Mark Taylor, of Forskningsstiftelsen Fafo, a Norwegian research institute, began the discussion with a description of some of the preliminary findings of recent research on economies that help sustain conflict. The emerging conclusions are that economies of armed conflict are linked to the darker side of globalization. All the technologies and capabilities of globalization are being used by warlords and terrorists. They are using global markets to sustain themselves. There is a growing sense that economies that help sustain armed conflicts are unacceptable. This poses a problem for Third World countries and transnational corporations where "conflict commodities," such as diamonds and timber, are produced and brought to market by:

- anarchic exploitation – this blurs the line between licit and illicit activity, undermines sovereignty, and is the result of armed conflict;
- criminalized transactions – when criminal networks become part of the production chain (theft, fraud and laundering); and
- militarized production: Involvement of governments involved in extraction of resources (direct) or indirectly.

These present dangers of risk for transnational corporations when operating in "dark markets." One notion looked at is "rogue companies" who operate illicitly, often connected with warring parties. They are increasingly coming to the attention of the UN, but the label is a danger for legitimate transnational businesses. 'Black market' defines illegal transactions; 'grey market' defines the mixing of licit and illicit goods; and 'red market' defines legally or illegally produced goods that are traded on the legitimate but unregulated global markets. The implications of the merging of business and conflict are obvious for peace and human security, but they it is also a real threat to the sovereignty of nations and a big problem for democratic and transparent governments.

Dev Sharma, of CARE Canada, focused on water resource conflicts, at both the micro and macro levels. Challenges include water scarcity, lack of accessibility, deteriorating quality, fracturing of management, fracturing of monetary resources, lack of awareness by policymakers, access and equity. Water shortages are evolving: by the year 2000 there were 26 countries with water shortages and by 2050 there will be an estimated 66 countries with water shortages. Population in water stress areas is growing. By 2025, 66% of Africa's population will live in areas of water stress. Between 5 to10 million deaths a year are attributed to a lack of clean water. There is environmentally induced scarcity, which tends to lead to inter-communal and intra-ethnic conflicts. Migration in search of water is growing. Key issues include the link between poverty and water, and the link between water and food security. Other key issues include the link between water and health, issues of governance and the lack of political will, water privatization, water, gender and traditional rights. Management strategies should be driven by securing access, equity and affordability; integrated water management; community empowerment and governance. Water security in the 21st century depends on the empowerment of people and the eradication of poverty, Sharma noted.

David Viveash, of the Department of Foreign Affairs and International Trade, discussed the Kimberley Process on conflict diamonds and how that process might be applicable to other conflict resources. The Kimberley Process began in May 2000, in Kimberley, South Africa on the initiative of southern African diamond producing countries and in response to pressure from the NGO community (especially Partnership Africa Canada and Global Witness), the UN, the