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Ukraine's Fight Is Our Fight: The Need for Sustained International Commitment

We are at a critical juncture in the defense of Ukraine and the liberal world order. The war against Ukraine is not only a test of Europe's resilience but also a critical moment for democratic nations to reaffirm their values through concrete action. This brief examines Western support to Ukraine in the broader context of international efforts, putting the order of magnitudes in perspective, and emphasizing the west's superior capacity if the political will is there. Supporting Ukraine to victory is not just the morally right thing to do, but economically rational from a European perspective.

As the U.S. support to the long-term survival of Ukraine is becoming increasingly uncertain, European countries need to step up. This is a moral obligation, to help save lives in a democratic neighbor under attack from an autocratic regime. But it is also in the self-interest of European countries as the Russian regime is threatening the whole European security order. A Russian victory will embolden the Russian regime to push further, forcing European countries to dramatically increase defense spending, cause disruptions to global trade flows, and generate another wave of mass-migration. This brief builds on a recent report (Becker et al., 2025) in which we analyze current spending to support Ukraine, put that support in perspective to other recent political initiatives, and discuss alternative scenarios for the war outcome and their fiscal consequences. We argue that making sure that Ukraine wins the war is not only the morally right thing to do, but also the economically rational alternative.

The International Support to Ukraine

The total support provided to Ukraine by its coalition of Western democratic allies since the start of the full-scale invasion exceeded by October 2024 €200 billion. This assistance, that includes both financial, humanitarian and military support, can be categorized in various ways, and its development over time can be analyzed using data compiled by the Kiel Institute for the World Economy. A summary table of their estimates of aggregate support is provided below.

A particularly relevant aspect in light of recent news is that approximately one-third of total disbursed aid has come from the United States. The U.S. has primarily contributed military assistance, accounting for roughly half of all military aid provided to Ukraine. In contrast, the European Union—comprising both EU institutions and bilateral contributions from member states—stands as the largest provider of financial support. This financial assistance is crucial for sustaining Ukraine’s societal functions and maintaining the state budget.

Table 1. International support to Ukraine, Feb 2022 – Oct 2024

	Pledged				Disbursed			
	Financial (€bn)	Humanitarian (€bn)	Military (€bn)	Total (€bn)	Financial (€bn)	Humanitarian (€bn)	Military (€bn)	Total (€bn)
EU Countries and Institutions	120.2	10.7	70.4	201.3	48.7	10.0	47.2	105.9
EU Countries	7.0	8.2	70.4	85.6	6.5	7.5	47.2	61.2
EU Institutions	113.1	2.5	0.0	115.6	42.2	2.5	0.0	44.7
Anglo-Saxon Countries	64.9	4.9	86.1	156.0	34.0	4.9	73.1	112.0
USA	50.0	3.4	65.6	119.0	25.0	3.4	59.9	88.3
United Kingdom	6.2	0.9	16.6	23.6	3.8	0.8	10.1	14.8
Canada	8.8	0.4	3.1	12.3	5.2	0.5	2.2	7.9
Other Countries	15.8	2.8	0.1	18.7	8.4	1.6	0.1	10.2
Japan	13.2	2.3	0.1	15.5	7.9	1.3	0.1	9.3
South Korea	2.6	0.4	0.0	3.0	0.5	0.3	0.0	0.8
EU + Other Europe	132.2	14.4	94.0	240.6	53.6	12.1	59.0	124.7
United Kingdom	6.2	0.9	16.6	23.6	3.8	0.8	10.1	14.8
Switzerland	0.3	2.3	0.0	2.5	0.2	0.7	0.0	0.9
Norway	5.6	0.5	7.0	13.1	0.9	0.6	1.8	3.2
TOTAL	207.0	21.0	164.0	392.0	92.0	18.0	122.0	232.0

Source: Trebesch et al. (2024).



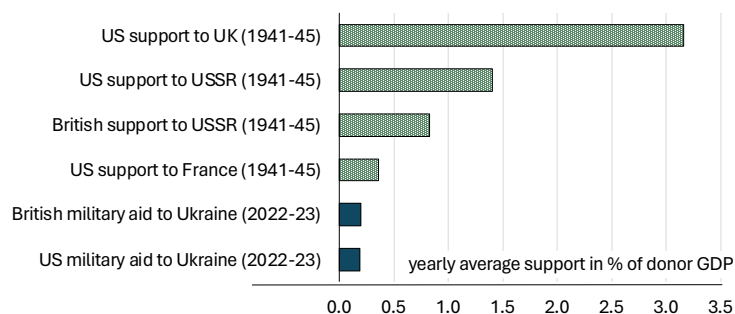
Moreover, the EU has signaled a long-term commitment to provide, in the coming years, an amount comparable to what has already been given. This EU strategy ensures greater long-term stability and predictability, guaranteeing that Ukraine has reliable financial resources to sustain state operations in the years ahead. Consequently, while a potential shift in U.S. policy regarding future support could pose challenges, it would not necessarily be insurmountable.

What is crucial is that Ukraine’s allies remain adaptable, and that the broader coalition demonstrates the ability to adjust its commitments, as this will be essential for sustaining the necessary level of assistance moving forward.

Putting the Support in Perspective

To assess whether the support provided to Ukraine is truly substantial, it is essential to place it in context through meaningful comparisons. One approach is to examine it in historical terms, particularly in relation to past instances of large-scale military and financial assistance. A key historical benchmark is the Second World War, when military aid among the Allied powers played a decisive role in shaping the outcome of the conflict. Extensive resources were allocated to major military operations spanning multiple continents, with the United States and the United Kingdom, in particular, dedicating a significant share of their GDP to support their allies, including the Soviet Union, France, and other nations. As seen in Figure 1, by comparison, the current level of aid to Ukraine, while substantial and essential to its defense, remains considerably smaller in relation to GDP.

Figure 1. Historical comparisons



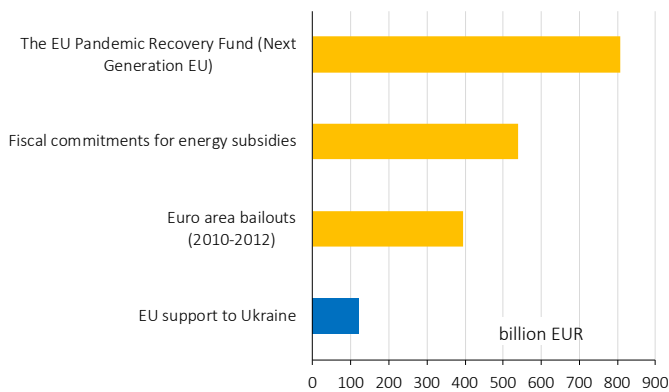
Source: Trebesch et al. (2024).

Another way to assess the scale of support to Ukraine is by comparing it to other major financial commitments made by governments in response to crises. While the aid allocated to Ukraine is significant in absolute terms, it remains relatively modest when measured against the scale of other programs, see Figure 2.

A recent example is the extensive subsidies provided to households and businesses to mitigate the impact of surging energy prices since 2022. Sgaravatti et al. (2021) concludes that most European countries implemented energy support measures amounting to between 3 and 6 percent of GDP. Specifically, Germany allocated €157 billion, France and Italy each committed €92 billion, the UK spent approximately €103 billion. These figures represent 5 to 10 times the amount of aid given to Ukraine so far, with some countries, such as Italy, allocating even greater relative sums. On average, EU countries have spent about five times more on energy subsidies than on Ukraine aid. Only the Nordic countries and Estonia have directed more resources toward Ukraine than toward energy-related support. Although not all allocated funds have been fully disbursed, the scale of these commitments underscores a clear political and financial willingness to address crises perceived as directly impacting domestic economies.



Figure 2. EU response to other shocks (billions of €)



Source: Trebesch et al. (2024).

Another relevant comparison is the Pandemic Recovery Fund, also known as Next Generation EU. With a commitment of over €800 billion, this fund represents the EU’s comprehensive response to the economic consequences of the Covid-19 pandemic. Again, the support to Ukraine appears comparatively small, about one seventh of the Pandemic Recovery Fund.

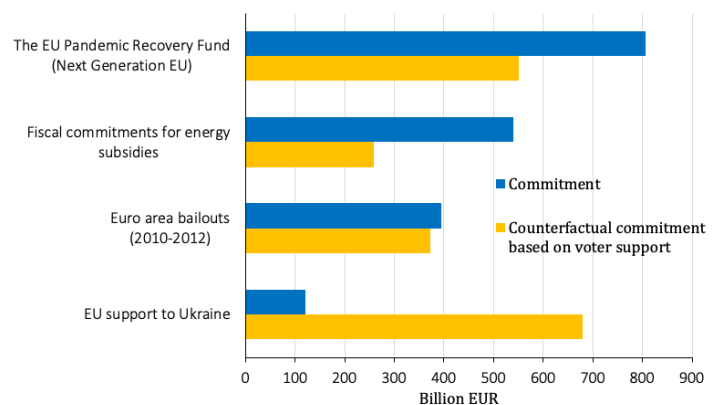
The support to Ukraine is also much smaller in comparison to the so-called “Eurozone bailout”, the financial assistance programs provided to several Eurozone member states (Greece, Ireland, Spain and Portugal) during the sovereign debt crisis between 2010 and 2012. The programs were designed to stabilize the economies hit hard by the crisis and to prevent the potential spread of instability throughout the Eurozone.

Overall, the scale of these commitments underscores a clear political and financial willingness and ability to address crises perceived as directly impacting domestic citizens. This raises the question of whether the relatively modest support for Ukraine reflects a lack of concern among European voters. However, this does not appear to be the case. In survey data from six countries – Belgium, Germany, Hungary, Italy, the Netherlands, and Poland – fielded in June 2024, most respondents express satisfaction with current aid levels, and a narrow majority in most countries even supports increasing aid (Eck and Michel, 2024).

A further illustration comes from the Eurobarometer survey conducted in the spring of 2024 which asked: “Which of the following [crises] has had the greatest influence on how you see the future?”. Respondents could choose between different crises, including those mentioned above, and the full-scale invasion of Ukraine.

Figure 3 illustrates the total commitments made by EU countries for Ukraine up until October 31, 2024, compared to other previously discussed support measures, represented by the blue bars. The yellow bars, on the other hand, show a counterfactual allocation of these funds, based on public priorities as indicated in the Eurobarometer survey. Longer yellow bars indicate that a higher proportion of respondents perceived this crisis as having a greater negative impact on their outlook for the future. By comparing the actual commitments (blue bars) with this hypothetical allocation (yellow bars)—which reflects how resources might have been distributed if they aligned with the population’s stated priorities—it becomes evident that there is substantial public backing for maintaining a high level of support for Ukraine. The results show that the population prioritizes the situation in Ukraine above several other economic issues, including those that directly affect their own personal finances.

Figure 3. Support to Ukraine compared to other EU initiatives - what do voters think?



Source: Trebesch et al. (2024); Niinistö (2024); authors’ calculations.



The Costs of Not Supporting Ukraine

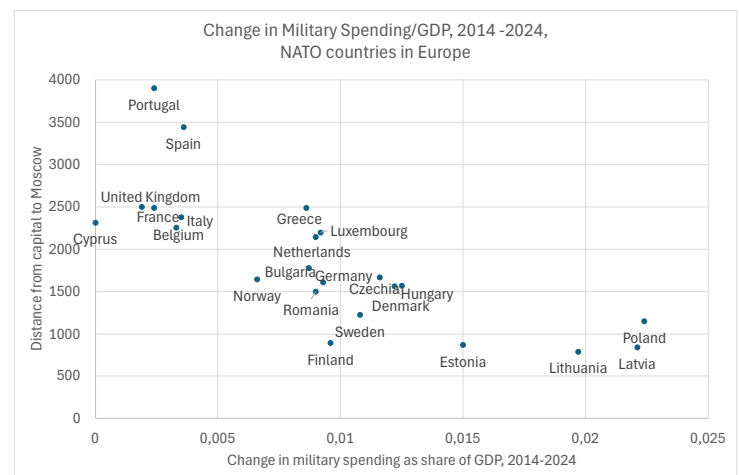
When discussing the costs of support to Ukraine it is important to understand what the correct counterfactual is. The Russian aggression causes costs for Europe irrespective of what actions we take. Those costs are most immediately felt in Ukraine, with devastating human suffering, the loss of lives, and a dramatic deterioration in all areas of human wellbeing. Also in the rest of Europe, though, the aggression has immediate costs, in the economic sphere primarily in the form of dramatically increased needs for defense spending, migration flows, and disruptions to global trade relationships. These costs are difficult to determine exactly, but they are likely to be substantially higher in the case of a Russian victory. Binder and Schularik (2024) estimate increased costs for defense, increased refugee reception and lost investment opportunities for the German industry at between 1-2 percent of GDP in the coming years. As they put it, the costs of ending aid to Ukraine are 10-20 times greater than continuing aid at Germany's current level.

Any scenario involving continued Russian aggression would demand substantial and sustained economic investments in defense and deterrence across Europe. Clear historical parallels can be drawn looking at the difference in countries' military spending during different periods of threat intensity. Average military spending in a number of Western countries during the Cold War (1949-1990) was about 4.1 percent of GDP, much higher in the U.S. but also in Germany, France and the UK. In the period after 1989-1991 (the fall of the Berlin Wall, the dissolution of the Soviet Union), the amounts fell significantly. The average for the same group of countries in this period is about 2 percent of GDP and only 1.75 percent if the U.S. is excluded.

Also after 1991 there is evidence of how perceived threats affect military spending. Figure 4 plots the change in military spending over GDP between

2014-2024 against the distance between capital cities and Moscow. The change varies between 0 (Cyprus) and around 2.25 (Poland) and shows a very clear positive correlation between increases in spending and proximity to Moscow. There has also in general been a substantial increase in military spending after 2022 in several European countries, but in a scenario where Russia wins the war, these will certainly have to be increased further and maintained at a high level for longer. An increase in annual military expenditure in relation to GDP in the order of one to two percentage points would mean EUR 200-400 billion per year for the EU, while the total EU support to Ukraine from 2022 to today is just over €100 billion.

Figure 4. Increase in military expenditures in relation to distance to Moscow



Source: SIPRI data, authors' calculations.

A Russian victory would also have profound consequences for migration flows, with the most severe effects likely in the event of Ukraine's surrender. The Kiel Institute estimates the cost of hosting Ukrainian refugees at €26.5 billion (4.2 percent of GDP) for Poland, one of the countries that received the largest flows. Beyond migration, a Russian victory would also reshape the global geopolitical order. Putin has framed the war as a broader conflict with the U.S. and its democratic allies, while an emerging alliance of Russia, Iran, North Korea, and China is positioning itself as an alternative to the Western-led system. A Ukrainian defeat would weaken the authority of



the U.S., NATO, and the rules-based international order, potentially driving more nations in the Global South toward authoritarian powers for military and economic support. This shift could disrupt global trade, affect access to food, metals, and energy. Estimating the full economic impact of such a shift is difficult, but comparisons can be drawn with other global shocks. The European Union's GDP experienced a significant contraction due to the Covid-19 pandemic, 5.9 percent contraction in real GDP according to Eurostat, 6.6 percent according to the European Central Bank. While the economy rebounded relatively quickly from the pandemic, a permanent geopolitical realignment caused by a Russian victory would likely have far more severe and lasting economic consequences.

Given that Ukraine is at the forefront of Russia's aggression, its resilience serves as a critical test of Europe's ability to withstand potential future threats. Thus, strengthening our own security and economic stability in the long term is inseparable from strengthening Ukraine's resilience now. The fundamental difference lies in the long-term trajectory of these investments. In a scenario where Ukraine is victorious, military and financial aid during the war would eventually transition into reconstruction efforts and preparations for the country's integration into the EU. This outcome is undeniably more favorable—both economically and in humanitarian terms—not only for Ukraine but for Europe as a whole. Therefore, an even more relevant question is whether the level of support is enough for Ukraine to win the war.

Is Sufficient Support Feasible?

Is it even reasonable to think that we in the West could be able to support Ukraine in such a way that they can militarily defeat Russia? Russia is spending more on its war industry than it has since the Cold War. In 2023, it spent about \$110 billion (about 6 percent of GDP). By 2024, this figure is expected to have increased to about \$140 billion (about 7 percent of GDP). These amounts are huge and represent a significant part of

Russia's state budget, but they are not sustainable as long as sanctions against Russia remain in place (SITE, 2024). For the EU, on the other hand, the sacrifices needed to match this expenditure would not be as great. The EU's GDP is about ten times larger than Russia's, which means that in absolute terms the equivalent amount is only 0.6-0.7 percent of the EU's GDP. If the U.S. continues to contribute, the share falls to below 0.3 percent of GDP.

Despite the economic advantage of Ukraine's allies over Russia, several factors could still shift the balance of power in Russia's favor. One key issue is military production capacity—Russia has consistently outproduced Ukraine's allies in ammunition and equipment. While Western economies have the resources to manufacture superior weaponry, actual production remains insufficient, requiring both increased capacity and political will. Another challenge is cost efficiency. Military purchasing power parity estimates suggest that Russia can produce approximately 2.5 times more military equipment per dollar than the EU, giving it a cost advantage in volume production. However, this does not fully compensate for its overall economic disadvantage, particularly when factoring in quality differences.

Manpower is also a critical factor. Russia's larger population allows for sustained mobilization, but at a steep financial cost. Soldiers are recruited at a minimum monthly salary of \$2,500, with additional bonuses bringing the first-year cost per recruit to three times the average Russian annual salary. Compensation for injured and fallen soldiers further strains state finances, with estimated payouts reaching 1.5 percent of Russia's GDP between mid-2023 and mid-2024. Over time, these costs limit Russia's ability to fund its war effort, making mass mobilization financially unsustainable.

Overall, advanced Western weaponry and superior economic capacity can match Russia's advantage in manpower if the political will is there. Additionally, Russia's already fragile demographic situation is deteriorating due to



battlefield losses and wartime emigration. Any measure that weakens Russia's economic capacity—particularly through sanctions and embargoes—diminishes the strategic advantage of its larger population and serves as a crucial complement to military and financial support for Ukraine.

Conclusion

Ukraine's western allies have provided the country with substantial military and financial support since the onset of the full-scale invasion. Yet, relative to the gravity of the risks involved, previous responses to economic shocks, and citizens' concerns about the situation, the support is insufficient. The costs of a Russian victory will be higher for Europe, even disregarding the human suffering involved. With U.S. support potentially waning, EU needs to pick up leadership.

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