

UNISMUNC XI



Committee: ECOFIN
Topic(s): Economic Development in
Post-Conflict Nations

Committee Type: GA

December 7, 2025



Smith, Kevin. "Economic Growth." PersonalFinanceLab, 8 June 2016, www.personalfinancelab.com/finance-knowledge/economics/economic-growth/.

Chair: Renee Sharapov

Dias: Mina Sios

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Conference Schedule

Registration 8:00 am - 9:00 am

Opening Ceremonies 9:00 am - 10:00 am

Committee Session I 10:00 am - 12:00 pm

Lunch Break I 12:00 pm - 1:15 pm

Lunch Break II 1:15 pm - 2:30 pm

Committee Session II 2:30 pm - 5:30 pm

Closing Ceremonies 5:30 pm - 6:30 pm

Conference Policies

UNISMUNC XI aims to foster debate, bringing students the opportunity to explore a range of topics and encourage collaboration and teamwork between delegates. Be that as it may, UNIS stresses the importance of respectful language as UNISMUNC XI will see delegates debating topics that, at times, may be heated or passionate. MUNEX encourages you to remember to stay respectful and mindful of the other students around you. We are so excited about this conference and trust that no issues will arise. The following expectations and policies are designed so that every delegate gets the most out of UNISMUNC.

Attire:

The Dress Code for UNISMUNC is formal Western business attire, and all delegates are expected to comply with this. Exceptions can be made for character purposes in crisis committees at the discretion of the chair. If you have an idea for an outfit for a crisis committee that does not fall into the parameters of traditional Western business attire, please ask your chair for permission before wearing the outfit.

Committee Assignments:

Committee assignments will be made on a first-come-first-served basis based on preference as communicated by the delegation's advisors (or individual delegates in the case of independent delegates), in order of receipt of preference. Before being assigned to a committee, payment must be received. If payment is not submitted in a timely manner, delegations face the risk of not receiving committee assignments of their choice.

Expectations in Committee:

As you engage in debates, we ask that delegates maintain politeness and respect at all times. While we recognize that you are representing your country's views, it is essential to express these perspectives without crossing the line into disrespectful or confrontational behavior.

Please respect one another when delegates are giving speeches. Only one delegate may speak at a time during moderated caucuses. To speak during a moderated caucus, you must raise your placard and wait to be recognized by the chair. During speeches, no ad hominem attacks will be allowed, should they occur, the subject will have the right to reply. Remember to be cognizant of your words and actions, and to listen to everyone's views and positions.

The Committee Chairs and Secretariat members are responsible for determining disruptive behavior.

Examples of disrespectful behavior may include but are not limited to:

- Speaking without being recognized,
- Use of cell phones,
- Note-passing unrelated to the committee,
- Use of technology when not allowed,
- Verbal, physical, or sexual harassment of other delegates.

The pre-writing of any resolution/directive clauses, crisis notes, or speeches is strictly forbidden and will be penalized. This does not include opening remarks. This does not include any writing during the lunch break, as UNISMUNC committees standardly operate with 'working lunches'.

UNISMUNC has a zero-tolerance policy for any plagiarism. This includes position papers, speeches, and resolutions. Improper citation of quotes and references may result in disqualification from awards or further disciplinary action at the discretion of the chairs.

Pricing:

Please see the registration section for more information. Details on committee assignments are below.

Spectators:

Please be aware that UNISMUNC XI does not allow unregistered spectators. Student spectators are strictly prohibited. All advisors and delegates must be registered and pay the required fee(s). Non-compliance with this policy will result in exclusion from future invitations. We expect all

participating delegations to respect this policy. The Secretariat reserves the right to have any unregistered spectators removed from committee chambers and escorted off of the premises if necessary, as they see fit.

Technology:

All crisis committees are strictly no-tech. Neither laptops nor cell phones will be permitted during committee sessions in crisis committees.

General Assembly (GA) committees allow technology exclusively for the purpose of resolution writing. Delegates will be permitted to use their laptops to work on resolutions during unmoderated caucuses and outside of the committee chamber when allowed by the chair. It is, however, not permitted to use technology when a fellow delegate is speaking or during committee chambers during moderated caucuses. This includes your own speeches, so please write any notes by hand or have your opening remarks printed before the conference.

Awards Criteria:

UNISMUNC Chairs, Diases, and, in the case of crisis committees, Crisis Directors will work together to holistically evaluate delegates based on their performance throughout the entire day of debate. This includes:

- speeches given during moderated caucuses,
- performance during unmoderated caucuses (not only making one's voice heard but also including everyone in the discussion),
- writing/presenting resolutions/directions, especially those that pass,
- in crisis committees, as well as the detail and sophistication of crisis arcs.

Letter From the Chair & Dias

Hello Delegates!

I'm so excited to welcome you all to UNISMUNC XI and to the 2025 Economic and Financial Committee. At UNIS MUNEX, we are eager to see every unique perspective each delegate will bring to this committee. As the UN School, our mission is to create a better world, and conferences such as these that stimulate diplomatic discussions, facilitate new ideas, and allow young leaders to resolve international issues bring us one step closer to our goal. As I welcome you to UNIS in December, I hope each and every one of you comes into UNISMUNC XI ready to delve into the fascinating world of the United Nations with a culturally diverse and diplomatic mindset.

To introduce myself, my name is Renee Sharapov, and I will be your chair for this year's ECOFIN General Assembly. At UNIS, I am currently a junior (T3) in the IB Diploma Program and the USG of the MUNEX Delegate Training Team. Since the fourth grade, UNIS has been a place for me to explore my unique Uzbek-American identity by providing me with a space to meet other internationally diverse students and take pride in my identity. With this mindset, I joined Model UN in my freshman year in hopes of using my leadership skills to address issues that not only affect my community but also individuals on a global scale. At UNIS, I've not only found these opportunities in Model UN but also in other groups, as I am a Student Council representative, the President of UNIS DFEC, the President of Russian Club, a team trainer on our Mock Trial Team, a Project Manager for the Helping Hearts Club, and a member of several other clubs.

When it comes to fun facts about myself, I am a competitive figure skater, I love playing volleyball, and I am fond of various humanities topics. I am especially passionate about Economics, as I feel it combines the best parts of international policy and analytical skills to form the framework of everyday life. I also enjoy staying updated on current events and reading up on politics or finance, so I'm always up for a good debate.

However, I couldn't have created this amazing committee without our dias, Mina Rios.

Mina is a junior (T3) at UNIS and grew up in Brooklyn. This is her 11th year as a UNIS student, and she is the Head of Logistic at the Pre-Med Club, a member of AFYA and Psychology, and plays on the Varsity Squash Team.

Mina's hobbies include tennis, watching movies, listening to music, shopping, and baking. This is Mina's first year diasing and she's super eager for what's to come!

We are both thrilled to meet all of you this upcoming December and are so excited to see the unique perspectives you bring to this conference. If you have any questions about the committee or want a food and activity recommendation, feel free to contact 27rsharapov@unis.org. See you all at UNISMUNC XI!

Sincerely,

Renee Sharapov

A Brief Overview of the Committee

As the United Nations works to promote the “economic and social advancement of all peoples,” ECOFIN plays a crucial role as a forum for member states to discuss issues surrounding economic growth and development (UN Charter). Chaired by His Excellency Muhammad Abdul Muhith of Bangladesh, ECOFIN addresses topics in relation to economic stability, which include but are not limited to global macroeconomic policy, sustainable development, globalization, and the eradication of poverty. Within the UN, the Economic and Financial Committee is regarded as the Second Committee of the General Assembly and was established through the signing of the UN charter in 1945. As the primary deliberative, policymaking and representative organ, the GA is the only UN body with universal participation as all 193 Member States of the UN are represented. Tasked with providing recommendations to states on international affairs, each Member State is given a single vote of equal weight, prioritizing global collaboration and cooperation within the General Assembly (United Nations).

As a space for discussion on economic and financial issues, the committee plays a key role in the General Assembly in aiding the 2030 Agenda for Sustainable Development. Since the first Rio Conference in 1992 addressing environmental and development issues, ECOFIN has continued to review and enhance the international debate on sustainable development by promoting the execution of the 2030 Agenda and the Rio+20 outcome document (Montiel). With these goals, ECOFIN has emphasized the need to encourage economic advancements while remaining environmentally conscious in its initiatives. Likewise, they have highlighted the importance of investments in training and education to increase employment and the delivery of aid to developing countries. Through this dispersion of knowledge and technology, the United Nations has placed an emphasis on eco-friendly investments to support the implementation of green economies (Nations).

During the most recent session of the General Assembly, the committee addressed issues in relation to economic growth and development, such as macroeconomic policy; financing for development; globalization and interdependence, poverty eradication; technologies for development, etc. Following the theme “Fostering resilience and growth in an uncertain world”,

speakers during the general debate section of the committee emphasized the non-linear growth of the global economy as the world endures severe geo-economic fragmentation and increasing debt. As the severity of such issues is only worsened by violent conflicts and the climate breakdown, delegates highlighted the importance of “poverty eradication, affordable development financing, climate mitigation and resilience, international financial system reform and higher quality education” to support the Sustainable Development Goals (“General Assembly Takes Action...”). Of the adopted draft proposals a key document addressing international conflict was “Permanent sovereignty of the Palestinian people in the Occupied Palestinian Territory...” (report A/79/445). This proposal recommended that Israel “cease the exploitation, damage, cause of loss or depletion and endangerment of natural resources in the Occupied Palestinian Territory” (“General Assembly Takes Action...”). Another crucial proposal addressing poverty reduction and promoting economic development was “Entrepreneurship for sustainable development” (report A/79/437). This document stressed the vital role that entrepreneurship holds in job creation, reducing inequalities, and increasing employment opportunities. Such adopted proposals serve as examples of the recommendations ECOFIN and the greater General Assembly create to foster economic growth and work towards achieving the Sustainable Development Goals.

Committee Procedure

Moderated Caucuses are structured discussions where delegates sign themselves up to give short, regulated speeches. The speaking time and topic of discussion are set when the motion is proposed, and delegates take turns to speak.

Unmoderated Caucuses are divided between a regular unmoderated caucus and a gentleman's unmoderated caucus where everybody remains seated. A regular unmod entails a period free of structured, regulated debate, where delegates can mill about the committee and work with their blocs.

Some actions that are carried over from the usual committee procedure:

- Point of Order
- Point of Information
- Appeal to the Chair
- Suspension of Debate
- Adjournment of Debate
- Closure of Debate
- Roll Call Vote
- Set the Speaker's Time

Written Papers

Resolutions: A piece of writing that outlines possible solutions to a problem and allows the committee to take action. Hopefully towards the end of the committee blocs will work together to write a resolution that can be debated and possibly passed.

Working Papers: The drafts of resolutions, i.e. resolutions before they are voted on by the committee – committee blocs work together to write these, brainstorming and fully outlining detailed solutions to the issues at hand. Then, they are voted on and formally become resolutions.

Position Papers: A written work consisting of background information that outlines a delegation's position on the topic(s) being discussed during the committee.

Papers are not required however, are heavily taken into consideration during awards

Please note all position papers and resolutions will be scanned for AI usage

Topic Background

Introduction to Economic Development

Economic development can be defined as “programs, policies, and activities that seek to improve the economic well-being and quality of life for a community by creating and retaining jobs and providing a stable tax base” (International Economic Development Council). Typically, governments seek to increase economic development through the creation of jobs, the support of innovation and entrepreneurship, the expansion of infrastructure, the improvement of education, etc. While there is no singular universally accepted measure of development, there are several indicators of an economy’s well-being that can be used by policymakers: GDP per capita, income per capita, literacy rates, life expectancy, infant mortality rates, mean years of schooling, Gini coefficients, etc (O. Krueger and Myint).

In the 21st century, indicators have shown that the world has increasingly divided into nations that are economically prosperous and peaceful and those that are poor and fragile. This division can be attributed to the presence of violence, which has trapped the poorest of nations in economic disparity. Undeveloped states often become victims of negative cycles of violence, economic instability, poverty, and fragility as conflicts often interact with a nation’s economy through a wide array of complex pathways: population reduction, destruction of infrastructure, disruption of the labor force and human capital, weakening of government institutions, political instability, and decreased investment. These direct effects of violence on economies will be explored further in the following sections.

The Economic Implications of Conflict

Infrastructure Destruction & Displacement

Violent conflicts often result in the destruction of critical infrastructure across nations, depriving residents of human rights and setting back economic development for decades. During wars, supporting infrastructure, including hospitals, schools, businesses, water treatment plants, and agricultural farms, is often damaged, increasing the scarcity of goods and services and the

vulnerability of livelihoods to market and supply disruptions. In a chain reaction, the detrimental consequences of infrastructure destruction can have lasting implications for a nation's economy, spanning from population displacement to rebuilding costs.

During conflicts, infrastructure loss, particularly in health and agricultural sectors, can have negative impacts on public health and people's livelihoods, causing massive displacement of populations. As civilians fall into dispersion, they place themselves at risk of sexual and gender-based violence, unemployment, and losing their support networks. Even after the conflict has been resolved, this displacement can become prolonged due to damage to homes as well as the possibility of unexploded and abandoned explosives in residential neighborhoods. Extended periods of such dispersion often result in humanitarian crises, with people facing challenges in accessing basic needs such as food, shelter, and healthcare.

Yet displacement does not only pose issues for the civilian population, but also for economies as a whole. Specifically, as a result of property destruction during the conflict, nations face the economic costs of repairing or replacing damaged infrastructure. These processes are extremely complex, requiring significant investment and planning in a time when a state is experiencing loss of economic productivity, reduced economic growth, and increased poverty. Likewise, this struggle to rebuild is further exacerbated by the presence of "brain drain," which occurs when a large number of highly trained or intelligent people from a particular country emigrate to new nations. When economies do not have the required skillsets to develop, run, and maintain infrastructure that is no longer available, they cannot fully rebuild infrastructure.

Education

As countries shift into peacetime, they place their focus on rebuilding infrastructure such as sanitation, roads, and running water, while education is often placed on the back burner. Yet, as nations ignore the importance of schooling, over 240 million children globally have had their education disrupted due to violent conflict (Global Citizen). During wars, educational institutions are frequently destroyed, ransacked, or attacked, leaving children with no access to education. These children who reside in conflict-ridden nations are 30% less likely to complete primary

school in comparison to those who live in peaceful countries. To combat these events, the international community has passed global humanitarian laws and rules of war that forbid attacks on schools and mandate militaries to reduce the impacts of violence on children. Despite these policies, violent attacks have continued to occur, with 535 verified attacks on schools in 2020. (Concern USA).

Of the impacted students, Concern's 2017 study on the effects of conflict in Syria finds that women and children are most vulnerable to the implications of war, especially in education. Specifically, girls often endure abuse, harassment, and forced marriage; events that have direct negative results on their schooling. In times of violent wars and crises, girls are 2.5 times more likely not to attend school than boys. Although girls face the greatest educational barriers, boys are not spared from the consequences of conflict. Boys who reside in violent areas often face the chance of being drafted or forcibly conscripted either into a national military or rebel organization, decreasing their probability of completing secondary education. Together, over 400 million girls and boys reside in a conflict zone, causing millions of children of both sexes to have their access to education barred (Global Citizen).

A reduction in education levels does not only directly impact youth, but it also has implications for a nation's economy as a whole. As the UN highlights through SDG 4, improving access to schooling is necessary to increase sustainable development. As an investment in human capital, improving education can decrease poverty levels while simultaneously stimulating economic growth. When individuals lack access to schooling, they lock themselves in a poverty trap. This trap can be described as an ongoing cycle of how poor health and education lean to poor human capital and productivity, which further results in low income. This loop is often generational and commonly occurs in nations where violence has been an ongoing issue for many years. Such high poverty rates have been linked to low economic development, as found by researcher Zhu Yu. Correspondingly, nations that have a greater percentage of their residents attending and completing school experienced faster economic growth in comparison with countries that have decreased education rates. When workers develop their capabilities and skills through education, they increase their earning potential and their value to an employer and to the economy as a whole. Countries with a greater portion of their population attending and

graduating from schools see faster economic growth than countries with less-educated workers due to the quality of their workforce (INVESTOPEDIA).

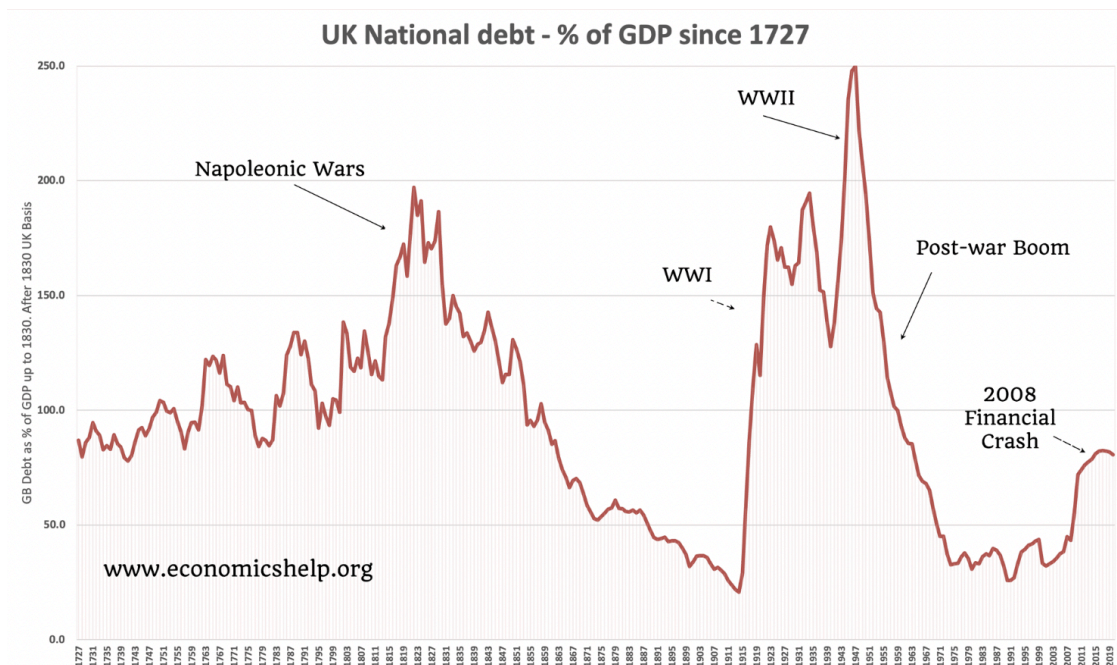
Monetary Impacts & Debt Accumulation

During periods of conflicts, economies are hurt financially in many ways spanning from increased inflation to debt accumulation. Conflicts often damage physical and human capital, disrupting existing social dynamics and causing states to divert funds away from activities that enhance output. As a result, governments resort to overspending and relying on international aid, placing them into extreme debt and deteriorating their economies (Yuting Fang et al.).

Frequently, post-war economies see high levels of inflation, which can result in losses of individual's savings as well as increased uncertainty in the nation's financial system. For instance, during the United States' Civil War, the Confederate side wasn't able to afford the financial cost of the war. As a result, they began printing excess money to pay soldiers' salaries, which decreased the value of their currency. Such levels of high inflation have the greatest impact on middle-income individuals as they experience a depletion of the value of their savings.

80 years later, during World War II, the United States once again saw an increase in inflation because the economy was working close to full capacity, high amounts of government spending, and a shortage of labor. During conflict, economies can face cost-push inflation, which causes businesses to increase their prices to remain profitable due to insufficient goods and services and increasing raw material prices. Especially if a country faces a large decline in its ability to produce goods, this event can result in hyperinflation, further causing governments to print money to support the lack of goods (Pettinger). One instance of this was after WW II, when Hungary faced the exorbitant rates of hyperinflation at 41.9 quadrillion percent. During the conflict, the National Bank of Hungary frequently printed excess money to cover a budget shortfall. As hyperinflation continued, production slowed down as much as 80% and prices of goods continued to increase (MacKinnon). Such inflation has implications for the economy as it depletes the value of fixed incomes and financial assets, and correspondingly reduces demand by decreasing consumption or investments due to income effects (Pettis).

As well as inflation, a positive correlation is seen between an increase in government military spending and public debt (Seiglie). This debt is often caused by increased borrowing by governments to fund military operations and to aid post-war recovery. For instance, over the course of the second world war, the United Kingdom spent about 7 billion pounds on fueling the war. Consequently, their national debt had risen from £760 million to £3500 million and was equal to about 250% of their Gross Domestic Product. (Solomon).



Pettinger, Tejvan. "Economic Impact of War ." Economics Help, 24 Feb. 2022, www.economicshelp.org/blog/2180/economics/economic-impact-of-war/.

However, after the conflict ends, countries must not only repay their debts but also finance interest payments, which can sometimes grow to a level greater than the original debt. Rising debt in an economy halts economic growth when it increases aggregate demand without equally increasing supply, and many post-war economies do not have the capacity to increase supply. Thus, uncertainty amongst the general population increases in terms of how debt will be distributed and which sector will be assigned to finance the cost. As a result, economic agents often change their behavior to protect themselves in ways that often hurt economic growth or increase financial instability. Eventually, the economy will employ a mix of these mechanisms,

including higher taxes, rising unemployment, wage suppression, financial repression, currency depreciation, capital flight, and worker unionization (Pettis).

Along with debt directly leading to potential financial crises, economies also face the opportunity costs of excessive military spending and debt repayments, which are other possible uses of public spending that have been forgotten to fight the war. For instance, such funding could have gone to increasing economic development, such as infrastructure improvements, educational investments, and environmental protection (Watson Institute).

Decrease in Investment:

The presence of conflict in a nation has a direct correlation to decreased investment. Such changes are influenced by the duration and distance of the conflict and can continue to take place after the end of the war. Specifically, researchers Kosuke Imai and Jeremy Weinstein have observed that when wars have an impact on about half of a nation's territory, the share of investment in GDP falls by over 4 percentage points. These changes can especially be costly to nations when they entail decreases in direct foreign investment, as these inputs serve as drivers for economic growth and domestic investments, by increasing the transfer of technological innovation to poorer countries. Yet, due to the direct relationship between conflict and politics, these investment reductions can actually be some of the most common (Pierpont).

Political risk, also defined as the potential negative impacts on the value of an investment caused by political events, is commonly experienced by foreign investors in conflict-affected states due to three key factors: damage to assets; a lack of inputs and human resources; and decreases in domestic demand corresponding to longer durations of impoverishment. Research conducted by Hannes Mueller deduces that the potential for a resurgence of violence can correspondingly affect expectations, asset prices, and investment, and also suggests that much of the economic repercussions of conflict comes from changes in expectations about future violence (Mueller and Tobias). Even the anticipation of conflict amongst a population can result in the wide-scale movement of large assets or money out of a country and a decreased personal savings rate, which is often linked to lower investment. In the event of widespread uncertainty regarding

the stability of a nation, an increase in interest rates often occurs, as well as a government deficit, which can further propel reduced investment levels (Humphreys).

Current Situation

In the modern world, society's view of economic development has experienced a shift from it being seen as an indicator of a state's wealth to a measure of the overall economic well being and quality of life within a nation. Yet, even though our view of economic development has advanced, the cycle of violent conflict globally depleting it has maintained its magnitude. To further analyze the historical and modern comparison of the impact of violence on economic development we use the case studies written below.

Case Study 1: Germany Post World War 2

After Germany's catastrophic defeat in World War 2, the nation was left in economic ruin, facing mass damage to infrastructure, extreme food shortages, and a collapsed currency. During the conflict, Adolf Hitler imposed price controls on Germany so the government could buy war materials at low prices. As a result, the German people faced severe inflation, characterized by dire shortages of essential goods such as food, water, energy, and housing, leading to a market with prices significantly higher than the legal limit (Scholar Commons).

After Germany's post-economic recovery, often called the "Wirtschaftswunder", or "economic miracle", was accomplished through two main factors, currency reform and the elimination of price controls (Econlib). The currency reform introduced the Deutsche Mark, giving value back to the currency and creating significant economic growth, with GDP recovering by the 1950s. In addition to this, the removal of price controls caused prices to rise in order to reflect market realities. With these reforms, shortages disappeared as goods became available again, and as the prices reflected market value, the black market, which flourished on inflated prices, quickly dwindled. Overall, these initiatives turned into a large success for the post-defeat nation, and its "economic miracle" is still regarded as one of the most successful post-war economic recoveries in history.

Case Study 2: Syria Post Civil War

Syria is currently in the early stages of economic recovery, as only in December of 2024 was the 14-year-long civil war ended. Oil and agriculture, sectors which Syria's economy heavily

relied on, were both significantly depleted by the war, fueling a GDP drop by more than 50% from 2010 to 2024 and a decrease in GNI per capita of \$830 in 2024. Likewise, any possible growth has been hindered by hyperinflation, making goods unaffordable for much of the population.

Such challenges faced by Syria's economy can be attributed to the widespread destruction and displacement that occurred during the war. The situation has, however, improved since then (Al Jazeera). Its economic sector has found a new propellant in the production of a synthetic drug called Captagon, and as Syria continues to rebuild its economy, the nation's GDP is predicted to grow by 1% in 2025 (World Bank). Although this improvement is not drastic, the growth has been steady and is expected to continue, and the recent improvements leave Syrians hopeful for the future of their country.

Case Study 3: Iraq Post Iraq War

The Iraq War was a prolonged conflict from 2003 to 2011, which began with the invasion by a United States-led coalition, which resulted in the overthrow of the Ba'athist government of Saddam Hussein. The war resulted in the rise of extremist groups like ISIS, further destabilizing Iraq by conducting bombings as well as attacks on civilians and infrastructure (The Washington Institute, George W. Bush Library).

Since then, Iraq has struggled to rebuild its economy as it continues to face external threats as well as the deterioration of oil production. Historically, Iraq's economy has been fueled primarily by oil. In fact, the International Monetary Fund estimates that oil production is around 90% of Iraq's revenue, and was 60% of the country's GDP in 2007. This reliance on oil has played a large role in rebuilding the economy, and in recent years, oil wealth has grown significantly. Yet, because of the shutdown of the pipeline between Iraq and Turkey and OPEC-mandated production cuts, the IMF expects it to decline in the future and warns that any dips in the budget could result in long-term issues (Al Jazeera). This potential risk has complicated efforts to stabilize the economy and ensure the safety of its citizens, resulting in an unpredictable situation for the Iraqi government.

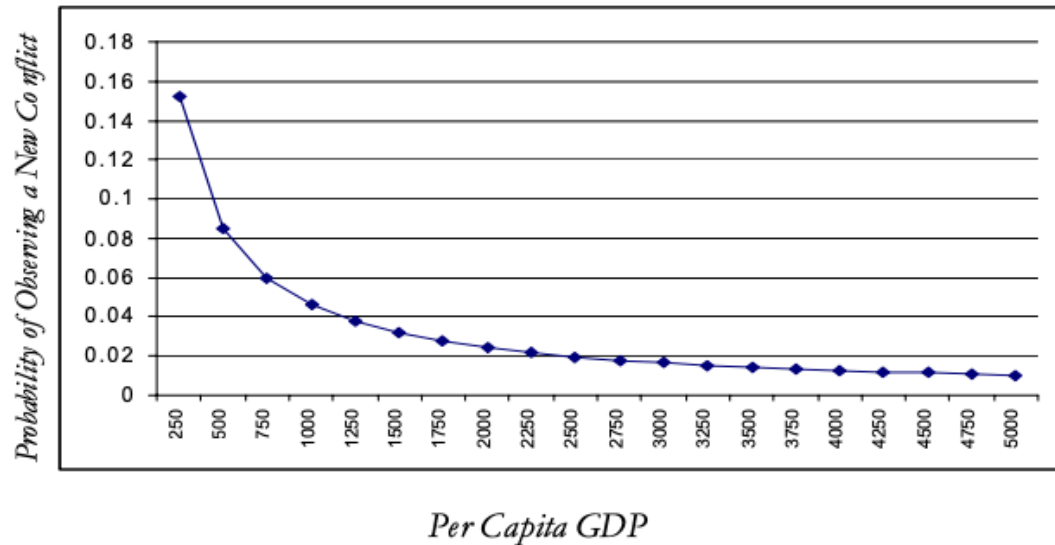
Case Study 4: Ukraine Post Ukraine-Russia War

Ukraine has been in an ongoing conflict with Russia since February 2014. Despite the war, the Ukrainian economy is doing relatively well. Russia's attack in 2022 reduced Ukraine's GDP by 29%, but in 2023 it recovered by 5.5%, and in 2024 by 3%. Despite this recent success, their economic position is set to worsen this year. Economic growth was measured at a mere 1.1% in May 2025, while inflation had risen to 15.9%. This large increase in inflation has been attributed to a shortage of labor driven by mass emigration and military mobilization (Atlantic Council) (RadioFreeEurope RadioLiberty). The labor crisis is not only fueling inflation but also contributing to declining productivity in key industries due to mass displacement. As the violence continues, millions of Ukrainians have been fleeing the country to find safety, causing businesses to be unable to operate at full capacity and mass unemployment. Despite Ukraine's economic stability in the past few years, without any drastic solutions, inflation will continue to rise, and the shortage of labor will continue to grow, potentially hindering long-term recovery from the war.

Current Solutions

Policies

Policymakers play key roles in war prevention, as the specific economic policies that states enact can directly influence the likelihood of conflict. Specifically, policies aimed at promoting economic growth can often reinforce conflict prevention initiatives. When implementing policies, research suggests that the most beneficial initiatives in terms of conflict prevention are those that promote development within extremely poor nations. According to Figure 1, a country with a GDP per person of \$250 has a predicted probability of war (at a time period during the next five years) of 15% while a nation with a GDP per person of \$2500 has a predicted probability of only 2%. These numbers can be explained by the assumption that wealthier nations are better equipped to protect their assets, thus decreasing the chance of violence from rebel groups.



Humphreys, Macartan. Economics and Violent Conflict. Feb. 2003. Figure 1

As exemplified by the graph, Political scientist Thomas Homer Dixon suggests that poverty is linked to violence in many forms. For instance, when groups migrate to a new territory over scarcity reasons, disputes over resources can occur between various identity groups. Yet, these conflicts can also have spillover effects into larger nations, which makes policies aimed towards increasing economic growth in less developed nations both in the interests of poorer and wealthier states.

However, it is important to consider how policy implementation has led to conflict just as much as it has prevented it. Political scientist William Reno, for instance, highlights how political leaders have deliberately undermined their nations' economies and governments in their own self-interest. When leaders weaken state institutions and harm infrastructure for production, the chance of rebellion may increase by decreasing the opportunity costs of violence.

Thus, the role of policy before, during, and after conflict must not only take the previously mentioned factors into account but also ensure that initiatives are crafted for the benefit of civilians and institutions instead of promoting further corruption (Humphreys).

Aid & Measures

In post-conflict states, relief agencies have sometimes caused more harm than good. When sending aid to priority areas, organizations have actually fueled wars by unintentionally giving material security or supplies to violent groups. The international community often resorts to economic tools to reduce violence in conflict zones, including sanctions and military aid. However, the efficacy of sanctions has been questioned due to the fact that they often harm civilians instead of policy makers. Military aid, often employed to influence policy makers, also has shown low rates of promoting peace within conflict hot-zones. While concerns over the efficacy of donor economic involvement in post-conflict states have been questioned, research evidence highlights that the positive impacts from aid on economic growth are high in nations facing wide-scale civil wars, specifically when social policies are the ones being prioritized (Humphreys).

The Roles of Technology and Innovation

In the age of technology and the artificial intelligence revolution, innovative strategies have become increasingly used by organizations to provide help and aid to conflict-affected regions. One of these tools is machine learning, which can be utilized to solve complex problems, such as supply chain management or resource allocation. For instance, increasing the rate of aid delivery of food and medical supplies in conflict-affected regions. Likewise, Biometrics can be utilized to provide humanitarian aid as well. For example, fingerprint scanners, DNA, or retinal scans can register displaced civilians and increase the efficiency of aid delivery. Such recognition tools can also help organizations to identify victims, help reunite displaced families, and give medical personnel the ability to quickly access medical records. In terms of delivering aid, autonomous/ remotely driven vehicles can access areas where communication is restricted, human personnel are inaccessible, or regions where affected communities are isolated. For instance, drones that have been used in Rwanda can provide medical supplies and blood to injured civilians. Finally, Satellite imagery can collect information relating to the location of where atrocities and war crimes were committed. This can allow the international community to augment party accountability, increase data verification, and document infrastructural damage.

Bloc Positions

North American Bloc

Through the 21st century, the North American continent has remained free of war; however, it has had involvement in external conflict. In the years from 1946 and 2023, the United States spent approximately \$51.4 billion every year on foreign aid. This included economic and development aid rebuilding Europe after the Second World War, humanitarian aid in Africa, and, recently, military and development aid to Afghanistan and Ukraine (Council on Foreign Relations).

The US economy itself has also benefited from the presence of conflict due to the mass-scale weapon industry, along with military contracts. If there was an absence in violent conflict between the years of 1970 and 2014, North America would have lost a predicted 0.9 trillion USD during that time frame (De Groot).

African Bloc

Many nations across the African continent have seen constant violent conflict. In West Africa, nations such as Burkina Faso, Mali, Niger, and Nigeria have seen several attacks committed by armed groups, made up of domestic and international forces, as well as local self-defence organizations. In Central Africa, extreme violence is occurring in the Democratic Republic of Congo as external and Congolese armed groups are caught in armed conflicts against the state.

In East Africa, 9 of 22 nations or territories took part in active conflict in 2021, with some facing ongoing and extreme escalations in armed violence. As a result, 33.8 million people have faced food insecurity, 9.6 million people have become internally displaced, and over 4.7 million have gained refugee status (Davis). As a result of these ongoing conflicts, the entire continent's ability to grow its industries and economy has been hindered.

Middle Eastern Bloc

In the last century, the Middle East has suffered extreme conflict, violence, political instability, foreign interference, and economic depletion. Yet, the region has seen large divisions as the oil-wealthy nations within the Gulf have become some of the most developed nations in the world, utilizing their wealth to advance sectors such as artificial intelligence, hydrogen fuel, solar energy, and athletic events. Nations outside of the Gulf region, however, have endured extreme levels of violence resulting in high unemployment and underemployment rates, minimal growth, corruption, and low investment (Grappo).

Latin American Bloc

In the last decade, Latin America has been characterized by political instability resulting in high rates of violence. Due to low investment, high debt, and a high instability, the Latin American and Caribbean regions combined have a predicted economic growth of 2.1% in 2025 and 2.4% in 2026, characterizing it as the slowest-growing region globally (“Economic Outlook | Latin America and the Caribbean October 2023”).

Throughout 2021, in Colombia, civilians were increasingly victims of explosive hazards, faced augmented restrictions on movements, and mass displacement. As a result of six domestic armed conflicts and other violence, civilians went missing, and health-care facilities were constantly under attack (“Latin America: Armed Violence, Conflict, ...”). Furthermore, in Brazil, there was an increase in estimated battle and conflict-related deaths in 2021. About 57 per cent of the 2020 battle-related deaths were correlated to violence between state forces and unidentified armed groups, or between police and political militias, while 42 per cent were related to inter-political militia violence (Davis and Caparini).

Asian Bloc

Since 2013, China has implemented a Belt and Road Initiative (BRI), which can be characterized as a development strategy that aims to create an infrastructure and trade network throughout Asia, the Middle East, Africa, and Europe. Chinese-owned businesses have expanded operations to regions containing an abundance of natural resources and new markets

for exports. They have increased investments in the hopes of increasing energy security, gaining access to minerals and agricultural resources, and new markets to increase Chinese economic growth. However, these regions in the world often faced fragility and conflict, which have caused China to become more present in states facing instability and conflict in the interest of their business ventures (Mariani).

European Bloc

The European Union has funded over 1,000 crisis response and conflict prevention projects globally over the last decade. These initiatives have helped nations' economies to recover after conflicts by reducing tensions, preventing further conflicts through mediation, implementing peace agreements, reintegrating affected civilians into society, and ensuring accountability (“Peace, Stability and Conflict Prevention”).

Although much of Europe has remained peaceful in the 21st century, the global economy has been shaken by Russia’s invasion of Ukraine. The war-torn nation has experienced economic distress along with the destruction of physical capital, displacement, and thousands of citizens have been killed or injured. These effects have also impacted the global economy, as international fuel and food shortages caused by the conflict have further increased post-pandemic inflation (Rogoff).

Questions to Consider

- In what ways do violent conflicts hinder economic development?
- What is the effect of foreign aid on post-conflict economic development?
- How can governments reduce economic ramifications during periods of conflict?
- How do the economic activities of international NGOs, corporations and benefactors aggravate war or promote peaceful resolution?
- How can innovation and artificial intelligence be incorporated into economic development initiatives?

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