

Where does Ukraine stand after four years of full-scale war?

Yuliia Zyubrovska and Andreas Umland

20 February 2026

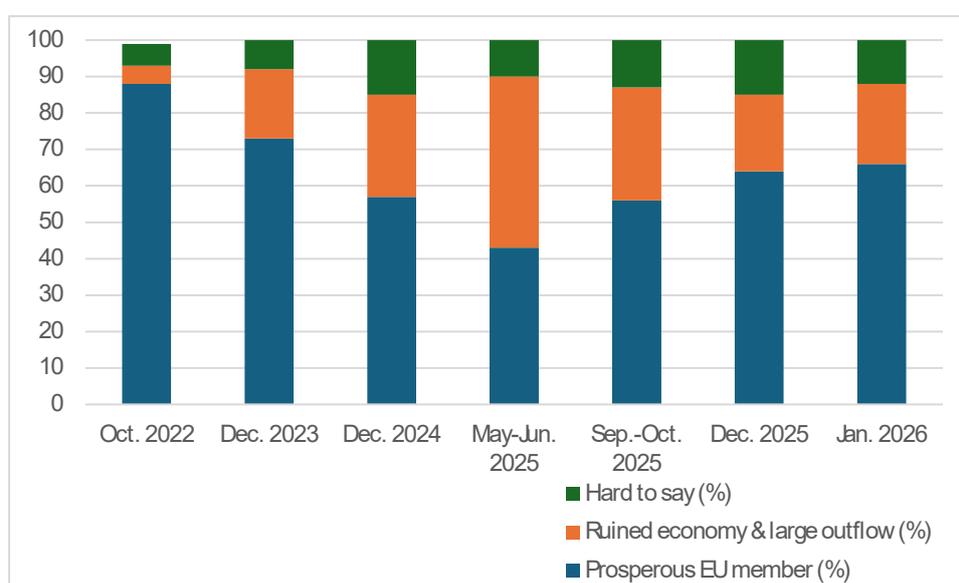
Executive summary

- While Ukraine remains under extreme military, economic and demographic pressure, it continues to demonstrate notable resilience, societal cohesion and institutional functionality. Even though civilian casualties increased sharply in 2025, two-thirds of Ukrainians report a readiness to sustain the war as long as necessary.
- Ukraine's economy achieved modest GDP growth in 2025. Inflation remains relatively contained and businesses are adapting to wartime constraints.
- However, structural bottlenecks – notably labour shortages, infrastructure damage and a growing national debt – continue to restrict growth. Ukraine's budget depends heavily on external financing and European support covers almost the entire deficit.
- On the battlefield, Ukraine faces a positional war with high manpower demands and an urgent need for air-defence systems, long-range strike capabilities and ammunition. Substantial western assistance remains essential to meet critical security needs.
- Ukraine's endurance, adaptability and reform momentum provide strong justification for increased western military and financial support. A record defence budget for 2026 underscores both the scale of the challenge and Ukraine's rapid expansion of domestic arms production.

Introduction

According to the UN Human Rights Monitoring Mission [in Ukraine](#) (HRMMU), 2025 was the deadliest for civilians since 2022. The HRMMU has verified that conflict-related violence in Ukraine killed 2,514 civilians and injured 12,142 in 2025, an increase of 31 per cent compared to 2024. Nonetheless, in early 2026, the Kyiv International Institute of Sociology found that 65 per cent of Ukrainians are still [ready to endure war](#) as long as necessary. The level of Ukrainian optimism concerning the country's future has not diminished as of 2026 compared to 2024–2025, but increased (see Figure 1). To what extent is this Ukrainian attitude an expression of forced euphoria or a reflection of Ukraine's continuing resilience, resources and potential in the ongoing war?

Figure 1: Ukrainians' predictions for the next 10 years, Oct. 2022 to Jan. 2026



Source: [Based on KIIS data, see link.](#)

Economic trends and prospects

After a steep decline in 2022, the Ukrainian economy partly recovered in 2023. In spite of the continuing war and deliberate Russian destruction of Ukrainian infrastructure, the economy has stabilised and remains [relatively stable](#). In 2025, real gross domestic product (GDP) growth slowed to approximately 2 per cent due to existing security risks, infrastructure and capacity losses, electricity shortages and labour constraints. The trade deficit deepened as the value of imports rose to \$84.8 billion, which was about twice the level of exports. The inflation rate in 2025 was approximately 8 per cent. The average level of business and consumer confidence rose compared to 2024, indicating societal adaptation to the war environment.

For 2016, the National Bank of Ukraine [has made](#) a growth forecast of 1.8 per cent while the Ministry of Economy [maintains a target](#) of 2.5 per cent. Inflation is expected to be 7.5 per cent, indicating a further [slowdown](#) of price growth compared to 2025. Ukraine's national debt will peak in 2026, exceeding 110 per cent of GDP, but then decline, according to a 2025 IMF [forecast](#).

Military capacities and challenges

[Approximately 55,000 Ukrainian soldiers](#) have fallen since 2022. The nature of the war remained positional throughout 2025. Throughout the year, each square kilometre of Ukrainian land [cost Russia 93 casualties](#) on average. [A chronic lack of manpower](#) is a major issue for both Ukraine and Russia.

In 2026, [Ukraine's defence budget is projected](#) to be a record 27.2 percent of GDP, at approximately [UAH2.8 trillion](#). This will make it the 20th largest spender on defence in the world. Most of Ukraine's revenue and borrowing in 2026 will be directed towards soldiers' salaries, arms procurement, military logistics and funding troop reserves.

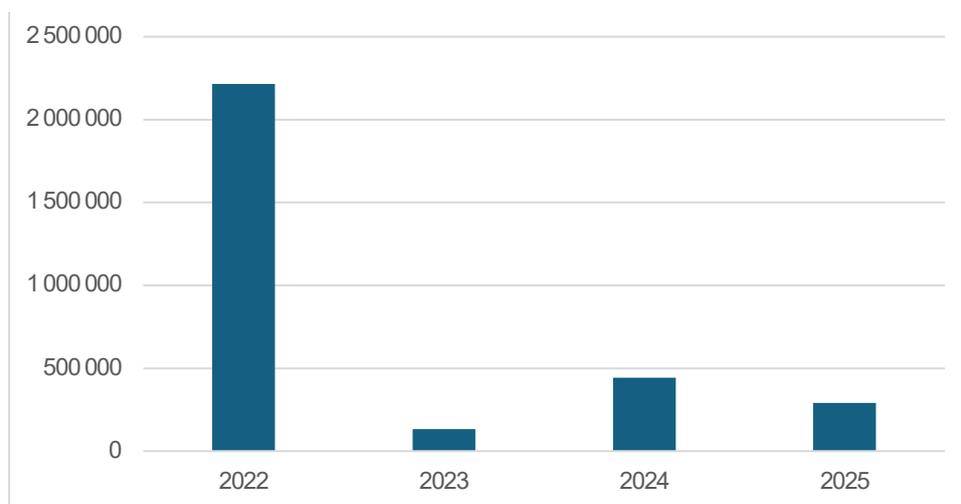
Ukraine is rapidly developing its military-industrial complex. The country [now leads in the development](#) of inexpensive drones and cruise missiles, and is cooperating with partners on these and other types of arms. Ukraine's National Security and Defence Council predicts that the capacity of Ukraine's defence industry [will almost double in 2026](#).

While drone [production is projected](#) to increase to over 7 million units, challenges remain. There is a shortage of the air defence/missile defence systems needed not only at the front, but also in Ukraine's rear to protect its energy infrastructure, as well as a dearth of adequate mechanisms to counter new Russian fibre-optic drones, and meet the continuing challenge of holding the front line.

Demographic change and migration

Especially since 2022, the war has [exacerbated](#) Ukrainian demographic problems that were already part of wider trends in the post-Soviet space – above all through outmigration. It is [estimated](#) that there are 30.5 million people currently living on Ukraine's government-controlled territory, approximately 7 million fewer than the previous estimate by the government in 2019. Even before 2022, Ukraine was an “old nation”, with an [average age](#) of around 43 years. A steep decline in the birth rate in 2022 by 25 per cent slowed to 6 per cent in 2024 and 4.5 per cent in 2025. However, [there were](#) still three deaths for every newborn in the country in 2025.

Figure 2 Permanent outmigration from Ukraine, 2022–2025



Source: Based on Opendatobot, [see link](#).

As of November 2025, 4.33 million non-EU citizens had left Ukraine and [were under temporary protection](#) in the EU. Around 260,000 people had [moved to the USA](#) under the U4U humanitarian programme, and almost 300,000 to Canada [using a similar programme](#).

[A decision by many Ukrainians to return](#) to Ukraine will be dependent on future prospects for peace and security. That said, some have already [returned home](#) in spite of the continuing war because of family connections, the familiar environment, high prices abroad and access to good medical care, or for reasons of nostalgia, patriotism and homesickness or unsuccessful integration into their host countries.

Key social and political issues

The country faces a multitude of existential foreign and complicated domestic challenges, from social deprivation to political polarisation, demographic decline, veterans' integration, environmental devastation, cultural struggles and business conflicts. In spite of its poor reputation, Ukraine's state apparatus has coped relatively well with these issues and – in collaboration with civil society and various foreign partners – is investing in the preservation of social stability.

For instance, in 2026, total expenditure by the Ministry of Social Policy on social support for citizens will amount to UAH468.5 billion, which is UAH47.6 billion more than in 2025. In 2025, Ukraine [improved its](#) position in Transparency International's Corruption Perceptions Index by one place in the worldwide country ranking, although the country still ranks only 104th out of 182 countries. Ukraine's EU integration is a major source of societal optimism and, [in](#) spite of Hungarian resistance, continues to advance. [Ukraine's partial accession to the EU could begin in 2027](#).

Conclusions and policy recommendations

- Since 2022, Ukraine has demonstrated high levels of social resilience, innovation potential, civic mobilisation, economic resourcefulness and adaptation capacity in time of war. Nonetheless, western financial and military support has been grudging, and even declined during 2025 compared to 2024. The key reason was an almost complete cessation of US support to Ukraine, a change which has been compensated for – albeit not fully – by a sharp increase in European support.
- Current levels of support for Ukraine illustrate a contradiction. On the one hand, Ukrainians since 2022 have shown remarkable results in both their defence against Russia and their continued socio-political development, despite continuing Russian military pressure and attacks on Ukrainian civilians. On the other hand, after a peak in 2024, overall western support fell in 2025, regardless of the high level of Ukrainian resilience.
- This must be corrected in 2026. The Ukrainian state's past and recent performance makes a continuation and intensification of resolute western support a coherent and justified strategy.
- In the interests of ensuring their own security, and defending the European security order and the rules-based world order that underpins it, western and non-western countries should rapidly increase both their military support and their non-military aid for Ukraine in 2026. The experience of Ukraine's performance over the past four years suggests that this investment will not be wasted and can eventually lead to the achievement of a just peace between Ukraine and Russia.



Yuliia Zyubrovsk

Intern, spring term 2026, at the Stockholm Centre for Eastern European Studies



Andreas Umland

Analyst at the Stockholm Centre for Eastern European Studies. Fellow at the newly founded European Policy Institute in Kyiv

About SCEEUS

The Stockholm Centre for Eastern European Studies (SCEEUS) at the Swedish Institute of International Affairs (UI) is an independent Centre, funded by the Swedish Government, established in 2021. The Centre conducts policy relevant analysis on Russia and Eastern Europe and serves as a platform and meeting place for national and international discussions and exchanges on Russia and Eastern Europe. Guest Commentaries are written based on the views of the writers and do not necessarily reflect the views of SCEEUS.

© 2026 Stockholm Centre for Eastern European Studies

Previous SCEEUS Publications

Peace between Armenia and Azerbaijan: What TRIPP can and cannot achieve by Anna Ohanyan

SCEEUS Guest Report No. 1, 2026

Resilience and vulnerability: Impressions from a freezing Ukraine by Klara Lindström

SCEEUS Commentary No. 1, 2026