Course Syllabus

Overview

A vibrant economy—where resources are utilized effectively, government services operate efficiently, entrepreneurs thrive, and proceeds are equitably distributed—is an essential element of a sustained and durable peace. This course on economics and conflict introduces conflict-management practitioners to analytical tools and course material that explore the relationship between economic activity and all stages of violent conflict (pre-, during and post-). Participants will analyze the importance of economic actors and economic instruments in triggering, perpetuating, and resolving conflict. This course also highlights the importance of protecting and managing natural resources, mobilizing domestic resources, coordinating external assistance, fostering corporate social responsibility, and providing adequate and appropriate infrastructure and services within the context of sound fiscal and monetary policies. Case studies and a simulation exercise reinforce the learning objectives.

Instructors

Raymond Gilpin directs the USIP Sustainable Economies Center of Innovation, leading the Institute’s work on analyzing economic relationships during all stages of conflict. Willene A. Johnson is President of Komaza, Inc., a consulting firm that focuses on finance and development, including microfinance, security-sector resource management, and post-conflict reconstruction. Both instructors have worked in conflict-affected countries and have extensive experience in development economics, central banking and conflict analysis.

Course Outline

The first sessions in the course examine the range of challenges and the variety of resources available in the area of economics and conflict management. Discussions focus on the roles of economic actors, and the inter-relationships between conflict and development. Sessions also explore the potential of economic policies and activities to forestall conflict and promote peace.

Building on this analytical framework, the course analyzes a range of economic interventions that contribute to conflict management. It aims to deepen participants’ understanding of economic relationships and strengthen their ability to apply these concepts to employ economic instruments in conflict management.

The final sessions aim to develop the skills required to apply and assess targeted economic interventions in conflict management while encouraging participants to guide development in a way that sustains security and welfare as well as income growth. Sound practices of conflict management remove certain impediments to development, while sustainable economic development helps address conflict and consolidate peace.
Economics and Conflict Course Syllabus

Key Objectives

By the end of this course, participants will master concepts essential to the relationships between economics and conflict management. As conflict management practitioners, they will be able to:

i. Analyze political-economy dynamics of conflict-affected regions and identify links between conflict-sensitive economic interventions and prospects for peacebuilding;

ii. Evaluate the roles of economic actors and a broad range of domestic and external stakeholders (including community groups, non-governmental organizations, bilateral partners, multilateral institutions, and international firms) in promoting or impeding economic development;

iii. Identify the key elements of a strategic framework to promote economic progress and sustain peace in fragile environments; and

iv. Glean sound practices from case studies and know how to apply principles and concepts to real-world challenges.

Course Structure

<table>
<thead>
<tr>
<th>Time</th>
<th>Mon., Dec 13</th>
<th>Tue., Dec 14</th>
<th>Wed., Dec 15</th>
<th>Thur., Dec 16</th>
<th>Friday, Dec 17</th>
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</thead>
<tbody>
<tr>
<td>9:00 am</td>
<td>Introductions and Course Overview</td>
<td>Review/Synthesis Intro to Simulation</td>
<td>Review and Synthesis</td>
<td>Review and Synthesis</td>
<td>Sudan Simulation Discussions</td>
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<tr>
<td>11:00 am</td>
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<tr>
<td>3:45 – 5:00 pm</td>
<td>Introduction to Library</td>
<td>Case Studies: Nigeria, DR Congo, and Colombia</td>
<td>Introduction to Simulation Roles Library/Videos</td>
<td>Case Studies: Iraq, Rwanda, and Philippines</td>
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Course Delivery

This course, designed in an intensive format, includes class instruction, group discussions, and a simulation exercise. A basic grasp of economic methods and a strong interest in both the theoretical and practical issues of economic development are assumed. Instructors facilitate discussions using video presentations and visits from experienced practitioners to provide context and encourage debates. Participants divide into small discussion groups to role-play in an interactive exercise.

Course materials include readings as indicated in this Course Syllabus along with country studies and a simulation exercise. A supplemental reading list includes articles and books in the field of economics and conflict that serve as resources for future work.
Monday, December 13, 2010

Introduction and Course Overview
9:00 am to 9:30 am

- Introduce instructors and course participants. Participants describe their background in economics and experience in conflict management as well as expectations for the course.
- Overview of course schedule, content, and objectives.

Day One: The Conflict-Development Nexus

Day One presents the range of resources available in the area of economics and conflict management, including economic theory, cases studies, and direct observation. It also explores the potential of economic policies/activities to forestall conflict and promote peace.

Session 1: Overview of Conflict, Economics, and Peace
9:30 am to 11:00 am

Objectives:
- Examine key relationships among economic actors, economic activities, political institutions, and conflict.
- Recognize the role of economic actors across the conflict spectrum, with attention to the roles of enablers and spoilers in preventing or promoting violence.
- Discuss how strategic planning and coordination among domestic and international players can be designed to support a durable peace.

Required Readings:

Session 2: A “Different” Development Challenge
11:15 am to 12:45 pm

Objectives:
- Explore how and why both overall development strategy and economic instruments must be designed to meet the unique objectives of conflict-affected states.
- Consider the role that research can play in developing, implementing, and evaluating policy and programs designed to build peace.

Required reading:
Group Discussion: Case Studies of the Conflict-Development Nexus: Afghanistan, Haiti, and Kosovo
3:45 pm to 5:00 pm

Required Readings:

Tuesday, December 14, 2010

Review and Synthesis
Introduction to Simulation and Roles
9:00 am to 9:30 am

**Day Two: Some Economic Causes of Conflict**

Day Two surveys competing theories and views of how economic conditions and economic motives can promote conflict. Discussions probe whether the root causes of violent conflict lie in greed, grievance or religious zeal. Sessions explore economic inequality and how it might contribute to conflict and analyze the role that leaders play in preventing or promoting violence.

**Session 3: Understanding 3Gs: Greed, Grievances or Gods**
9:30 am to 11:00 am

Objectives:
- Identify and analyze economic causes of violent conflict.
- Evaluate economic causes of violent conflict relative to other proximate and underlying causes.
- Examine implications for practitioners and policy-makers across the conflict spectrum.

Required Reading:

**Session 4: Inter- and Intra-Group Dynamics and Conflict**
11:15 am to 12:45 pm

Objectives:
- Discuss vertical inequality within groups and horizontal inequality among groups that are defined by gender, region, religion or ethnicity.
- Define salient dimensions of inequality: political, social, and economic;
- Trace intergroup dynamics that trigger and sustain conflict;
- Develop ability to frame discussions of equity and to design aid and revenue expenditure so that allocations promote national cohesion.

Required reading:
Session 5: Corruption as a Conflict Trigger
2:00 pm to 3:30 pm

Objectives:
- Identify the nature and scope of corruption in conflict-affected states.
- Explore the seeming intractability of weak governance and corruption in conflict-affected states, detailing economic and political implications.
- Analyze how a climate of impunity triggers and sustains violent conflict. What lessons could be drawn for effective peacebuilding?

Required Readings:

Group Discussion: Case Studies of Economic Causes of Conflict: Colombia, DR Congo and Nigeria.
3:45 pm to 5:00 pm

Case Readings:
Wednesday, December 15, 2010

Review and Synthesis
9:00 am to 9:30 am

Day Three. Building Peace with Economic Instruments

Day Three builds on the previous modules and examines a range of economic interventions that contribute to conflict management. It is designed to deepen participants’ understanding of economic relationships and strengthen their ability to apply these concepts to employ economic instruments in conflict management.

Session 6: Economic Aspects of Conflict Mediation
9:30 am to 11:00 am

Objectives:
- Discuss why economic considerations are usually absent during conflict mediation efforts.
- Identify when conflict mediation and peace agreements should include economic dimensions, and examine optimal approaches/modalities.
- Discuss how economic instruments could reward enablers and deter/discourage potential spoilers.

Required Readings:

Session 7: Using Natural Resources to Build Peace
11:15 am to 12:45 pm

Objectives:
- Build on knowledge on the characteristics and vulnerabilities of resource-dependent economies to formulate strategies for resource management that demonstrate good stewardship and equitable use of revenues.
- Analyze relationships between natural resource management/mismanagement and violent conflict --- highlighting costs and benefits to all stakeholders.
- Understand implications of the “resource curse” for development strategies in conflict-affected countries.

Required reading:
Session 8: Foreign Assistance and Peace Building
2:00 pm to 3:30 pm

Objectives:
- Outline the various categories of foreign assistance (bilateral, multilateral and non-governmental) available for economic reconstruction in conflict-affected countries.
- Analyze governance, institutional and regulatory prerequisites that would ensure the judicious use of foreign assistance in fragile zones.
- Examine the merits and demerits of foreign assistance.
- Discuss foreign assistance as an instrument of national power — especially relative to defense and diplomacy.

Required Readings:

Introduction to Simulation Roles and Rules
Library and/or Videos
3:45 pm to 5:00 pm
Thursday, December 16, 2010

Review and Synthesis
9:00 am to 9:30 am

Day Four: Promoting Equity and Sustained Growth

Day Four develops the skills required for integrating targeted economic interventions into conflict management, while encouraging participants to formulate development strategies and practices that sustain security and welfare as well as income growth. Sound practices of conflict management remove certain impediments to development, while sustainable economic development helps address conflict and consolidate peace.

Session 9: Transition from humanitarian activity to business development
9:30 am to 11:00 am

Objectives:
- Does the private sector have a role in post-conflict economic construction? If so, what steps could be taken to build capacity and support emerging entrepreneurs?
- How is the transition from humanitarian aid best sequenced?
- What incentives and disincentives should be in place to ensure sustainability and equity?
- How should the pervasive effects of a war economy be minimized?

Required Readings:

Session 10: Investing in People: Social Capital and Income Generation
11:15 am to 12:45 pm

Objectives:
- Identify the economic importance of human capital. Highlight the ways in which productivity improvements in both human and physical capital can contribute to economic progress in conflict-affected countries.
- What is social capital and how is it affected by conflict?
- Recognize the importance and challenges of structuring education and training in countries affected by conflict.

Required reading:
Session 11: Investing in Institutions and Infrastructure
2:00 pm to 3:30 pm

Objectives:
- Explore the ways in which conflict changes the way that infrastructure is planned and constructed.
- Demonstrate how sequenced and targeted investments in infrastructure promote economic development, poverty alleviation, and conflict management.

Required reading:

Group Discussion: Case Studies of Promoting Equity and Sustained Growth: Iraq, Rwanda and Philippines
3:45 pm to 5:00 pm

Case Readings:
Friday, December 17, 2010

Day Five: Simulation Exercise

Simulation Exercise on Economic Recovery and Reform in Southern Sudan
9:00 am to 12:45 am

- **Session background:**
  - An interactive simulation exercise will allow participants to use many of the skills gained during the course to address economic dimensions of conflict management in a fictitious region. The simulation and role playing will require participants to incorporate sound economic principles in strategies that enhance both welfare and security.

- **Learning objectives.**
  - Demonstrate a firm grasp of the conflict-economics nexus in analyzing conflict and designing effective strategies.
  - Demonstrate an understanding of optimal ways to incorporate economics in multifaceted strategies, and weigh trade-offs.
  - Demonstrate an understanding of the role of economic actors (domestic and international) in conflict management.

- **Discussion questions.**
In a post-conflict rural area:
  - What should the primary objectives be? What will be the strategic role of agriculture and/or other income generating activities?
  - What are the most important infrastructure improvements that need to be made?
  - What are the most important capacity-building interventions that need to be made?
  - How should policies be sequenced? How can short-term imperatives and long-term concerns be balanced?
  - How do you minimize illicit activity and corruption?

- **Required reading.**
  - Simulation scenario and roles
  - Resources and readings from previous sessions

**Simulation Brief-Backs**
2:00 pm to 3:00 pm

Simulation Brief-Backs

Evaluations and Wrap up