Foreword

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In recent years, the economic dimensions of intrastate armed conflict have become the subject of increased academic study and policy action. The Economic Agendas in Civil Wars (EACW) Program of the International Peace Academy in particular has been influential in bringing analysis of the political economy of armed conflict to bear upon policies of conflict prevention and conflict management. The widely cited volume *Greed and Grievance: Economic Agendas in Civil Wars* proved instrumental in highlighting the importance to conflict resolution of this groundbreaking strand of policy research. A subsequently commissioned case study volume, *The Political Economy of Armed Conflict: Beyond Greed and Grievance,* qualified and extended our understanding of economic dimensions of the onset, character, and duration of contemporary conflicts. A further publication, *The Democratic Republic of Congo: Economic Dimensions of War and Peace,* sheds light on the underresearched question of how to integrate the accumulated knowledge about the economic dimensions of armed conflict into international peacemaking and postconflict peacebuilding efforts.

Building on the substantive research generated by the International Peace Academy and others, this volume identifies and assesses existing and emerging policy—the regulatory, legal, and market-based mechanisms that may be applied to more effectively redress the conflict-promoting aspects of economic activity in vulnerable or war-torn states. Specific attention is paid to the complex connections among natural resource exploitation, global financial flows, and armed intrastate conflict. Research has shown that local war economies are highly dependent upon combatants' access to global commodity and financial markets, gained variously through transnational criminal networks, legitimate but poorly regulated private sector actors, and financial institutions. Consequently, curtailing these economic transactions has become a matter of priority for those seeking to resolve and prevent violent conflict. At the same time it has become clear that the manner in which natural resources are exploited—and whether the revenues generated benefit the people rather than elites—can have an important role for conflict prevention and postconflict reconstruction. Furthermore, regulatory and legal regimes can provide promising mechanisms for regulating conflict entrepreneurs and ending impunity for those "rogue actors" benefiting from war, while protecting otherwise beneficial and legitimate trade and investment.

Clearly, the development of such tools and strategies is a long-term goal. Continued commitment and action will be required on the part of governments, international financial institutions, private companies and financial markets, and civil society organizations. The UN system, with the Security Council at its core, has a particular role in this endeavor, as this volume seeks to underscore. The Informal Working Group on the Political Economy of Armed Conflict, initiated by Secretary-General Kofi Annan and under the able direction of the UN Department for Political Affairs, represents an important step in mainstreaming the economic dimension into UN strategic planning and programming in the areas of peace and development. We commend the Secretary-General for his personal engagement to see this important work move forward. By identifying relevant policy challenges and opportunities for these various policy actors in the interim, we hope that this volume will make a modest contribution to improved conflict prevention and peacebuilding.

Many friends of the International Peace Academy were involved in the inception and design of the Economic Agendas in Civil Wars program, but Karen Ballentine, its fine program director, is the person most responsible for its success. Her incisive intellect, wide-ranging interests, and formidable network of multilateral and private-sector practitioners, scholars, and experts have been critical not only to this volume but to every phase of the project. Heiko Nitzschke, a valued colleague now with the German Foreign Service, with whom I have had the pleasure of writing on these issues myself, made a very significant contribution to this volume, not just organizationally but also conceptually. I am deeply grateful to them both.

Such an endeavor would not have been possible without the foresight and dedication of the funders who have supported the Economic Agendas in Civil Wars Program throughout its highly successful and productive three years of existence. We at the International Peace Academy extend our deepest appreciation to the Canadian Department of Foreign Affairs, the Canadian International Development Agency, the Department for International Development of the United Kingdom, the government of Norway, the government of Sweden, the government of Switzerland, the

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Donors providing "core" untied funding to IPA play a critical role in support of IPA's institutional and intellectual capacity building. They are particularly crucial in allowing us to develop new ideas and to get new projects (such as the EACW Program and its successor program on the nexus between security and development policies in international relations) off the ground and available for funding by others. Individual IPA board members, the governments of Denmark, Norway, Sweden, and Switzerland, the Ford Foundation, the William and Flora Hewlett Foundation, and the Rockefeller Foundation stand out in this regard. We are deeply grateful to them. We are also grateful to Lynne Rienner and her colleagues for their professionalism and forbearance in seeing our various publications through the publication process.

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