TENTATIVE CONCEPT NOTE

Illicit Economies: Money Flows in the Sudan and South Sudan Conflict

Friday 23rd October 2026, Bahir Dar, Ethiopia

Background

The commodification of violence is a long-standing phenomenon in human history. This commodification takes two forms. The first is the direct form, and the other is the indirect form. In its direct form, violence is sold as a profit-yielding commodity. In its indirect form, violence creates a space for economic exchanges that violate society's laws or morality. Sudan and South Sudan are currently experiencing both. The former fuels the war, while the latter constitutes a significant reason why the war is sustained.

According to a research paper titled Gold and the war in Sudan: How regional solutions can support an end to conflict, published by the Royal Institute of International Affairs, also known as Chatham House, and authored in March 2025, "Gold has remained a subject of intense competition … [and] sustains and shapes the conflict in Sudan". Within this context, the publication presents evidence and argues the critical role the gold trade plays in the conflict dynamics. The publication demonstrates how both direct and indirect forms of commodification play out in the conflict in Sudan. While Gold remains the most significant source of income for the main belligerents and armed groups, other geopolitical actors benefit from the trade as the money flows, funds and sustains the conflict supply chain. Indubitably, illicit gold trade contributes significantly to the conflict. Rough estimates from multiple sources from 2024 (latest available information) suggest that the money flows from illicit gold trade alone account for over 400 million USD in the Sudanese conflict.

In South Sudan, Cattle raiding, taxation, and trading, oil, and charcoal form a major part of the illicit economy tied to violence. Oil accounts for the largest chunk. In a 2026 publication by Afritopic titled South Sudan's Contemporary Economic and Political Status, the author presents evidence and argues that South Sudan "embodies the fundamental tension between extractive wealth and state-building failure…" Money flows from illicit trades fuel militarised patronage, a situation where security actors serve as economic agents, and defines the political economy of the conflict in South Sudan. There is a huge data gap on the monetary estimate of how much illicit trade in the above regard accounts for.

The situations at the micro-, meso-, and macro levels are perpetrated and advanced through the dynamics among costs, resources, and choice. In this regard, three fundamental questions emerge. The first question is: what does violence cost, and what does it offer in return to conflict actors? The second question is: what resources do violent actors stand to gain, in comparison with what they are willing to part with in the process of violence? The third question is: why should peace be the preferred choice?

These questions have gradually become questions institutions and coalitions with the mandate to resolve both conflicts must now confront and respond to, beyond traditional approaches to mediation, where the appeal is often about normative ideals. The machinery of violence is largely driven by rationality, in which violence is more financially profitable than peace for multiple actors, as impasses and the further protraction of the conflict seemingly look more likely.

Against this backdrop, this side event interrogates the illicit economies within the context of the Sudan and South Sudan conflicts, specifically focusing on the money flows and profitability of violence and peace. Overall, it seeks to explore lessons and tools that may be useful to enhance the viability of peace in both contexts.

Objectives

The event will:

a. Examine how illicit money flows and conflict economies shape the incentives of armed and political actors in Sudan and South Sudan.
b. Identify policy and mediation entry points for disrupting illicit economies that fuel conflict while minimising harm to civilian livelihoods.
c. Explore how peace processes can be reframed to make peace more economically viable than continued violence.
d. Distil lessons for other conflict contexts in Africa.

Expected Outputs

a. A shared understanding of how illicit money flows shape conflict incentives in Sudan and South Sudan.
b. A set of practical policy and mediation entry points for disrupting conflict economies, including insights, suggestions, and recommendations on the role of other African countries in this regard.
c. Recommendations for integrating economic sovereignty into peace processes.
d. Lessons and strategic reflections applicable to other African conflict contexts.

Format

The round table will take the form of an interactive panel featuring experts on the Sudan conflict, the South Sudan conflict, illicit economies in conflict contexts, and Africa's economic history to draw lessons. Key political actors will be engaged as front-row discussants.

Duration

2 hours

Language

English