

# Simulation Manual

## *Tether Collapse & Remittance Crisis in Vietnam*

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## 1. Overview

This simulation places you in the middle of a financial and humanitarian crisis sparked by the collapse of the world's most widely used stablecoin, Tether (USDT). The focus is Vietnam, a country where millions rely on remittances—many of which are now routed through digital currencies like Tether.

The goal of this simulation is not just to understand what happens when a digital currency fails, but to explore how that failure affects governments, citizens, global markets, and aid institutions. As a participant, you will take on a specific role and navigate a high-stakes scenario in which each decision you make carries real consequences for financial stability, human security, and international cooperation.

### Learning Objectives

- Understand the economic and social impact of digital financial systems, especially in developing countries.
- Experience the pressure of making time-sensitive, high-impact decisions with incomplete information.
- Develop skills in negotiation, critical thinking, ethical reasoning, and cross-disciplinary collaboration.

## 2. Roles and Responsibilities

Each participant in this simulation takes on a specific role. Every role comes with different incentives, responsibilities, and blind spots. The goal is not to “win,” but to contribute to a more informed and realistic crisis response based on your role's objectives.

### **Vietnamese Central Bank Representative**

You represent national monetary policy. You are responsible for keeping the economy stable and reassuring the public. In the face of a liquidity freeze, you must act quickly and defend long-term interests without creating further panic.

### **Remittance NGO Officer**

You represent the interests of citizens, particularly those who rely on remittances. Your organization is under pressure from families who cannot access money sent by relatives abroad. You must advocate for immediate relief and ensure policy responses prioritize those most affected.

### **IMF Strategy Specialist**

You work with the International Monetary Fund. Your focus is on international financial stability and responsible lending. You can offer assistance to Vietnam, but only under conditions that safeguard global fiscal health.

### **Binance Policy Executive**

You represent a major crypto exchange. You must navigate between government regulation, user protection, and reputational risk. You're under scrutiny and must respond to both global pressure and customer panic.

### **ICC Strategy Analyst (Facilitator Role)**

This is the role of the facilitator or simulation controller. You guide the simulation by introducing new developments, known as “injects,” and helping participants stay on track. Your role is to escalate or shift events at key points to mirror the unfolding crisis.

Each participant will receive a briefing sheet with their role’s specific motivations, options, and constraints.

## **3. Simulation Timeline and Structure**

This simulation is designed to unfold across five structured phases, each corresponding to a key stage in the financial and humanitarian crisis caused by the collapse of Tether (USDT). The simulation moves in chronological order, starting just before the crash and continuing into the recovery and policy reform period.

Each phase lasts approximately 20–30 minutes of real time (adjustable based on facilitator preference) and represents a compressed time window of days in the simulation world. At the start of each phase, the facilitator provides an update on the situation, including new developments or “injects” (such as media reports or stakeholder actions) that change the conditions on the ground.

The timeline gives participants a sense of momentum and pressure. Decisions must be made quickly, with limited information and under uncertainty—just like in real-world crisis situations.

### **Phase 1: Pre-Crash Phase**

**Simulated Date:** April 25, 2025

**Real-Time Duration:** ~25 minutes

**Theme:** Warning signs and risk awareness

This is the calm before the storm. Participants are given early intelligence reports, financial market headlines, and regulatory memos suggesting growing instability around Tether.

The Central Bank may begin assessing exposure to USDT, NGOs may notice slowdowns in money arrivals, and the IMF might issue vague guidance about stablecoin volatility. Crypto exchanges begin issuing notices but have not yet halted any trades.

Participants must ask: *Is this noise or is it something bigger?*

If they act preemptively, they may gain an advantage later. If they wait, they risk being caught off guard.

### **Key Activities:**

- Stakeholders review background information and role briefs
- Initial stakeholder meetings or internal strategy sessions
- Early risk assessments and preliminary contingency planning

## **Phase 2: Collapse Phase**

**Simulated Date:** April 27, 2025

**Real-Time Duration:** ~30 minutes

**Theme:** Sudden collapse and immediate damage control

The crisis hits. News breaks that Tether has been exploited, and its reserves are no longer sufficient to maintain the 1:1 peg. The value of USDT plunges overnight. Billions in transactions are frozen globally.

In Vietnam, remittance platforms relying on USDT are forced offline. Families expecting money from abroad are unable to access it. Financial panic begins to surface at both household and institutional levels.

Participants must quickly react to prevent further destabilization. This is a test of communication, coordination, and resilience.

### **Key Activities:**

- Public communication strategies are launched (press briefings, social media updates)
- Emergency meetings are called between stakeholders
- Teams issue their first set of crisis policies or interventions

## **Phase 3: Local Fallout and Social Unrest**

**Simulated Date:** April 28–29, 2025

**Real-Time Duration:** ~30 minutes

**Theme:** Escalating human impact and civil pressure

With no clear solution in sight, public anger grows. Long lines form at mobile money agents. Local protests are organized. Citizens blame both the government and remittance companies. NGOs are overwhelmed.

The media begins aggressively covering the story. International observers raise concerns about growing social instability.

This phase is designed to push participants to respond to humanitarian needs while balancing institutional limitations. Policy proposals made here will shape how citizens remember the response.

**Key Activities:**

- Rapid response proposals (cash infusions, temporary remittance workarounds)
- Civil society engagement
- Coordination between NGOs, government officials, and foreign observers

**Phase 4: Global Coordination and Negotiation**

**Simulated Date:** April 30 – May 2, 2025

**Real-Time Duration:** ~35 minutes

**Theme:** Cross-border diplomacy and institutional bargaining

Vietnam officially requests emergency assistance from the IMF. The international community weighs in. Binance and other exchanges begin rolling out restrictive measures to limit contagion, while regulators propose short-term frameworks to bring order.

There is now a window for recovery—but it depends on what deals can be struck. Should Vietnam accept IMF loans with reform conditions? Can Binance justify its transfer freezes? Are NGOs and civil groups represented in the final plan?

Participants must negotiate, debate, and document their final position on how the crisis should be resolved.

**Key Activities:**

- Multilateral negotiation sessions
- Presentation of aid requests, terms, or bailout packages
- Cross-stakeholder alignment or clashes on long-term goals

**Phase 5: Recovery and Reform**

**Simulated Date:** May 3 – May 5, 2025

**Real-Time Duration:** ~30 minutes

**Theme:** Future planning, reconstruction, and accountability

The acute phase of the crisis has passed, but its impact lingers. Families are still recovering, institutions have lost public trust, and digital financial systems need rethinking.

This phase invites participants to focus on the long-term: What policies should be introduced to avoid future dependence on unregulated stablecoins? Is a Central Bank Digital Currency the answer? What kind of international oversight might be needed?

Participants reflect on what went wrong, what went right, and what safeguards should be implemented next.

#### **Key Activities:**

- Draft and present final reform proposals or recovery strategies
- Deliver closing briefings and policy summaries
- Engage in group debrief and reflection

## **4. Facilitator Instructions**

If you are facilitating the simulation, your goal is to manage the pace of play and ensure that participants have a dynamic, realistic, and educational experience.

#### **Before the simulation begins:**

- Assign roles and send participants their briefings at least 24 hours in advance.
- Review the simulation map and event timeline.
- Prepare injects (news articles, statements, social media posts) for each phase.
- Ensure all participants can access the simulation materials (website, timeline, map, role descriptions).

#### **During the simulation:**

- Start each phase with a brief scenario overview.
- Distribute injects at pre-set points to shift the direction of events.
- Moderate interactions and encourage in-character dialogue.
- Resolve questions and redirect off-topic conversation back into the scenario.
- Maintain time discipline for each phase (usually 20–30 minutes).

#### **After the simulation:**

- Lead a debrief session where each participant reflects on their decisions and outcomes.
- Discuss the trade-offs and ethical dilemmas that emerged.
- Optionally assign short written reflections or team summary memos.

## 5. Evaluation Criteria

Participants are evaluated not on whether they “win,” but on the depth, clarity, and realism of their engagement.

### **Strategic Thinking**

Did the participant make decisions that showed awareness of the broader system and not just short-term gain?

### **Adaptability**

How well did the participant adjust to new information and changing conditions?

### **Ethical Consideration**

Were proposed policies or actions fair and well-justified, even when they required tough trade-offs?

### **Collaboration**

Did the participant work well with others — even those with conflicting objectives — to seek consensus or manage disagreement?

### **Impact and Communication**

Were the participant’s ideas clearly articulated, and did they contribute meaningfully to the simulation’s outcomes?

## 6. Frequently Asked Questions (FAQs)

### **Q: What if a participant doesn’t fully understand their role?**

**A:** That’s perfectly normal at first. Each role has a learning curve. Encourage participants to ask clarifying questions early and lean into the role’s general objectives. Facilitators can offer light hints to help them find their footing, especially in Phase 1.

### **Q: Can a participant go “off script” and act out of character?**

**A:** Creative interpretations are encouraged, but actions should remain within the general motivation of the role. If someone starts playing as a journalist while assigned as a banker, for example, the facilitator should step in to redirect. The goal is role-based realism, not improvisational theater.

### **Q: What if two roles completely disagree and the session stalls?**

**A:** Conflict is expected—and even encouraged—as part of the decision-making experience. However, if a deadlock persists, the facilitator may inject an external pressure (e.g., international deadline, media leak, new regulation) to force progress.

**Q: Is it okay to bring in real-world examples or data?**

**A:** Absolutely. Participants are encouraged to draw from real news, IMF practices, crypto trends, or remittance data to make their arguments stronger. Just make sure it's used to support your character's objectives, not to override them.

**Q: How are decisions communicated or logged?**

**A:** This depends on your simulation format. In digital sessions, you might use shared Google Docs or breakout groups. In in-person sessions, decisions can be written on a whiteboard or summarized by each group at the end of a phase.

**Q: What if a participant is quiet or disengaged?**

**A:** Some roles may naturally be more reactive than proactive. Facilitators can gently prompt quiet participants with tailored injects or direct questions (e.g., "What would the IMF say to that proposal?") to re-engage them without putting them on the spot.

**Q: What should we do if someone takes over the conversation?**

**A:** This is a group learning environment, not a debate competition. Facilitators should monitor team dynamics and remind groups that decisions should reflect collaboration. If necessary, redirect or split the group briefly to allow quieter voices to contribute.

**Q: Can a team switch strategy mid-way?**

**A:** Yes—as long as they can justify it based on new developments or injects. Adaptability is a valuable skill, and course corrections are realistic. However, wild swings without rationale may lower a team's evaluation score.

**Q: Are participants allowed to form secret deals or alliances?**

**A:** Yes, informal negotiations are allowed—and can add realism. However, all final proposals or outcomes should be shared transparently with the larger group or facilitator.

**Q: What if a participant disagrees with the ethical direction of their role?**

**A:** That's a teachable moment. They're encouraged to voice that tension—either in character ("This goes against our mission") or during the debrief. The goal isn't to agree with every policy, but to understand why real-world actors might make difficult choices.