime in Nepal with the British Empire in India, it took more than five years for Nepal to prove itself as an independent and sovereign country while seeking UN membership. In the last seven decades, none of Nepal's neighbours has disputed its sovereignty and independence. However, Nepal's foreign policy approach towards small states worldwide has been centred on supporting their sovereignty and independence.

Second, in recent years, Nepal has reinforced its ties with the United States. In the past decades alone, the Communist and Maoist Governments in Nepal have/had departed from traditionally India-centric foreign policy and boosted ties with its northern neighbour China. Nepal's ties with China entered into Strategic Development Cooperation after the maiden visit of Chinese President Xi Jinping in 2019 to Nepal. In 2015, due to deteriorating

ties with India over *Madhesi Andolan* in Nepal and economic disruptions at the India-Nepal border, Chinese manoeuvring in Nepal had increased. In May 2017, Nepal signed the Belt and Road Project with China, which was seen as a major step in Nepal's quest to diversify its diplomatic outreach with China. Meanwhile, these diplomatic engagements between Nepal and China have been closely observed by Nepal's neighbours and global powers, including the United States. The United States has been vocal about the living conditions of the Tibetan refugees in Nepal, who have often been allegedly deprived of their human rights in Nepal due to diplomatic pressure from China on Nepal.

However, with the formation of the Nepal Congress Party-led government in July 2021, Nepal is attempting to fill the void with India and the United States. In this regard, while Nepal has increased bilateral interactions with India, it also approved the long-awaited Millennium Challenge Corporation (MCC) in February 2022. The MCC grant is a development-oriented grant worth USD 500 million by the United States to a selected country identified through several parameters. Nepal had qualified for the grant, and Nepal had signed the agreement with the United States in 2017. However, the agreement required approval of the Nepalese parliament as per the Constitution, and despite the best efforts of the United States, the Communist government in the past could not get the MCC approved due to reported Chinese pressure. Therefore, Nepal's move toward Ukraine is seen as a step to strengthen its ties with the United States, considering the latter's global movement against Russia on Ukraine issues.

### **Economic**

In terms of the economic implications of the Ukraine crisis, Nepal does not have any direct impact. It is due to Nepal's low volume of economic engagement with Ukraine. With almost three decades of diplomatic ties between Nepal and Ukraine, the overall trade has not crossed the USD 35 million mark. While Nepal mostly imports edible oils, wood articles, electronic machinery and equipment, its export to Ukraine is limited to yarns, coffee,

tea, spices and readymade clothes.<sup>50</sup> By August 2020, Ukraine had invested in 13 projects worth Nepali Rupee (NR) 251.4 million.<sup>51</sup> However, Nepal does not import any petroleum products from Ukraine directly; rather, it imports largely from India, and despite no direct impact of petroleum import from Ukraine, the price rise in the global market reached to Nepalese market as well. It is noteworthy that Nepal-Ukraine bilateral diplomatic ties were established on 15 January 1993, and the two countries are yet to explore different dimensions of bilateral cooperation.

### **Humanitarian**

Three decades after establishing the diplomatic ties between Nepal and Ukraine, there is a limited interaction on the economic front. Meanwhile, people to people dimension forms a strong basis. It is estimated that around 4000 Nepalese were caught up in Ukraine conflict. In the initial phase, hundreds of them had escaped to neighbouring countries by crossing border posts.<sup>52</sup> While the government released no official numbers of Nepalese stuck in Ukraine, the media houses claimed the numbers were close to 4000. While a quarter of them were students enrolled on various programmes, students pursuing medicine were higher in numbers. The Ministry of Foreign Affairs released the guidelines for Nepalese intending to return to Nepal and asked them to make available commercial flights; the Nepalese Embassy in Berlin was coordinating an on-ground course of action.<sup>53</sup> Unfortunately, despite a huge Nepalese diaspora residing in several countries around the world and contributing immensely to the country's GDP in terms of remittances, the government response and preparation in establishing an emergency response to such a crisis was almost nonexistent. For instance, after the Taliban took

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50 Ibid.

51 Ibid.

52 Nepal Times, *Trapped in Ukraine*, March 04, 2022, <https://www.nepalitimes.com/latest/trapped-in-ukraine/>.

53 Ministry of Foreign Affairs, *Important information for Nepalis living or traveling in Ukraine*, February 23, 2022. <https://mofa.gov.np/important-notice-to-nepali-nationals-living-in-ukraine/>

over in Afghanistan in August 2021, thousands of Nepalese workers met with poor response from the government. Even during the COVID-19 crisis, the Government of Nepal found it difficult to manage the crisis. However, as a friendly neighbour to Nepal, India had come to the rescue of Nepalese caught in such crises, including the Ukraine crisis, where India had evacuated Nepalese citizens on its evacuation flights from Ukraine and neighbouring countries. The Prime Minister of Nepal thanked the Indian Prime Minister for helping Nepalese nationals return from Ukraine.<sup>54</sup>

## Sri Lanka

### Political

In an official statement stated by the Ministry of Foreign Affairs, Sri Lanka called upon “all parties concerned to exercise maximum restraint and work towards the immediate cessation of hostilities, to maintain peace, security and stability in the region.”<sup>55</sup> Sri Lanka also emphasised the importance of “concerted efforts by all parties concerned”<sup>56</sup> to address the conflict through “diplomacy and sincere dialogue.”<sup>57</sup> Sri Lanka has a strong diplomatic relationship with Russia. In war-time accountability and post-war reconciliation resolutions at the United Nations Human Rights Council, Russia has consistently backed Sri Lanka. However, Sri Lanka has decided not to support either side, given its position due to its current situation. It is also necessary for Sri Lanka to maintain fairness in dealing with this situation to get financial and humanitarian aid from the West. The western countries

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54 Hindustan Times, *Nepal PM thanks India for evacuating 4 Nepalese citizens from Ukraine*, March 12, 2022. <https://www.hindustantimes.com/india-news/nepal-pm-thanks-india-for-evacuating-4-nepalese-citizens-from-ukraine-101647091609421.html>

55 Meera Srinivasan, *All parties must exercise maximum restraint: Sri Lanka on Russia-Ukraine crisis*, *The Hindu*, New Delhi, February 25, 2022 <https://www.thehindu.com/news/international/all-parties-must-exercise-maximum-restraint-sri-lanka-on-russia-ukraine-crisis/article65083792.ece>

56 Ibid.

57 Ibid.

have already put much pressure on Sri Lanka due to excessive inclination toward China. Now, during this economic crisis, Sri Lanka does not want to disappoint Western countries.

### **Economic**

Sri Lanka is facing growing financial problems due to Russia's invasion of Ukraine, which has wreaked havoc on two of the country's most important tourist destinations, with analysts saying that the conflict's economic consequences have increased the risk of default. Power outages and shortages have troubled the South Asian Island nation for months, as its dwindling foreign exchange reserves make it challenging to purchase oil and other necessities. This year, Sri Lanka needs to repay an estimated USD 7 billion in foreign loans and interests. The government of President Gotabaya Rajapaksa has maintained that a boost in tourism and exports will assist Sri Lanka in refilling its foreign currency reserves and navigating the crisis.

It is worth noting that the tourism sector contributes about 10 to 12 per cent to Sri Lanka's GDP, making it the fifth-largest source of foreign revenue for Sri Lanka. About 30 per cent of tourists come to Sri Lanka from Ukraine, Russia and Belarus. However, the precarious situation arising from the Russia-Ukraine Crisis has greatly affected Sri Lanka's tourism sector.<sup>58</sup> Russian tourists topped the arrival charts in January this year; Indian tourists recorded the second-highest number of arrivals, while tourists from Ukraine were third last month. Even when Russia's military operation in Ukraine is going on, hundreds of Russian and Ukrainian citizens are trapped in Sri Lanka.

The commodity prices rose sharply following the Russian invasion on February 24, 2022. For the first time since 2014, the Brent spot price of a crude oil barrel surpassed USD 105. Wheat futures for March 2022 on the Chicago

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58 Times of India, *Sri Lanka's economy is being crushed by war in Ukraine*, New Delhi, March 17, 2022, <https://timesofindia.indiatimes.com/business/international-business/sri-lankas-economy-is-being-crushed-by-war-in-ukraine/articleshow/90283823.cms>

Board of Trade (CBOT) exchange also reached a new high, the highest since mid-2008.<sup>59</sup> Russia and Ukraine, regarded as Europe's breadbasket, are essential exporters of cereals, fertilizers, vital minerals, and iron and steel.

Sri Lanka exports approximately 2 per cent of its exports to Russia and Ukraine and imports 2.2 per cent. Sri Lanka is dependent on Russia and Ukraine for 45 per cent of its wheat requirement, with Sri Lanka exporting 18 per cent of its total fermented black tea exports to these two countries. Tea exports in Sri Lanka have fallen to their lowest level in 23 years. Before the present economic collapse, tea was the island nation's largest export commodity, bringing in around USD1.3 billion yearly. According to industry officials, Russia's invasion of Ukraine has harmed around 10% of Sri Lanka's tea exports.<sup>60</sup>

Furthermore, Ukraine supplies more than half of Sri Lanka's imported soybeans, sunflower oil and seeds, and peas. Furthermore, Russia and Ukraine import asbestos, iron and steel semi-finished products, copper (cathodes), and potassium chloride for fertilizer. It is important to understand that this trade between Sri Lanka and Russia is not made directly but through other European countries; due to the economic sanctions imposed by the Western Countries on Russia, this bilateral trade is sure to be cut drastically. Russia is the leading producer of crude oil, natural gas, wheat, and fertilizers globally. Due to the Russia-Ukraine crisis and economic sanctions imposed on Russia, there has been a sharp rise in the prices of crude oil and natural gas, whose direct effect is being seen on the economy of Sri Lanka.

Fuel and commodity prices will likely rise further unless the Ukraine issue is resolved quickly. Due to high energy prices and supply chain bottlenecks, inflationary pressures in Western markets, particularly in Europe, may reduce

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59 Asanka Wijesinghe, "Russia-Ukraine conflict: Economic implications for Sri Lanka," *Sunday Island*, Colombo, March 1, 2022, <https://island.lk/russia-ukraine-conflict-economic-implications-for-sri-lanka/>

60 Khaleej Times, *Sri Lanka tea exports lowest in 23 years*, Colombo, May 4, 2022, <https://www.khaleejtimes.com/business/sri-lanka-tea-exports-lowest-in-23-years>.

consumers' purchasing power, reducing demand for Sri Lankan exports. Sri Lanka is a major exporter of ready-to-wear clothing, tea and spices, and seafood.

Sri Lanka should prioritise ensuring access to critical raw materials and food. As a result of the crisis, countries worldwide are hoarding grain and looking for new methods to conduct business with Russia to acquire raw materials. Sri Lanka has few options for reducing the impact on the country's already failing food security and access to raw commodities.

## **The Maldives**

The Maldives, located in the Indian Ocean, is an archipelago country with about 76 per cent of its economy based on the tourism industry. Russia and Ukraine together contribute 20 per cent to Maldives' tourism industry. In 2021, about 208,000 tourists came to the Maldives from Russia and 23,000 from Ukraine. Tourism Minister of the Maldives, Abdullah Mausoom, has said that "the stringent sanctions imposed by the West on Moscow in the wake of the Russia-Ukraine crisis will prove to be a 'great damage' for the Maldives."<sup>61</sup>

Officials are currently estimating the potential loss that the Maldives' tourism could suffer from the ongoing war. Speaking to Sun news, Mausoom said: "the loss could be offset only if China opens its border for outbound travellers."<sup>62</sup> Before the outbreak, China was the Maldives' primary sourcing market. Despite numerous demands from Male, Beijing has failed to authorise outbound travel. After India, Russia was the country's second-largest tourism contributor last year.

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61 South Asia Monitor, *Ukraine war to significantly impact tourism, says Maldives tourism minister; pins hopes on China to offset potential loss*, Male, March 02, 2022, <https://www.southasiamonitor.org/maldives-economy-business/ukraine-war-significantly-impact-tourism-says-maldives-tourism-minister>.

62 Ibid.

In a statement given to the country by President Ibrahim Mohamed Solih, it was said that the government is making every effort to deal with the challenges emerging from this conflict; the Ministry of Finance is assessing the impact on the economy of Maldives. Efforts are being made to explore the new market by the Ministry of Tourism and Maldives Marketing and Public Relations Corporation (MMPRC).<sup>63</sup> According to an estimate, Maldives has so far suffered a loss of about USD 400 million due to this crisis; this figure is likely to increase further in the future.

Maldives's stance was neutral in the initial phase of the war. However, because of the dire situation of the war and due to international pressure, Maldives clarified its stand, and President Ibrahim Mohamed Solih said that "The Maldives' foreign policy is based on the principles of international law. That recognises all states' sovereign equality."<sup>64</sup> As a small island state, Maldives stood firm on this principle and called on the respective parties to give precedence to diplomacy in managing and resolving the crisis. Expressing solidarity with the people of Ukraine, the President went on to echo calls for dialogue to end their "suffering."<sup>65</sup>

The Maldives has considered this crisis a military invasion by Russia of Ukraine and urged Russia to withdraw its military immediately. This form of Maldives also appeared in the United Nations General Assembly when the Maldives voted against Russia on the resolution Aggression against Ukraine: resolution and Humanitarian consequences of the aggression against Ukraine: resolution, although this has been supported from time to time by the Maldives. That diplomatic measures should be taken to resolve the Russia-Ukraine conflict.

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63 The President's Office, *Steps are being taken to mitigate the economic impacts of the Russia-Ukraine conflict, says the President*, March 12, 2022, <https://presidency.gov.mv/Press/Article/26382>.

64 Ibid.

65 Ibid.

## Pakistan

### Political

Pakistan has been cautious about taking a stand on the Ukraine-Russia conflict and so far maintained a neutral stance. The former Prime Minister Imran Khan's office issued his first official statement by stating that Pakistan was not in the favour of conflict. He took a neutral stance on the crisis and insisted on the diplomatic way to resolve the crisis. A statement issued by the Pakistani PM Media office stated that "The Prime Minister regretted the latest situation between Russia and Ukraine and said that Pakistan had hoped diplomacy could avert a military conflict", and it further added that "conflict was not in anyone's interest, and that the developing countries were always hit the hardest economically in case of conflict."<sup>66</sup> He underlined Pakistan's belief that disputes should be resolved through dialogue and diplomacy.

It is interesting to note that Imran Khan's visit to Russia on February 23-24, 2022, amidst the conflict, was perceived as supportive of Russia's invasion by the Western world. Though Imran Khan remained persistent in clarifying Pakistan's neutral stance. A joint letter issued by 22 Islamabad-based diplomats, which called on Pakistan to vote for the UN resolution condemning Russia's invasion, was questioned by Khan. He, in fact, said in a political rally, "Why would we condemn Russia; and are we your slaves that we would do whatever you say?"<sup>67</sup>

However, the surprising factor is that army had a contrasting stance on Ukraine Russia Conflict. Pakistan's Chief of Army Staff Gen Bajwa, at the Islamabad security dialogue, slammed Russia's military attack on Ukraine.

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66 The Print, *Khan meets Putin; says disputes should be resolved through dialogue, diplomacy*, February 25, 2022, <https://theprint.in/world/khan-meets-putin-says-disputes-should-be-resolved-through-dialogue-diplomacy/846731/>.

67 VOA, *Pakistan Army Chief Blasts Russia's Aggression Against Ukraine*, April 02, 2022, <https://www.voanews.com/a/pakistan-army-chief-blasts-russia-aggression-against-ukraine/6512372.html>

Gen Bajwa stated Russia's invasion of Ukraine was unfortunate, as thousands were killed, millions made refugees, and half of Ukraine was destroyed. He further expressed Pakistan's serious concern over the conflict and said, "Despite legitimate security concerns of Russia, its aggression against a smaller country cannot be condoned". He further said, "Pakistan has consistently called for an immediate ceasefire and cessation of hostilities. We support immediate dialogue between all sides to find a lasting solution to the conflict".<sup>68</sup>

The differences between the previous establishment and the army were quite clear. However, the new Prime Minister, Shehbaz Sharif, must carefully balance the relations between the West and Russia. It will be a tough challenge to maintain its neutral stance as the conflict escalates further.

### **Economic**

In fact, Pakistan is in a state of flux. It's going through a major political and economic crisis. According to some analysis, Pakistan is struggling and fast approaching economic and social collapse like Sri Lanka. On almost all the economic indices, Pakistan's performance is poor. Inflation is at 13.4 per cent, which is at a two-year high, the current account deficit almost doubled in March 2022 to USD 1 billion and there is a trade deficit of over USD 39.3 billion. Further Pakistan rupee has plunged to an all-time low against the US dollar surpassing 191 in the interbank market. Adding to the misery is the sharp rise in local prices for gasoline, food, commodities, steel, and semiconductor chips. Considering the state of Pakistan's dwindling economy, the Ukraine crisis will have a severe impact.

The energy supplies are being disrupted due to the sanctions imposed by the United States and Europe on Russia. This will be a major setback for Pakistan as it is an oil-importing country. It is dependent on the import of fossil fuels, including petroleum products, liquefied natural gas and coal. In fact, according

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68 The Express Tribune, *Russian invasion of Ukraine can't be condoned: COAS*, April 02, 2022, <https://tribune.com.pk/story/2350697/russian-invasion-of-ukraine-cant-be-condoned-coas>.

to some analysts, a 10-20 per barrel increase in oil prices over a few quarters will deplete the national reserves by USD 1 to 2 billion. The economy is at a critical juncture; the increase in prices will shrink the country's purchasing power. There is also a likelihood of LNG prices shooting up, which will have an impact on Pakistan as the economy relies on LNG to generate electricity. Ukraine- Russia conflict is also leading to an increase in commodity prices, specifically the price of wheat. According to reports, the conflict will have ripple effects on Pakistan's wheat imports from Ukraine, which account for 39 per cent of the total imported wheat. Inflation, which is at an all-time high, will be further accelerated, leading to economic uncertainty in Pakistan. The impact of the conflict will be damaging to Pakistan's economy, which is already under stress.

## **Conclusion**

The South Asian countries quickly took a position in the Ukraine crisis. These quick responses primarily emanated from the economic challenges that impacted each country irrespective of distance, size, location, or economic status. The direct impact was visible on Bangladesh, Sri Lanka, Afghanistan, and Pakistan, while Bhutan and Nepal have experienced indirect implications. However, the hike in petroleum prices has been observed all across the sub-continent. Other than the economic impact, the political position taken by the respective countries in South Asia reflects the aspect of sovereignty and integrity of Ukraine. There has also been unanimity in the approach to resolving the crisis through peaceful means of diplomacy. Almost all South Asia countries have emphasised the need to respect the UN mandate and Universal Declaration of Human Rights.

## **About the VIVEKANANDA INTERNATIONAL FOUNDATION**

The Vivekananda International Foundation is an independent non-partisan institution that conducts research and analysis on domestic and international issues, and offers a platform for dialogue and conflict resolution. Some of India's leading practitioners from the fields of security, military, diplomacy, government, academia and media have come together to generate ideas and stimulate action on national security issues.

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