

FORUM: Economic Committee

ISSUE OF: Improving telecommunications in rural areas as a means of faster economic development.

STUDENT OFFICER: Gian Clerici

POSITION: Chair of the Economic Committee

“Agriculture is increasingly becoming more knowledge-intensive. Having access to timely, accurate information that is tailored to specific locations and conditions is critical in helping farmers make the most of their resources in often changing circumstances.”

- Food and Agriculture Organization of the United Nations

Introduction

In a world where information on all topics imaginable abounds, a means of efficiently tapping into its flows is essential for the prosperity of the individual, a family, a company, and a country. The telegraph, the telephone, the radio and now the internet are the most powerful examples of how modern technology has allowed unprecedented levels of connection around the globe, with a journalist in Libya being able to relay events and photographs to a news outlet based in the United States in a matter of seconds. Telecommunication development has rendered distance meaningless when it comes to relaying information.

Nowadays, global markets are regulated through the internet: people investigate a company and the current global climate to buy or sell shares, to start businesses, to find the best market to sell produce, to find the optimal time to travel. Information becomes power by directly correlating to net gain in the markets. Countries or areas deemed as “information poor” or “information rich” show the expected results: more information will mean more economic and social development, and vice-versa. Yet, despite the positive effects associated with the improvement of availability of Information and Communication Technology (Henceforth to be referred to as ICTs), many areas remain in communicative dark zones, with governments either unwilling or unable to provide the necessary resources or economic incentives for ICT development. Rural areas, in particular, have proved to be amongst the most informationally isolated, and yet they stand to gain much by achieving entry into the global network. Lack of ICTs has, in most cases, increased the gap between rural and urban communities by hindering rural producers who must work

with little communication to their markets. It has widened the difference between educational levels, and has hurt the population in general through the increased relative isolation of their communities.

The United Nations Development Programme (UNDP) has identified ICTs as one of the most important drivers for human development in compliance with the Sustainable Development Goals (SDG's). Delegates should pay special attention to how the SDGs can be more readily achieved through the implementation of ICTs in rural areas. Henceforth the specific economic advantages linked to telecommunication availability will be discussed.

Definition of Key Terms

Telecommunications

Communication over a distance by cable, telegraph, telephone, or broadcasting. Telecommunication occurs when the exchange of information between communication participants includes the use of technology.

ICT

Information and Communication Technology. ICT is a broad term used to refer to any digital technology that assists the transmitting of information. The most prevalent examples of ICTs are the Internet, Radio, Television and telephone service.

Economic Development

Economic Development can be understood as the process through which a “nation improves the economic (...) well-being of its people”¹. Examples of economic development are: job growth, nominal income rise, technological innovation, etc.

E - Agriculture

The term E- agriculture refers to the use of ICTs to improve agricultural processes. “E-agriculture is seen as an emerging field focusing on the enhancement of agricultural and

¹ O'Sullivan, A. and Sheffrin, S. M. (2003). Economics: Principles in Action. Pearson Prentice Hall, Upper Saddle River, New Jersey.

rural development through improved information and communication”² It seeks to find new ways of implementing ICTs to national agriculture policies.

Background Information

Since telecommunications can be understood as any form of distance communications via the use of technology, what is defined as telecommunication is dependent on what is considered technology at a given time. Its earliest forms included carrier pigeons, signal fires and horn-blowing. Since then, technology has evolved considerably, notably with the invention of the electrical telegraph in 1837. The Radio soon followed, connecting Canada and distant England together in 1901, followed by the television, and the internet in the mid 20th century. Telecommunication development meant that corners of the world that seemed intractably distant were now a phone call away. The internet globalized markets, allowing for farmers in Africa to follow the final price of their produce in Europe, as well as for the



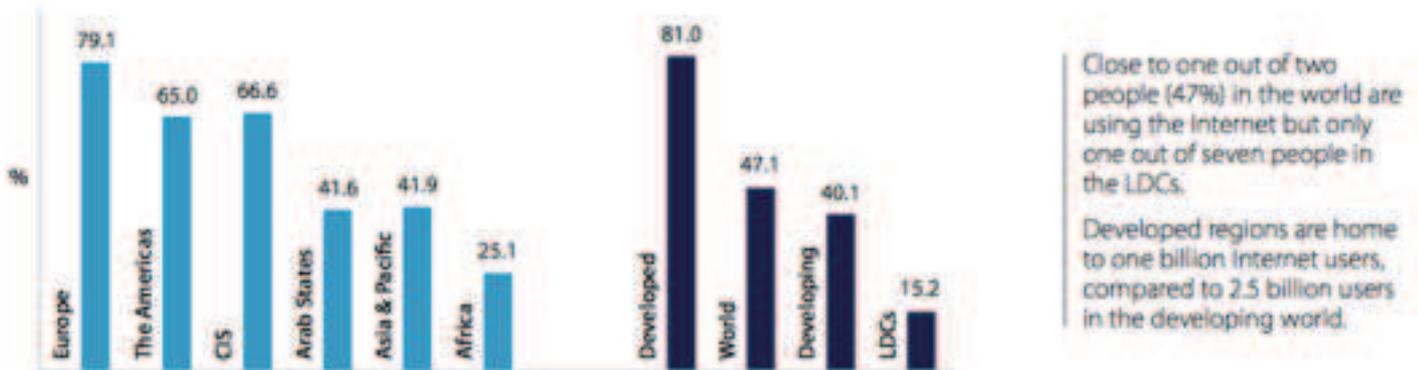
creation of vast supply chains that spanned the globe.

² E-AGRICULTURE STRATEGY GUIDE Piloted in Asia-Pacific countries (2016) <http://www.fao.org/3/a-i5564e.pdf>

However, ICT propagation is far from global. While More Economically Developed Countries (MEDCs) enjoy a very high internet penetration, with an 81% of the population using internet, this number falls to 40.1% in the developing world and drops further to

THE DIGITAL DIVIDE IN 2016

Percentage of individuals using the Internet



15.2% in Low-Economically Developed Countries (LEDCs), according to estimates provided by the International Telecommunication Organization (ITU).

These figures notwithstanding, most Internet and telephone users are concentrated in urban areas. Rural areas have a much lower ICT availability. This has brought a number of problems, including but not limited to:

- Complications in produce movement due to lack of effective communication with buyers or distributors.
- Knowledge asymmetry between buyers and sellers, allowing for exploitation by manipulation of prices, quantity of available goods and number of available markets.
- Lack of rapid emergency response to rural areas concerning anything from medical assistance to disaster relief.
- Reduced efficiency for rural producers due to lack of information on market fluctuations.
- Increased difficulty of accessing free and valuable educational material for isolated communities, increasing educational disparities and therefore contributing to worldwide inequality.
- Impossibility of acquiring new innovations in the agricultural landscape, thus once again widening the gap between rural and urban communities.

Major Countries and Organisations Involved

Food and Agriculture Organization of the United Nations (FAO)

The FAO is a UN subsidiary organ whose mission is “*to make sure people have regular access to enough high-quality food to lead active, healthy lives*”. It has three main goals: the elimination of hunger, the elimination of poverty, and the sustainable use of natural resources. The FAO seeks to help nations struggling with food security and malnutrition by cooperating with local and international organisations to develop better agricultural techniques and by donating to local stakeholders. The FAO It is one of the main proponents of E-Agriculture as an efficient driver of rural development.

World Bank

The World Bank has repeatedly cooperated with the FAO to help countries combat food insecurities by providing loans in order to acquire the resources to satisfy basic necessities and create safety nets in case of future crises. It is one of the main collaborators to agricultural development and can be expected to provide assistance to prudent ICT development projects.

International Telecommunication Union (ITU)

The ITU is a UN specialized agency concerned with international cooperation regarding ICTs. In it’s own words, it works to: “bring the benefits of modern communication technologies to people everywhere in an efficient, safe, easy and affordable manner”. It has worked in cooperation with the FAO and the World Bank to provide global ICT coverage and continues to do so.

United Nations Development Programme (UNDP)

The UNDP is a subsidiary UN organ that works to promote sustainable development, democratic peace building, and equality around the world. It aids developing nations to deal with their many challenges and has worked with other UN bodies such as the FAO and the ITU to bring about better ICT availability in Low-Economically Developed Countries (LEDCs)

Organization for Economic Cooperation and Development (OECD)

The OECD’s mission is “to promote policies that will improve the economic and social well-being of people around the world.” To that end, it provides forums in which nations can convene and discuss the best way to address developing issues. It seeks to provide advice to governments in order to produce efficient policies that help the well being of their people.

Timeline of Events

Date	Event
1875	The International Telegraph conference is held in Paris, and the ITU is born as a result.
1876	Alexander Graham Bell patents the first telephone
1945	The Food and Agriculture Organization of the United Nations (FAO) is founded.
1947	The ITU becomes a specialized UN agency
1990	Modern Internet begins to form from precursors such as ARPANET
2000	The Millennium Development Goals are proclaimed by the United Nations.
2003	The World Summit on the Information Society (WSIS) is held for the first time in Geneva
2005	A second edition of the WSIS is held in Tunis
2012	International Telecommunication Regulations are discussed in the World Conference on International Telecommunications (WCIT), held in Dubai.
2015	The UN releases its Sustainable Development Goals (SDGs) which state the objectives to be achieved by 2030
2016	The FAO releases its E-Agriculture Strategy Guide following studies in the Asia-Pacific region.

June 2017

Latest WSIS Summit is held Geneva

Relevant UN treaties and Events

There has been a large number of documents published on the issue of telecommunications as a resource for development by the UN. Below, some of the more important ones are shown.

The Millennium Development Goals (A/RES/55/2) were adopted by the UN General Assembly on the 18th of September 2000. They are eight goals to be achieved by the global community by 2015. Most relevant to this issue is Goal 8, Target 18 Which states : Target 18. “In cooperation with the private sector, make available the benefits of new technologies, especially information and communications technologies”. They have since been replaced with the Sustainable Development Goals. <http://www.un.org/millenniumgoals/>, and <http://www.un.org/millennium/declaration/ares552e.pdf>.

The UN General Assembly passed passed Resolution (A/RES/56/183), establishing the World Summit on the Information Society, “Recognizing the urgent need to harness the potential of knowledge and technology for promoting the goals of the United Nations Millennium Declaration”. This was based on an earlier recommendation by the ITU. <http://www.un-documents.net/a56r183.htm>.

The UNDP released a major report in 2012 concerning "The Importance of ICTs in the Provision of Information for Improving Agricultural Productivity and Rural Incomes in Africa” It is a most useful document that contains pertinent observations on the effects of ICTs on rural development. <http://www.africa.undp.org/content/rba/en/home/library/working-papers/icts-provision-information.html>

The UN General Assembly adopted the Sustainable Development Goals (A/RES/70/1) on the 25th of September 2015. They consist of 17 broad goals to be achieved by the global

community by 2030, with 169 internal targets. Goal 9c, specifically targets ICTs:

“significantly increase access to ICT and strive to provide universal and affordable access to Internet in the LDCs (least-developed countries) by 2020”.

<http://www.undp.org/content/undp/en/home/sustainable-development-goals.html>

The FAO and the ITU co-published an extensive report in 2016 (Piloted in Asia-Pacific countries) labeled E- Agriculture Strategy Guide. In it are also cited many prior FAO and World Bank reports on ICTs and Agriculture. It stresses the importance of the establishment of a national E-Agriculture strategy to aid development, and provides many useful recommendations for all nations wishing to improve their use of ICTs in agriculture.

<http://www.fao.org/3/a-i5564e.pdf>

Previous Attempts to Solve the Issue

Rural areas continue to be the most underdeveloped zones in the world. Due to ICTs many contributions towards economic and social development, there have been various attempts in the past to widen their availability.

The International Telegraph Union was inducted into the recently-formed UN in 1947, its name changed to International Telecommunications Union. Further work on global telecommunication availability was discussed in 1998 in what was known as the ITU Plenipotentiary Conference. In it, the cooperation of the private sector with the ITU was highlighted as the next step in global telecommunication development.

The other major outcome of the 1988 Plenipotentiary Conference was to hold a World Summit on Information Society (WSIS), to forward debate on worldwide telecommunications issues. The initiative was later taken up by the UN General Assembly, which passed a resolution ratifying the world’s will to hold these summits.

The Geneva and Tunis WSIS world summits (held in 2003 and 2005 respectively) set up an action chain on the implementation of ICT policies; Geneva set about establishing standards for the successful development of an ICT intensive-society.

The action lines of the Geneva Summit were:

- Establishing E-strategies on a national level

- Connect ICT stakeholders through public and private partnerships aimed at creating a more effective Information Society.
- Review the involvement of stakeholders to provide ICT access to indigenous peoples.
- The publishing of relevant documents and reports by any and all stakeholders regarding successful ICT implementation.
- Encourage private and government investment in ICT development initiatives.

The Tunis Summit followed up on the Geneva Summit's recommendations and noted the many achievements of the global community since then. It also outlined several issues that had not been paid enough attention to and required more finance, namely:

- The provision of materials and training required for ICT development.
- Lack of ICT access in isolated rural areas and island states.
- ICT content and strategies focused on the elimination of widespread poverty.
- Coordinated assistance between countries to provide ICT coverage for LEDCs and small Island States.

The Tunis Summit further recommended:

- Reducing International cost of Internet to facilitate access.
- Increased cooperation between governmental bodies and private firms to soften investment risks and providing lax policies.
- Establishing debt relief mechanisms to ease the strain on LEDCs and developing countries .

A third WSIS is currently being held in Geneva, to accommodate ICT development strategies to the new UN SDGs. In its own words, the new WSIS Summit served to help create “a global multi-stakeholder platform facilitating the implementation of the WSIS Action Lines for advancing sustainable development.”

It's goal is to connect thousands of experts in the field of ICTs from over 150 different countries. It is being attended by “government ministers and experts, civil society leaders, academics, business leaders and international organisations.”

The new WSIS Summit hopes to expand upon existing action lines for the worldwide development of ICTs, in conjunction with the UN SDG's, and is expected to be a major influence for local policy making and E-agriculture strategy creation.

Possible Solutions

The development of ICTs has been proven to greatly aid economic development in rural areas, reducing inequality and thus help to contribute to the UN's SDGs.

The problem, therefore, is not if countries *should* emphasize ICT development but rather how to overcome the problems and costs associated with increasing ICT availability in areas that are many times far away from the city, inaccessible or in general scarcely populated. An effort should be made to ensure governments are aware of the many benefits ICT development could provide to rural economies, as evidenced by the World Bank's and the FAO's many reports on their implementations.

Delegates should therefore try to develop strategies that alleviate the costs associated with the expansion of ICT coverage. Since the countries that most need these rural-based development are likely developing or LEDCs, they will require some form of financial aid or skilful negotiation to get start their ICT and E-agriculture initiatives.

Per the ITU's own recommendations, delegates should seek to conform national and international cooperative organisms that provide more opportunities for the acquisition of ICT-related infrastructure. These could provide aid to rural areas through low-interest loans, investment, or discounts on the purchase of ICT infrastructure in the global market. The World Bank can be counted upon to provide loans to well-thought out initiatives. Global initiatives to provide further specialised training on ICT usage could prove to be of tremendous benefit for rural communities and even whole countries, that would benefit from more tax income from higher productivity and a more educated workforce. Local governments could also seek strategies such as lowering import taxes on Telecommunication technologies, thus allowing individual stakeholders to access ICTs for cheaper prices.

Delegates would do well in paying special attention to the new WSIS Geneva summit currently occurring, as it may provide great insights into effective ICT strategies.

In the end, it is up to the delegates as to how the issue would be approached; though it is important to have in mind that an international effort is vital in order to succeed in this particular venture.

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http://hdr.undp.org/sites/default/files/ecuador_2001_sp.pdf: Las tecnologías de información y comunicación para el desarrollo humano. (n.d.). Retrieved June 10, 2017.

Information and Knowledge Societies for SDGs. (n.d.). Retrieved June 18, 2017, from <https://www.itu.int/net4/wsis/forum/2017/>

O'Sullivan, A. and Sheffrin, S. M. (2003). Economics: Principles in Action. Pearson Prentice Hall, Upper Saddle River, New Jersey.

Committed to connecting the world. (n.d.). Retrieved June 17, 2017, from <http://www.itu.int/en/Pages/default.aspx>

USEFUL DOCUMENTS

UN Millenium Goals:

<http://www.un.org/millenniumgoals/>

Un Sustainable Development Goals (SGDs)

<http://www.undp.org/content/undp/en/home/sustainable-development-goals.html>

UNDP ICT Report on Africa

<http://www.africa.undp.org/content/rba/en/home/library/working-papers/icts-provision-information.html>

<http://www.un-documents.net/a56r183.htm>.

FAO E-Agriculture Strategy Guide:

<http://www.fao.org/3/a-i5564e.pdf>

FORUM: Economic Committee

ISSUE OF: Sustainable development in Landlocked Developing Countries

STUDENT OFFICER: Maria Agustina Lema

POSITION: Deputy Chair of the Economic Committee

Introduction

At this time, most of the countries are successfully doing business, importing and exporting goods overseas, improving their business and boosting the economy. However, this is not the reality of every country. Not all nations have the same opportunity to develop their economy at the same pace. This is the reality for landlocked countries. In 2004, the global community met in Almaty, Kazakhstan to uphold an ambitious plan of action for the progress of each landlocked developing country.

Today, LEDCs collectively have witnessed an economic growth and foreign direct investment. Most of landlocked countries are not developing countries. Over the years, they have enhanced their ability to contribute in worldwide trade and exports, which has increased significantly. The decade has also seen a sharp drop in the amount of young children dying from stoppable diseases and a very welcome increase in the number of young girls now at school. The journey, however, is not complete, according to the *World Bank* economists, “*Being landlocked is a major reason why 16 of the world's 31 landlocked developing countries are among the poorest in the world*”. Economists data refers to some countries in which they have difficulties to overcome scarcity, food shortage in order to improve the condition and lives of the citizens. Life expectancy continues to lag behind compared to the coastal neighbours. The reality is that the lack of access to the sea means that it is costlier to do business for landlocked developing countries. Due to the lack of access to the sea and thus remoteness and isolation, causes incredibly high costs in importing and exporting essential items for the economy of the country. One of main reasons is because of the transportation cost. A recent World Bank study showed that a standard cost to export a container full of cargo from a non-coastal country is about \$3040. Whilst in a nation with coastlines, they spend three times less. However, this inaccessibility, cannot explain the problem as a whole. LDCs are at a disadvantage as

well, compared with other countries. Boundary crossing, shipment procedures, unproductive logistics and poor road and rail networks significantly increase the cost of doing business.

Partnerships are key to addressing the core development challenges of LDCs. The private sector has a significant role to play in creations of jobs and the improvement of poverty situations. Furthermore, local cooperation it is crucial to enlarge the capacity of cooperation, connectivity and progress. Countrywide management, regional collaboration and international partnerships should help to create a win-win situation for all and to unlock the potential of the worlds 32 landlocked developing countries. The world needs a holistic, forward-looking and results-oriented document, one that has a new generation of improvement and innovative-supported measures to assist the LDCs.

Definition of Key Terms

Landlocked countries

Landlocked countries are nations that are fully enclosed by land. Therefore, they do not have coastlines or open seas. Nowadays, 48 nations are completely surrounded by, at least, another country, so they do not have direct access to the ocean.

LDC's

The Least Developed Countries (abbreviation LDCs) are a group of countries which have been classified by the United Nations as the nations that show signs of the lowest indicators of financial development and Human Development Index. There are three aspects for a Least Developed Country: poverty, unprotected human resource and unsteady economy.

Pipeline

A pipeline is a means of transport in which specific goods are taken from A to B through a pipe. Generally, liquids, gases and chemically stable substances are transported through

pipelines. Normally, pipelines transport crude or refined petroleum, fuels and other fluids including water. These pipelines are made of steel or plastic tubes which are typically underground.

Transportation

Transportation is the movement of human beings, cattle, goods or objects from one place to another. There are different means of transportation such as road, water, air, rail, pipeline and space. Transportation is essential because it makes trading possible between people, which is important for the development of civilization. On these networks, vehicles that may travel on them are trucks, helicopters, watercraft, spacecraft, train and much more.

Transportation infrastructure

Transport infrastructure refers to the structure that upholds any transport system. This includes roads, railways, airports and ports. Also, it consists of the fixing installation to allow a vehicle to function. It consists of preserve roads, railways, canals, pipelines, terminal and other ways. Financing the infrastructure can be either public or private. New infrastructure projects can have a far above the ground cost, so they are often financed through debt.

Customs

Customs is an agency in a country responsible for collecting taxes and controlling the imports and exports of a country. Some examples could be animals, transports, dangerous and harmful items, etc. Each country has its own laws and regulations for the flow of goods into and out of a country, which its customs power enforces.

Background Information

Historical reasons why some countries are landlocked

Not every country is fortunate enough to have a coast. Some countries are landlocked. As they are completely cut off sea, they have to rely on the goodwill of their neighbours for trade.

South America has two landlocked countries: Bolivia and Paraguay. Bolivia lost its coastline with Chile. Until today, Bolivia maintains a navy that sails exclusively in its lakes and rivers. Bolivia and Paraguay were once part of the Spanish viceroyalty of the Rio de la Plata, along with Argentina. However, during the war for independence Paraguay became an independent landlocked state in 1811. Five years before Argentina declared independence and Bolivia remained in Spanish hands until it gained independence in 1825. In 1870, Paraguay fought a war with Argentina. Brazil and Uruguay as well lost territory and lives. In 1883, Bolivia and Peru lost a war with Chile, which cost Bolivia its coastline.

Asia is also home to one of the only two countries that are not only landlocked, but are also surrounded by countries that are themselves landlocked. An example could be Uzbekistan which is surrounded by Kazakhstan, Turkmenistan, Afghanistan, Tajikistan and Kyrgyzstan, all landlocked. Turkmenistan and Kazakhstan have coastal access to the Caspian Sea. However, the Caspian Sea is an inland sea with its surface 28 meters below sea level and it has no connection with the ocean.

Some European ships travel up the Danube and take a canal to the Rhine River down into the North Sea. Because this waterway is international, many Europe's landlocked countries have access to the sea, such as Austria, Hungary, Serbia and others.

Bosnia and Herzegovina looks landlocked; however it has a tiny stretch of coastline for complicated historical reasons. Nevertheless, it does not have a port, so it relies on Croatia for its shipping. The Czech Republic is also a landlocked country, but it has close economic ties with Germany, which minimize the effects.

Africa has 16 landlocked countries, the most of every continent. It is also where the effects of being landlocked are more visible. A landlocked country is dependent on the infrastructure of its neighbours to transport its goods. African infrastructure is underdeveloped and there is little a landlocked country can do but to wait for their neighbours to improve. Or even worse, if the country's transit neighbours become hostile or have a civil war, it forces them to seek longer, costlier trade routes.

Mali, Burkina Faso, Niger, Chad and the Central African Republic were all once part of French Africa became landlocked when they gained independence. South Sudan is the newest UN member, gaining independence from Sudan and thus becoming landlocked in 2011. Uganda, Zambia, Zimbabwe, Botswana, Malawi, Lesotho and Swaziland were all British colonies and all are landlocked.

Ethiopia was one of the two African countries to avoid European colonization before world war one. Nearby, coastal areas were colonized as they were both more valuable and easier to take over. Ethiopia was taken over by Italy in the prelude to World War Two. In 1936, Mussolini, who dreamed of recreating the Roman Empire, invaded Ethiopia. In 1942, was liberated by British and Ethiopian forces. In 1950, the UN gave Ethiopia the British-administered, former Italian colony of Eritrea, which gave it a coast on the Red Sea. In 1991, Eritrea gained independence. Nowadays, Ethiopia relies on Djibouti for its shipping.

Characteristics of the welfare of a country

Politicians and economists have always studied the characteristics and influential aspects for industrialisation and growth of a country. Some of this may be the country's size, the geography and landmarks and even the natural resources they provide.

In the 1500s and 1800s nations such as United States, United Kingdom and other European countries believed that the collection of metals such as gold, diamonds and silver was responsible for the majority of the growth of a developed country. Their economical development was mainly because of trading. It has always been this way. Countries that had more opportunities were the ones that invested in boats and shipment. Country size and geographical location have also been associated with trade problems. Nations that have a small area have been limited naturally and it reduces its ability to export raw material from their environment. As they do not have those materials they are limited to have an intensive production. Apart from country size, an aspect that has had a negative impact is the distance to major international markets. This has a really important effect as it is really difficult to access major markets. For example nations which are in central Asia or Southern Africa, may find it complicated to access European or North American markets. Another factor, which holds a detrimental impact, is the lack of straight access to ocean while trading. In the past, landlocked countries were always at a

disadvantage as exporters offer a high price on the products and it makes it more expensive for the country to export their goods.

Major countries and organisations involved

The World Bank

The World Bank is a fundamental source of monetary, economic and technical aid to developing countries worldwide. Its foremost objective is to diminish poverty and maintain development. The World Bank is solving this issue by working together with the United Nations to diminish the barriers to do business, development and progress. This organization is helping by financing projects and supporting to make trade and transportation accessible.

Bolivia

Bolivia lost its coast after the War of the Pacific in 1884. Since then, the country has been struggling to improve their international relations and to boost their economic growth. Finally, in 2010, this country started having access to a port. Economists of this country claimed that the lack of ocean access and having no successful neighbours was one of the major development traps that hold this and other landlocked countries back.

There has been a dispute and trading competition between Bolivia and Chile, its neighbouring country, regarding the access to the Pacific Ocean. Both, Chile and Bolivia have developed a metallurgic area in which they abstract lithium and natural gas. Lithium has become an important raw material for commerce with other overseas countries. This raw material is paramount for rechargeable lithium batteries that power electric cars, which internationally has been referred to be “the next oil”. However, Bolivia cannot succeed without the infrastructure to manufacture this product and export them without facing taxes and regulation. As both Argentina and Chile are world leaders in the commercial of lithium and with access to the coastline. Bolivia cannot make its country successful because it is really difficult to transport the goods and the taxes are expensive. Regarding the issue, both countries could lead to an agreement or a negotiation for this to stop.

Kazakhstan

Kazakhstan is the largest landlocked country in the world. Furthermore, it is the territory which is the most distant from a coastline. However, this country has proven that the lack of direct access to the ocean is not a reason to not be condemned.

Kazakhstan became independent in 1990. The transportation back then was dreadful and it did not provide access to either internal or external market. To finish off, communications in this country did not have a network. All these aspects clearly represent the economy of the country back then. However, they started building new roads, pipelines, ports, power lines and other features to become successful. But the most important investment was to create a new coordination system. Transportation infrastructure was identified as a priority for this country. The government at that time succeeded in implementing all the strategic projects to boost the economy of the country, while other nations were trying to find a way out.

Nowadays, Kazakhstan, despite from being a landlocked country, has managed to build a port infrastructure which is diversified in all areas. This country became positioned in the ports of other countries to grow the flow of goods. Moreover, a major improvement on the internal and external markets was the construction of railways. These railroads deliver goods to China and even some countries in Europe. The construction of railroads incentivizes the industry of railway engineering in this country. However, still one of the biggest defaults of this nation is the development of communication and transport corridors.

Afghanistan

Afghanistan is located in Central Asia and it is surrounded by six different countries: Iran, Turkmenistan, Uzbekistan, Tajikistan, China and Pakistan. Afghanistan is an agricultural country, despite some industrialization and mining especially of coal, iron ore and natural gas. Livestock and cattle are important as well. Karakul sheep produce wool and it is the main export of this country, besides, fruits and nuts.

To transport all this goods, Afghanistan requirement a transport infrastructure and proficient mechanisms. Of Afghanistan's four neighbours, China alone offers no sufficient overland and transit route. It has only primitive roads which are impossible for any vehicles in winter. The foremost goal for this country is to find a feasible solution for improving transport rails and roadways, so its business would be successful.

Timeline of Events

27-29 August 2003 – “The International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation.”

This was a conference in Almaty, Kazakhstan which main objective was to progress trading and growth economically on landlocked and transit developing countries.

28-29 August 2003 – General Assembly Resolution A/RES/56/180

This resolution calls upon specific manners associated to particular requirements and issues of landlocked developing countries.

4 February 2004 – “The Almaty Declaration and Programme of Action”

The substantial goal of this programme is to build affiliation and a strong commitment between countries to overcome the struggle of landlocked countries.

3-5 November 2014- “The Vienna Programme of Action”

“The Vienna Programme of Action” was established after a meeting in Vienna, Austria. They created a 10 year plan designed to hasten sustainable development in landlocked developing countries.

12 December 2012 – General Assembly Resolution A/RES/69/137

It is a resolution which makes reference to the Vienna Programme of Action for Landlocked Developing countries for the period of 2014-2024

21 December 2016 – General Assembly Resolution A/RES/71/239

It is a follow-up to the second United Nations Conference on Landlocked Developing Countries

Relevant UN treaties and Events

- Almaty Programme of Action, 2004
- *“Specific actions related to the particular needs and problems of landlocked developing countries: outcome of the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation”*, 20 December 2013 (A/RES/68/225)
- Vienna Programme of Action, 2014
- *“Transforming our world: the 2030 Agenda for Sustainable Development”*, 25 September 2015 (A/RES/70/1)
- *“Towards comprehensive cooperation among all modes of transport for promoting sustainable multimodal transit corridors”*, 22 December 2015 (A/RES/70/197)

Previous attempts to solve the issue

One of the best performances that intended to achieve a solution to the issue is the Almaty Programme of Action. Its main goal was to address the requests of Landlocked Developing countries with an international supporting structure for transit transport cooperation, which straight contributes with LDC. However, the LDCs demonstrate tremendous susceptibility progress. It is imperfect, restricted and irregular. Furthermore, some of the objectives of the programme are to: improve transport road and rail network, secure access to the sea and decrease costs of exports. Nevertheless, some points and priorities should be added, such as the maintenance of the infrastructure or a detailed research on each specific country to tackle the issue perfectly.

Possible solutions

Improvement in the customs system

According to The World Bank, goods that are designated for landlocked countries sit longer in ports than other countries cargos. Inefficient port processes contributes to delays and high costs on transportation. This can be solved by implementing or improving customs system with merchandise. This system can be improved with computers, cameras or any other technological feature.

Peaceful negotiations with neighbouring countries

Throughout history, nations have been causing physical, financial or other barriers for the entry to international markets. Countries can remove this tension through peace negotiations and international trade.

Efficiency and maintenance of transport systems

On landlocked countries there are inefficient and invalid modes of transportation. It can actually more time-consuming for imports to exit ports rather than to travel from seaport to the destination. Newer technologies invested in this issue can guarantee a faster arriving. Moreover, this will reduce any problem regarding pollution or carbon emissions. Solutions to this issue are everlasting, beginning with financial support, subsidies or technological loans, to finding a substitute of petroleum. This will ensure a safe, ecological and sustainable transportation.

Another important, aspect about transport is the maintenance of itself. The government of each country should take care of its transport, whether it's public or private. This can be done by monitoring and checking these companies (in case it is private). If the country does not have enough economic support to fulfil this requirement, it should ask for special attention and support to countries that can financially aid, so they can preserve their routes, rails and vehicles among other things.

APPENDIX:

<http://www.unmillenniumproject.org/documents/JHD051P003TP.pdf>

Offers more information detailed about the HDI index in landlocked countries compared to no landlocked countries and a table which explain the distance to the port and other aspects of the landlocked countries.

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FORUM: Economic Committee

ISSUE OF: Promoting a globalized economy whilst respecting local and regional distinctiveness

STUDENT OFFICER: Gian Clerici and Agustina Lema

POSITIONS: Chair and Deputy Chair of the Economic Committee

Introduction

We live in a world that is more connected every day. Development in transportation and telecommunications has drastically reduced distances between regions, allowing for information, goods and people to move about the globe with unprecedented speed.

Today, someone living in Montana can eat Italian pizza, phone a relative living in India to talk about the prospects for rain in Africa, all the while while driving a car made in Germany. This man could have been born in Greece, moved to England to get a better education and later emigrated to the United States looking for more favorable conditions to start a business.

Definition of Key Terms

Globalization

Globalization is defined as “The development of an increasingly integrated global economy marked especially by free trade, free flow of capital, and the tapping of cheaper foreign labor markets” by the Merriam Webster dictionary.

Government Intervention

Government intervention can be any action taken by the government such as taxation, floor or ceiling price limits, or regulations which alter the natural equilibrium of the free market.

Wage Depression

Wage depression can be defined as the lowering of the average wage an employer will pay to an employee. While this can be due to many causes, we will be considering wage depression as an effect of an excessive supply of workers due to immigration.

Immigration

The action of coming to live permanently in a foreign country.

Currency Manipulation

The use of exchange market intervention to keep the exchange rate above or below the equilibrium exchange rate. The term is most likely to be applied to a country that keeps its currency undervalued for the purpose of making its good more competitive.

Product Dumping

When a country has an excess amount of a certain product (ie: steel) it sometimes can decide to “dump” it in foreign markets at a fraction of the original cost, in order to avoid total loss. This practice can damage sellers who cannot compete with such low prices.

Multinationals

A large firm or corporation with operations active in more than one country.

Laissez-faire

Literally “to let be,” an economic policy promoted by the famous economist Adam Smith that proposed a free market in which interaction between buyers and sellers was not subject to government intervention.

Free Trade

“Free trade” refers to the trading of goods or services between two or more countries without tariffs or taxes.

Economies of Scale

Economies of scale refers to the inverse relationship between the price per product and the amount of products produced. A company able to produce larger quantities of a certain product will see the cost of producing each unit reduced. This allows large firms to overtake a market by out-pricing its competitors.

Consumer Surplus

The consumer surplus can be defined as the benefit the consumer extracts from paying a lower price for a good for which he was originally predisposed to pay more.

Background Information

Living in a globalized world

Globalization has impacted and continues to impact every aspect of human life. Most economists agree that globalization benefits individual economies worldwide, by opening them to new markets, thereby boosting competition. However, this process has its own costs, and for some these do not outweigh its positive externalities.

This has led to political movements that reject globalization as a negative influence, as could be seen in the recent French election. The most contentious points are held against mass migration, claiming that the influx of refugees and migrants places undue strain on services such as education, housing, labour markets and social security in general, and that both native and newly-introduced cultures are being slowly eroded in an ever growing melting pot of foreign customs. Some say that immigration results in a higher crime rate and that migrants are responsible for terrorist attacks. Another objection raised against free trade is that other countries flood local markets with cheap products made possible by either government subsidies or cheap labour, driving local producers to bankruptcy.

In the face of these disadvantages, political detractors build support by promising to stand up to the globalists, defending national interests by becoming more protectionist in their relations with other countries; to this effect they close borders, therefore limiting the otherwise relatively free movement of people, impose import tariffs on foreign goods to discourage their consumption and generally become less cooperative on the international stage, intervening only when it is pertinent to their national interests.

Delegates should be aware of these political stances, seeing as they are as valid as their alternatives, and work to bridge differences instead of fostering direct confrontation.

The alternative to such political stances is globalization, which has the potential to be immensely beneficial in a myriad of fields, including developing technological prowess, and fostering competition between companies vying for the buyer's attention, thereby increasing the total consumer surplus. The process of globalization has also introduced a new phenomenon known as "economies of scales" which enables big companies to expand themselves worldwide and increase their economic growth. Further advantages

include the foreign direct investment, which increases the growth in world trade and aids the development of multinational enterprises as well as local firms.

Conversely, globalization can also be detrimental to small local businesses as a result of the economy of scales, yielding inequitable wealth distribution. Large companies with larger capabilities can easily overwhelm small startups by selling at lower prices or operating at loss in order to bankrupt the competition. This phenomenon creates monetary imbalances between people and countries, widening the wealth distribution gap and ultimately leading to national and international conflicts.

Two economic approaches are therefore standardized towards the encroaching globalizing process: a more liberal, laissez-faire policy which champions open borders and free market, and a more closed and protectionist stance, focused on isolating local markets and people in order to guard them against negative foreign influence.

Another approach that has been tested has been the Keynesian theory: not necessarily limiting free trade but including some moderate government intervention to stimulate a stagnant demand or an incomplete employment

Stimulating financial stability: IMF

The International Monetary Fund is a global financial institution created in 1944. Today there are 189 countries involved with this international coalition. Since its conception, this organization has been promoting economic stability by avoiding negative financial developments like high inflation or sudden crises such as natural disasters or widespread economic depression. These factors can lead to unsteady economic growth and poor living conditions, as well as discouraging entrepreneurship. For the International Monetary Fund, the challenge has been to reduce national and international economic uncertainty, without negatively impacting the efficiency, employment rates, and overall growth of a given economy. It has therefore been the goal of the IMF to develop suitable policies to regulate and improve the state of the world's finances. Furthermore, it has launched several improvements to global economic security, chief among them being providing data and statistics to every country, as well as technical assistance (including consultations with economic analysts), which helps to strengthen a nation's capacity to implement economic policies. The IMF is also able to offer monetary aid in order to support policy programs.

Major Countries and Organizations Involved

The World Bank

The World Bank, founded in 1945, is an international organization affiliated with the United Nations, the primary objective being to stimulate growth and reduce poverty in developing nations and Low Economically Developed Countries (LEDCs) by providing loans and grants through its two main organs. Today there are 189 participating countries.

The World Trade Organization

The World Trade Organization, chartered in 1995, is an intergovernmental organization composed of 164 countries that finds its main functions in regulating global commerce, monitoring trade disputes, and conducting international negotiations.

International Monetary Fund

An organization that provides international monetary assistance via short-term loans in times of crisis and ensures the security of worldwide trading by regulating currency exchange. The IMF was chartered in 1945, and currently has 189 participants.

Venezuela

The oil industry has dominated the Venezuelan economy since 1922, when a massive well was founded on an oil reserve known to native tribes since the tenth century. This investment was a catalyst so dramatic that foreign oil producers began to negotiate trade deals with the previously inert nation. These trade deals ultimately sparked Venezuela's meteoric rise as the world's largest oil exporter by 1928. The Second World War was a boon to the oil industry as virtually all nations were demanding this product. However, by the 1950s, the Middle East had grown competitive in the world oil market, severely lowering oil prices and jeopardizing the primary stronghold of Venezuela's economy. The early success of one major industry was a severe detriment to other sectors of the economy, and other industries never received the investment that could have strengthened them enough to maintain national economic stability during this financial

crisis. Thus, in order to compensate for the recession low oil prices caused, Venezuela nationalized its oil industry in 1980. Recovery, however, was not evident until 1999.

It was during this time of growth that Hugo Chavez came to power as Venezuela's president. His administration coincided with a growing demand by China and India for more oil, driving up market value and enabling Chavez to implement a new economic strategy funded by the renewed growth of the oil sector. When these strategies failed to revitalize the economy at large, Chavez took out loans from world organizations and other nations. Following his death in 2013, Chavez's successor, Nicolas Maduro, maintained the existing and failing policies that, when coupled with the continuing fall of world oil prices since 2014, have plunged Venezuela into one of the most severe social crises of the modern era.

Venezuela is a prime example of how an overwhelming desire for global economic competitiveness has prevented the diversification of the nation's financial portfolio, all but eliminating other essential industries that could have been unique to the country or the region. The current state of Venezuela should be taken as a warning and an example of the results of sacrificing too much individual or national identity for the uncertainties of global commerce.

China

China is the world's second largest economy and the biggest importer of trade goods. But 40 years ago, it was a predominantly rural nation with at least 30% of its population living in poverty. That started to change in 1978 when China took out loans for major economic reforms. The first was agricultural. Farmers were allowed to sell their crops on the open markets. In 1980, China became a member of the World Bank and the International Monetary Fund. In that same year, this country created four special economic zones: Xiamen, Shenzhen, Zhuhai and Shantou. Its main objective was to encourage foreign investment. As the economy opened up to the outside world, companies flooded into China to build factories and take advantage of cheap labour. Markets at Shenzhen and Xiamen opened in 1990. The economy boomed in the following decade. Since then, more than 800 million people have been lifted out of poverty as a result. China became a member of the WTO in 2001.

United States of America

The USA has, for most of its history, been a major proponent of free trade and globalization, as long as these allowed it to retain economic supremacy. After the terrorist

attacks on September 11th, and most markedly with the recent changes in its administration, the migratory process into the country has seen itself considerably hampered. The USA has also recently taken unilateral economic measures against Canada for its subsidizing of timber related goods. Further, it has expressed interest in redrafting economic treaties such as the North Atlantic Free Trade Agreement (NAFTA) and the Trans-Pacific Partnership (TPP)

Timeline of Relevant Events

<u>Date</u>	<u>Event</u>
1989	The Berlin wall falls
1991	The first website is created, The Soviet Union is dissolved.
1992	First SMS message sent
1994	Netscape is made public
1995	The World Trade Organization is created
1997	First around the world fiber optic cable created
2001	China becomes a part of the WTO
2004	The Facebook is launched

Relevant UN treaties and Events

In September 1996, some years after the collapse of the Soviet Union and the ideological polarization of the world, university professors submitted a series of documents to be considered by the UN in the face of “globalization and regionalism”:

<http://archive.unu.edu/unupress/globalism.html>

The following is a report on the plenary meeting of the UN GA2, in the sixty-sixth GA meeting, 2011, discussing “Pros, Cons of Globalization”. The report states in its title that “Second Committee Delegates Caution Growth in Global Trade, Interdependence, Could Exacerbate Inequalities.”: <http://www.un.org/press/en/2011/gaef3314.doc.htm>

The United Nations Conference on Trade and Development released in 2012 a general report covering from 1981 to 2011 on general development, interdependence and economic trends in general, titled “Three Decades of Thinking Development”: http://unctad.org/en/PublicationsLibrary/gds2012d1_en.pdf

The Economic and Social Council of the UN, in its sixty-fifth session, on the 11th of April 2013 released a report on “Economic developments and challenges in the ECE region: the role of innovation in creating a dynamic and competitive economy”:

http://www.un.org/en/ecosoc/newfunct/pdf13/amr_geneva_background_note.pdf

http://unctad.org/en/Docs/tdr1997_en.pdf

The Sustainable Development Goals (SDGs) of the UN, declared in 2015, are of vital importance to any issue, as they outline the objectives for achieving a more equitable, safer and freer world: <https://sustainabledevelopment.un.org/sdgs>

The UN department of economic and social affairs published every year a lengthy report on the World Economic Situation and Prospects (WESP). They have already published a report on current situations and predictions for 2017 :

<https://www.un.org/development/desa/publications/world-economic-situation-and-prospects-wesp-2017.html>

Previous Attempts to Solve the Issue

The main goal of the United Nations has always been to eliminate poverty and inequality in every country in the world, and to prevent the disasters that cause them. As the Secretary General explained in one of the recent reports, “The global mobilization behind the Millennium Development Goals helped to lift more than 1 billion people out of extreme poverty, to make inroads against hunger, to enable more girls to attend school than ever before and to protect our planet”. However, while this mission was officially started in 2000, it was not accomplished by 2015. Nowadays, inequality still leaves people behind, and aggression and disagreements between the countries inhibits society’s growth. Now is the time when the world needs a generation with clear ideas, big challenges and with a specific purpose. That is why in 2015 in New York, chief countries created a 2030 Agenda for Sustainable Development. This agenda is the most forward-looking and results-oriented document in the United Nations history, and one that has a new generation with seventeen specific and innovative goals for every country.

The widespread support of free trade

“Free trade” refers to the trading of goods or services between two or more countries without tariffs or taxes. The concept is rooted in the theory of comparative advantage, and maintains that each nation should specialize in a certain commodity that other nations have at low opportunity cost. This ensures that countries must trade with each other in order to receive the goods they need, which encourages the dissolution of trade barriers in order to increase exports, competitiveness, and production efficiency, thereby causing an overall improvement in the economic standing of any given nation.

Creation of trade blocs

Trade blocs, agreements made between governments to reduce or eliminate trade barriers, are an effective way of promoting free trade. The multiple advantages of trade blocs include the enhancement of international markets through job creation stimulated by simpler trading within the bloc. This is because the countries that participate in the bloc will benefit from with low prices of the commodities they buy from the other nations that belong to the same bloc. Trade blocs are usually regional agreements.

Possible Solutions

While most nations recognize the potential benefits of globalization, the unequal development and perceived cultural erosion that usually accompany it has caused many governments to hesitate and even attempt to reverse the process. Delegates will need to be able to come up with resolutions that counteract its negative effects, although improvements amongst its positive phase are also encouraged.

Expanded Free Trade Agreements (FTAs)

FTAs have proven to be, in general, a success when it comes to inclusion and economic development. Examples of these are the EU and NAFTA. However existing trade agreements can be improved to provide more inclusion amongst countries. MERCOSUR, a trade union encompassing certain South American countries.

Retraining programs

One of the main problems associated with globalization is that shifts in demand can suddenly leave a certain industry with fewer customers, forcing them to downsize and fire many employees. To counteract these shifts, governments could, in cooperation with the UN and relevant NGOs, provide retraining programs to the population to reeducate the unemployed workforce into a job whose demand is on the rise.

More Cooperation in the WTO

While most countries are WTO members, many such as China engage in practices such as currency manipulation or excess dumping that are looked on unfavorably by the organization. Delegates could enhance cooperation within the WTO to ensure that countries do not engage in these damaging practices, or propose that the WTO orchestrate sanctions against offending countries.

Cultural complexities

The problem of the cultural “melting pot” is one of the most challenging to solve. How to promote integration between cultures without losing characteristics from these same culture in the process is the main focus of this issue.

Nations could provide workshops to promote acceptance and understanding in areas where different cultures touch, to ensure that these encounters are amicable meetings and not clashes.

UN-wide and National initiatives focusing on celebrating individual cultures and their unique characteristics could be a way of avoiding their dissolving into the infamous “melting pot”.

The issue of countering globalization’s negative effects is a problem that baffles modern politicians and economists, and is sure to provide a challenge to delegates aspiring to fix them.

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