

## **Impact of Ukraine War on Energy Sector in Pakistan: Implications for Political Economy**

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### **Abstract**

This research investigates the extensive impacts of the Ukraine war on Pakistan, focusing on critical domains such as the energy sector, political stability, economy, and foreign relations. The study reveals disruptions in Pakistan's energy infrastructure, driven by global energy price surges and LNG contract disruptions. Political ramifications include a decline in politicians' popularity due to inflation, civil-military relations, and governance stability. Economic challenges manifest in rising global energy costs, inflation, and vulnerabilities to global economic fluctuations. Diplomatically, Pakistan faces pressures to align with Russia or the Western bloc but maintains an officially neutral stance, navigating complex geopolitical dynamics. The research emphasizes the interconnectedness of global events and the need for strategic decision-making. This study is guided by post positivist philosophy. Interviews were conducted for primary data collection from experts on the topic from different fields around Pakistan. Politicians, Journalists, Government officials and academics were included in the interviews.

**Keywords:** *Ukraine war, Pakistan, energy sector, LNG contracts, political stability, inflation, civil-military relations, economic challenges, global events, diplomatic pressures.*

## Introduction

Months before the war when Ukraine was seeking NATO membership and slipping out of Russia hands, Moscow presented NATO with a list of demands stating that the military alliance effectively scale back its involvement in Eastern Europe and ensure that Ukraine would never become a member of NATO. Needless to say, the Western military alliance refused to comply with Russia's demands, and a few months later, Russian forces invaded Ukraine from the north, east, and south on February 24, 2022 (Ellyatt, 2023).

Before the Russian invasion of Ukraine, predictions suggested that the world economy would expand by about 5% in 2022. A "massive and historic energy shock" was brought on by the Ukraine conflict, according to an OECD analysis released in November 2022. One of the main causes of the war's "shock" was the slowing of economic development, which the OECD anticipated would reach 3.1 percent in 2022 and 2.2 percent in 2023. The analysis shows that the conflict has had the greatest effects on Europe's economy, which is projected to grow by just 0.3 percent in 2023 (Jenkins, 2023).

In Pakistan, the impacts of the war are already apparent. Petrol, food, raw materials, steel, and semiconductor chip prices are all sharply increasing locally. For Pakistan, where there is already high inflation, slow economic growth, and political instability, this is awful news. Since rising tensions over Ukraine drove up prices on the international market even before the invasion, the oil sector is also feeling the effects of this conflict. Europe, which imports more than 40% of its natural gas from Russia, was experiencing record-high prices due in large part to

concerns that Russian natural gas shipments through Ukraine would be jeopardized. But this matter is crucial from both a Pakistani and a global perspective (Ahmad, 2022).

It is argued that the war has had its ripple effects on political economy of Pakistan. Higher energy prices and global recession is hurting Pakistan economy. While on the political front the world is back to the cold era of block politics. The foreign policy of Pakistan is under immense pressure. The study's objective is to determine how the war in Ukraine has affected Pakistan's energy industry and what it means for the country's political economy. The study is employs through post positivist philosophy involving both primary and secondary data sources are used

## **Impacts on Energy Sector:**

### **Pakistan import dependency and its adverse effects.**

As a result of primary data analysis, it has been found that Ukraine war has profound impacts on Pakistan's energy sector, primarily due to its dependency on energy imports. The global surge in energy prices, triggered by the conflict, has led to severe consequences for Pakistan. The disruption in liquefied natural gas (LNG) contracts and the withdrawal of companies from deals have strained the nation's energy sector, causing shortages and adversely affecting local industries and economic activities. These challenges have contributed to Pakistan's skyrocketing inflation, impacting the availability of essential items and creating economic strains. Additionally, the nation's inability to secure LNG at reasonable prices, coupled with its absence from the world market, has left it vulnerable to global market dynamics, with rising fuel prices reaching unprecedented levels. The strain on foreign reserves further

complicates Pakistan's efforts to stabilize its energy sector, emphasizing the intricate challenges posed by the Ukraine war on the country's energy landscape.

The prices of both oil and gas have significantly increased in Pakistan since the outset of Russia Ukraine war because of global supply chain disruption resulting in lower supply to the international market. Pakistan, unlike India and other countries, failed to avail the opportunity of getting cheaper Russian oil, probably due to Western political pressure. The petrol price has increase from Rs. 144.82/liter in January 2022 to Rs. 267.34 in January 2024, energy inflation in the international market has led to adverse effects on Pakistan's energy sector, primarily due to its status as an energy importer. Financial markets around the world collapsed on the day that Russia invaded Ukraine, and there was a dramatic increase in the price of commodities such as food, metals, natural gas, and oil. For the first time since 2014, the price of a barrel of Brent oil exceeded \$100 and hit a peak of more than \$130 per barrel on March 4, 2022, when petrol prices reached a record high of EUR 192 per barrel. According to forecasts by the Organization for Economic Cooperation and Development (OECD), the war in Ukraine will have a major detrimental effect on global economic conditions, possibly resulting in longer-term damage to supply chains as well as slower growth and higher inflation (Fattouh et al.,2022).

Brent crude oil was priced at 88.19 US dollars a barrel on January 23, 2023, compared to 81.62 US dollars for WTI oil and 85.45 for the OPEC basket. Three of the most widely used benchmarks by traders to determine the price of oil and petrol are the OPEC basket, WTI crude oil from the United States, and Brent crude oil from Europe. The crisis involving Russia and

Ukraine drove up oil prices to levels not seen since 2008. The decrease since August underscores investor apprehension regarding a potential global recession (Aizarani, 2023).

Dr Musadik Malik, Minister of State for Petroleum, recently stated that due to the "Russia-Ukraine war," "the gas [Liquefied Natural Gas] is not available in the international market."Pakistan is unable to obtain LNG at a reasonable price. This has been compounded by its absence from the world market following the Russia-Ukraine War. Global Liquefied Natural Gas (LNG) shortages have driven up fuel prices to all-time highs, exposing countries to commodities market shocks. According to State Minister for Petroleum Musadik Malik, Pakistan simply cannot compete with the purchasing power of European countries, which are also potential buyers for the same reserves that Pakistan sorely requires (APP, 2022).

## **Power Plant Shutdowns and Severe Load Shedding**

It has been found that Ukraine war has significantly disrupted global supply chains, leading to an increase in liquefied natural gas (LNG) prices and a subsequent disadvantage for Pakistan. Contracts with LNG companies have been disrupted, causing withdrawals and a shift to European markets, amplifying Islamabad's energy challenges. The suspension of fossil fuel imports, coupled with rising fuel oil costs, has strained oil companies, resulting in a shortage of generation fuels and the shutdown of two power stations. The sharp rise in global energy prices, including LNG, coal, and oil, has exceeded the working capital requirements of local power plants, exacerbated by the government's failure to pay past due bills. Additionally, climate

changes, falling water levels in major dams, and the untimely arrival of summer have further contributed to the complexities facing Pakistan's energy sector.

Global supply chains were affected by the Ukraine war, which led to an increase in the price of liquefied natural gas (LNG). Contracts with Pakistan have been disrupted and withdrawals have occurred as a result of LNG companies' shift to European markets. Pakistan now faces a disadvantage as a result of this. Islamabad's energy problem has become significantly more expensive as a result of the suspension of its imports of fossil fuels (oil, LNG, and coal), forcing it to purchase more expensive LNG (Kizlay, 2022).

Lack of LNG and rising fuel oil costs have put pressure on oil companies to import less of the product, which has worsened the supply of generation fuels. Two power stations that were using re gasified LNG have been shut down as a result of LNG suppliers withdrawing from supplying up to 11 LNG cargoes. The working capital requirements of local power plants have been exceeded as a result of the sharp rise in the price of energy on the global market, including LNG, coal, and oil. At the same time, the government is failing to pay past due bills, which has caused a major reduction in the load factor of these facilities. Climate changes has brought water level in major dams falling to critical level and the untimely arrival of summer, all these factors has contributed to the current situation (Zamir& Yep, 2022).

## POLITICAL IMPACTS

### **Decline in the popularity of politicians in Pakistan**

This research findings shows that inflation caused by war has contributed to the falling popularity graph of politician since all our politician came with a slogan of overcoming the inflation specially the previous PDM government and they could not deliver this is going to cost them in next election”. As our findings and literature review shows that Ukraine war has contributed to inflation in Pakistan .At the beginning of Ukraine war PTI government graph was very low due to high inflation all opposition gathered under the banner of PDM and they conducted the mehangai mukao march Imran khan government was ousted on the pretext of high inflation through vote of no confidence but when the PDM government came the situation worsened more and their popularity decline too so we can conclude that the inflation which is at 30% in Pakistan in which the Ukraine war has big contribution became the reason for decline of popularity of politicians in Pakistan.

The economic catastrophe that the new coalition administration took over was mostly caused by the energy and commodity shortages brought on by the Russian invasion, perceived mishandling of the economy. The most important challenge for the government in Pakistan is struggling economy, shortage of foreign reserve, record high inflation. Among the several reasons behind it is the energy price hike and due to breakage in supply chain particularly of L.N.G. Shebaz Sharif government on one hand is dealing with stubborn IMF and on the other hand political instability in the country (Clary, 2022).

## **Lack of civil-military coordination at initial stage of the war**

This research shows that though Imran Khan government's official stance of the state was neutral but the PTI government had a leniency towards Russia but the military didn't seem on the same page with him. The press conference of the then army chief in which he condemns Russian aggression was totally against the policy of then government after the ouster of P.T.I government. It could be noticed that Pakistan distanced itself from Russia the deals which were done in Imran Khan visit e.g for energy and wheat import and a gas pipeline no further work was done on them even though Pakistan imported cheap Russian oil after months but it is said that it was done after consent from USA considering the fragile conditions of Pakistan economy.

The Ukraine war has created new controversy regarding civil military stance on the issue starting from former Prime Minister Imran Khan long planned tour to Russia which was a first visit of Pakistani leader in two decades (Humayun, 2022). The question arises whether the government and military were on the same page on the issue. Imran Khan insists that he had consulted the military before the visit however former army chief General Qamar Javed Bajwa's remarks paint a different picture, speaking at Islamabad security dialogue conference on April 2, 2022 the former army chief condemned Russian aggression on Ukraine. Bajwa also offered to expand relations with U.S on the time when the former Prime Minister Imran Khan was accusing the U.S of a conspiracy (Haider, 2022).

## **Political Instability Exacerbated by War Controversies**

It has been found that the clash that started between the establishment and PTI amidst the Ukraine war has put the country into political instability to date. The differences between the

establishment PTI grew with time and resulted in 9th may countrywide riots after which PTI faced a very tough time with its top leadership in jails facing different cases while many workers were being tried in military courts in summary the rift started due to Ukraine war as alleged by Imran Khan has consequences up to date on national politics.

Khan blamed U.S for hatching the conspiracy of his ousting from power, according to khan he was punished for being disobedient interesting thing is that Russia also condoned khan stance of U.S conspiracy The Kremlin backed Khan's accusations against Washington and denounced the US effort to overthrow the government in Islamabad, In order to punish "disobedient" Khan, Russia viewed it as unethical meddling in the domestic affairs of Pakistan (Dawn, 2022).

## **ECONOMIC IMPACTS**

### **Rising global energy costs & inflation in Pakistan**

It has been found that the Ukraine war has wielded a significant impact on Pakistan's economy, notably in terms of inflation driven by escalating energy costs. The surge in Pakistan's energy bill, primarily attributed to the conflict, has triggered a domino effect on production costs, resulting in substantial inflationary pressures throughout the country. Approximately 10 percent of the current inflation rate in Pakistan can be directly linked to the repercussions of the war on energy costs. The surge in global energy prices, driven by the conflict, has intensified inflation locally, influencing various sectors such as transportation, production, and overall consumer prices. Pakistan's vulnerability to global economic fluctuations has been evident as the conflict

contributed to inflation not only domestically but also globally. The nation, already grappling with political instability, a weak economy, and burgeoning foreign debts, had to absorb additional economic strain due to the amplified inflation caused by rising energy costs in the aftermath of the war. The impact on Pakistan's exports to Ukraine, witnessing a 50% decline since 2020, further emphasizes the economic challenges posed by the conflict. The inadequately nurtured relations with Russia during this period also meant that Pakistan missed potential opportunities to mitigate the impact of high energy prices and protect its economy. This research finding concludes that Ukraine war has significantly contributed to inflation in Pakistan, particularly through the surge in energy costs. This has added an extra layer of economic challenge for a nation already navigating a complex and volatile global economic landscape.

Pakistan's economy has suffered as a result of higher energy imports while the nation works to enhance its foreign exchange reserves. Rising oil costs have an impact on Pakistan's skyrocketing inflation as well as the availability of staple items. Pakistan's economy remains unstable even with recent billion-dollar loans from international financial organizations. A World Bank report published in October predicts that due to noticeably tighter global monetary conditions, inflation in Pakistan is expected to exceed 23 percent in the fiscal year 2023. In the current fiscal year, the cost of importing petroleum and crude oil climbed from \$7.55 billion to \$14.81 billion (Babar, 2022).

As per Dr. Sajid Amin, deputy executive director of the Sustainable Development Policy Institute (SDPI), "the first major impact of the Russia-Ukraine war was that Pakistan's energy

import bill inflated substantially and increased the cost of production which triggered huge inflationary pressure in the country." Given that the price of food and oil commodities rises sharply on the international market following a war, we calculate that the war has directly contributed 8–9% of Pakistan's current inflation rate. With inflation estimated to reach as high as 40 percent in the next few days, the South Asian country is now facing multi-decade high inflation, which was recorded at 27.6 percent in January. Dr. Khaqan Najeeb, a former adviser to the Pakistani finance ministry, told Arab News that the war has had a significant impact on commodity price increases, known as the commodities super cycle, which coincided with the opening of the industrial world after COVID and the shortage caused by the Russian-Ukrainian war (Ahmed, 2023).

### **Hiking Cost of living in Pakistan**

The surge in global commodity prices triggered by the Ukraine war has profoundly impacted the cost of living for people in Pakistan. As a net importer of key commodities such as wheat, maize, coal, gas, and oil, the country faced macroeconomic losses, leading to an inability to control inflation. This inflationary pressure significantly affected the cost of living, creating hardships for the population. The repercussions were particularly challenging for a nation already grappling with high unemployment rates. The inflationary surge worsened economic conditions, pushing many individuals, including those who were previously financially stable, towards a hand-to-mouth existence. The magnitude of the impact on the cost of living is reflected in the observations of experts and analysts, comparing the situation to the economic crises of the past, such as the OPEC crisis in the 1970s. The chain reaction of energy inflation influencing

prices across various sectors has created a domino effect, contributing to an overall rise in the cost of living. Furthermore, concerns about the Russia-Ukraine crisis adversely impacting Pakistan's economy, leading to currency devaluation, increased account deficit, and soaring inflation rates, underscore the severity of the economic challenges faced by the people of Pakistan. In essence, the global commodity price surge has not only strained the macroeconomic landscape but has also significantly altered the day-to-day financial realities for individuals in Pakistan. Industries, such as construction, are directly impacted, raising concerns about shortages and increased prices.

In light of COVID-19 and the conflict in Ukraine, the previous two years have seen the biggest increase in energy prices since the 1973 oil crisis, according to the World Bank's most recent Commodities Markets Outlook report. The World Bank predicts that in 2022 compared to 2021, average annual oil prices would remain 40% higher, natural gas prices will increase 100%, and coal prices will increase by 80%. The outlook report also states that price hikes for fertilizers, which require natural gas as a feedstock, and agricultural goods, of which Russia and Ukraine are significant producers, have reached their highest levels since 2008. The analysis concluded that there could be long-term food and energy price shocks as a result of the fighting in Ukraine (Dilawar, 2022).

## **Food Prices and Wheat Inflation**

### **- Wheat prices increased due to disruptions in supply from Ukraine and Russia.**

The ongoing conflict between Russia and Ukraine has significantly affected the prices of food items, particularly wheat, in Pakistan. The disruption in the supply chain due to the war,

coupled with Pakistan's dependence on both countries for wheat imports, has led to shortages and increased costs domestically. The blockade of Ukrainian ports, delays in wheat deliveries, and the overall rise in global wheat prices have contributed to inflation in the prices of wheat and flour in Pakistan. The government's response to this crisis includes the introduction of the "muftatta scheme" to alleviate the burden on the population by providing subsidized or free essential food items. The situation underscores the interconnectedness of the global food chain and the far-reaching consequences of geopolitical events on food security and prices in individual nations.

The battle has had a significant negative influence on Pakistani commoners' lives due to rising energy and food prices. This is especially true for the poor, who spend between 60 and 70 percent of their income on food baskets. The war between Russia and Ukraine has hindered agricultural trade as well as production in one of the key food exporting regions of the world. Russia and Ukraine have contributed 10% and 3%, respectively, of the world's wheat production over the previous five years, with 20% and 10% of all globally wheat exports. Russia and Ukraine are the world's top two and fifth-largest wheat exporters. The two countries have a vital role for delivering wheat to markets around the world (OECD, 2022). Food costs and scarcity could rise further as a result of the conflict, especially in areas that strongly rely on Russian and Ukrainian exports like wheat. The price of a regularly traded kind of wheat, which was trading at about \$7.70 per bushel at the start of the year, shot up to over \$13 following Russia's invasion of Ukraine in late February (Dawn, 2022).

## **Pakistan's dependence on wheat imports has led to inflation, prompting government interventions.**

This research shows that Pakistan experienced an over eightfold surge in wheat imports from Russia, becoming the fifth-largest importer in the first eight months of the 2022–23 marketing year due to disruptions in Ukrainian supply. The Russia-Ukraine war shifted Pakistan's primary wheat supplier to Russia, which exported nearly 1.5 million metric tons in the current year. Facing disruptions, the Pakistani government restricted private sector wheat imports and facilitated purchases through agreements with Russia. The Economic Coordination Committee authorized a significant purchase, and the government also subsidized wheat for flour mills to ensure affordable flour prices, particularly during Ramzan. Efforts were made to establish a mechanism, emphasizing the government's role, to release wheat for local mills at subsidized rates, ensuring a smooth and affordable supply across the country's markets.

Pakistan's imports of wheat from Russia have increased by more than eight times as a result of supply problems from Ukraine. Pakistan, which has the fifth-highest population in the world, became the fifth-largest importer of Russian wheat in the first eight months of the 2022–2023 marketing year. 1.3 million metric tonnes of wheat were exported to Pakistan during the preceding marketing year 2021–2022, making Ukraine the country's main wheat supplier. However, this supply has been hampered by the Russia-Ukraine war, making Russia the nation's biggest wheat exporter. For the current marketing year, over 1.5 million mt of wheat had been supplied by Russia. The Russian Union of Grain Exporters stated, "This is the most serious increase in purchases among the largest importers. The Pakistani government prohibited the

private sector from importing wheat, which it recently acquired in accordance with a deal with the Russian Federation. The government-affiliated Economic Coordination Committee (ECC) approved the purchase of 450,000 mt of wheat from Russia at a cost of \$372 per mt for delivery between February 1 and March 31. On March 2, the first fully laden ship weighing 50,000 mt docked at Gwadar Port (HSP, 2023).

To ensure that there was affordable flour during Ramadan, the government also supplied wheat at discounted prices to flour mills, another reason for the disparity in prices in local marketplaces was the cessation of public sector releases during the procurement season. In order to guarantee that flour is available at reasonable prices and that the supply is maintained at a steady level throughout the nation's local markets, he stated that the government was constructing a system to release wheat for local flour mills at discounted rates (The Express Tribune, 2022).

## **FOREIGN POLICY**

### **Diplomatic challenges**

Research shows that there were profound political consequences of the Ukraine war on Pakistan's foreign relations, particularly with the United States and Russia. A shift in Pakistan's alignment toward the United States and the European Union, driven by economic considerations and historical ties, signifies a strategic move away from its initially balanced approach to the Russia-Ukraine conflict. This shift may strain relations with Russia and China, and potentially allow greater influence from the United States in shaping Pakistan's foreign policy. Internally,

the civil-military rift at the onset of the war and a lack of a clear-cut stance from the leadership has contributed to confusion and backlash, especially from the Western bloc. The data suggests that while Pakistan officially maintains a neutral stance on the conflict, pressures from both the West and Russia-China blocs have created challenges for the country's foreign policy. The impact on Pakistan's diplomatic standing is evident, with the war testing its ability to navigate complex geopolitical dynamics. The lack of perceived independence in its foreign policy compared to regional counterparts, particularly India, raises concerns about trustworthiness in international relations. The data also points to a reevaluation of Pakistan's historic ties with Russia, with potential repercussions for the balance it seeks between Western and Eastern alliances.

This research finding shows that, the Ukraine war has introduced significant complexities for Pakistan's foreign policy, posing challenges in maintaining a balanced stance amid global pressures. The evolution of Pakistan's relationships with key states and the internal ramifications of the conflict underscore the intricate dynamics at play in shaping the country's diplomatic landscape.

In initial days of the war immense pressure fell upon Pakistan foreign policy during the Khan government. The economy of Pakistan which is in devastating state could not afford to choose a side in the war, As U.S Russia and Ukraine are Pakistan trading partners. Pakistan chose to remain neutral officially for the greater interest of the state because choosing a side could have devastating effects on Pakistan economy (Lodhi, 2022). When it comes to bloc

politics there is always a pressure on Pakistan foreign policy due to its historical ties being a Chinese and U.S ally (umar, 2022).Pakistan, a significant US non-NATO ally, decided not to participate in the UN Security Council vote to denounce Russian aggression against Ukraine. Policymakers in Islamabad remain steadfast in their impartial stance, including with 34 other nations like Sri Lanka and India etc, despite growing pressure from the West (Gul, 2022).

### **Officially Pakistan remains neutral in the war**

It has been found that in Pakistan's foreign policy regarding the Russia-Ukraine conflict underscores a resolute commitment to neutrality. Despite being a significant ally of the United States and facing pressure from Western nations, Pakistan, along with other neutral countries, abstained from condemning Russian aggression at the UN Security Council. Former Foreign Minister Shah Mahmood Qureshi and the new government maintained this impartial stance during subsequent resolutions, emphasizing a cautious approach to preserve Pakistan's neutrality. A noteworthy development was Pakistan's initiation of discounted crude oil imports from Russia, a move offering economic relief and geopolitical advantages. However, this strategic decision coincided with reports suggesting Pakistan's involvement in supplying arms to Ukraine. The Foreign Office denied these allegations, reinforcing Pakistan's adherence to a policy of non-interference in military conflicts. Former Foreign Secretary Aizaz Chaudhry articulated Pakistan's balanced approach, navigating its improved relations with Moscow and historical ties with the West and Kyiv. Despite the "gray area" inherent in managing such geopolitical complexities, Chaudhry highlighted Pakistan's commitment to international principles while avoiding actions that could provoke larger states. Overall, Pakistan's nuanced and cautious

foreign policy seeks to maintain a delicate equilibrium in the face of the Russia-Ukraine conflict, safeguarding its neutrality amidst global geopolitical shifts.

Aizaz Chaudhry, the former foreign secretary of Pakistan, stated that Islamabad has and would continue to adopt a "balanced" stance towards the crisis between Russia and Ukraine. Speaking to Anadolu, Chaudhry—the nation's foreign secretary from 2013 to 2017—stated that Pakistan has taken a balanced stance towards the conflict since it is a traditional ally of the West and has strong ties to Kiev, even though its relations with Moscow have strengthened (Latif, 2023).

## CONCLUSIONS

The research investigates the extensive impacts of the Ukraine war on Pakistan, encompassing the energy sector, oil and gas prices, political economy, and foreign policy. The objectives centered around comprehending the repercussions of the conflict on these critical domains.

The comprehensive analysis of the impact of the Ukraine war on Pakistan reveals a multitude of challenges across various sectors. The energy sector, being a critical component of Pakistan's infrastructure, has faced significant disruptions. The surge in global energy prices has strained liquefied natural gas (LNG) contracts, resulting in shortages and adverse effects on local industries. The inability to secure LNG at reasonable prices has left Pakistan vulnerable to global market dynamics, contributing to inflation and straining foreign reserves. The consequences of

these challenges are reflected in dramatic increases in fuel prices, particularly petrol, reaching unprecedented levels.

The disruptions in global supply chains, especially in LNG prices, have led to power plant shutdowns and severe load shedding in Pakistan. Fossil fuel imports have been suspended, and rising fuel costs have strained oil companies, resulting in fuel shortages and power station shutdowns, highlighting the direct consequences of the war on energy market.

The inflation induced by the war has had political ramifications in Pakistan, contributing to a decline in the popularity of politicians. The inability to effectively address inflationary pressures, exacerbated by the conflict, has led to a decrease in public trust. The struggle to manage economic crises, driven by factors such as the energy price hike and supply chain disruptions, reflects broader consequences on the political landscape.

The lack of coordination between political and military leadership during the initial stage of the war has raised questions about the alignment of interests, impacting the perceived stability of Pakistan's governance.

The Ukraine war has introduced complexities for Pakistan's foreign policy, testing its ability to maintain a balanced stance amid global pressures. Despite diplomatic challenges, Pakistan has officially remained neutral in the conflict, abstaining from condemning Russian aggression at the UN Security Council. The nuanced and cautious foreign policy seeks to preserve a delicate equilibrium, balancing improved relations with Moscow and historical ties with the West and Kyiv.

The economic impacts of the Ukraine war on Pakistan are evident in rising global energy costs, contributing to inflation and a significant increase in the cost of living. The surge in Pakistan's energy import bill, coupled with escalating production costs, has created inflationary pressures affecting transportation, production, and consumer prices. The economic challenges are further compounded by Pakistan's dependence on wheat imports, resulting in inflation and government interventions to stabilize prices.

In conclusion, the research provides valuable insights into the multifaceted consequences of the Ukraine war on Pakistan's energy landscape, political stability, economy, and foreign relations. The interconnectedness of global events and the intricate balance required to navigate complex geopolitical dynamics are highlighted. The challenges faced by Pakistan underscore the need for careful navigation and strategic decision-making to address both domestic and international complexities arising from the conflict.

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