

FORUM: Economic and Social Council

QUESTION OF: Cushioning the momentum towards the deglobalization trend

MAIN SUBMITTER: United States of America

CO-SUBMITTERS: Republic of Ethiopia, Republic of Iraq, Kingdom of Spain, Tuvalu, Republic of Iceland

THE ECONOMIC AND SOCIAL COUNCIL

Affirming the United Nations (UN) recognizes trade as a crucial factor for poverty reduction and economic growth, also the outbreak of the Covid-19 pandemic poses additional challenges to fulfill this goal,

Bearing in mind that the recent surge in trade protectionist policies due to some states citing security concerns in an overly broad manner and applying intense pressure on the ICT sector to localize rather than globalize, such as that of the Trump and Johnson administration, are threatening to slow or even reverse globalization,

Bearing in mind that a number of factors such as America First or Brexit are threatening to slow or even reverse globalization, also some national governments, by intentionally or unintentionally defining security concerns in an overly broad manner, are applying intense pressure on the ICT sector to localize rather than globalize,

Concerning the deglobalization trend may limit competition and the economic benefits of participating in a durable, global ICT industry and international trade, without providing benefits,

According to UNCTAD (United Nations Conference on Trade and Development) and World Trade Organization (WTO), the first quarter of 2020 showed a decrease of 2.8% in world merchandise exports compared to the first quarter of 2019, mostly impacted by COVID-19-related confinement measures, UNCTAD estimated a reduction of 26.9% in world export volume from the previous quarter,

Recognizing the support by the International Conference on Financing for Development and the World Summit on Sustainable Development to the International Labor Organization in its work on the social dimension of globalization,

Realizing that many developing countries are suffering from debt crisis which inhibits their growth,

Emphasizing that many small countries which lack natural resources to some extents have therefore benefited from increased international trade enabled by globalization,

Fully aware as the major trading partners of LDCs such as China and the US are moving toward protectionism and are worst affected by Covid-19, LDCs became even more vulnerable to economic disruptions and world challenge to reach the SDG target by 2020,

1. Urges member states to put an end to the COVID-19 pandemic as a top priority by concentrating on minimizing the damage of the pandemic through the cooperation of all member states as quickly as possible in such things but not limited to:
 - a. calling upon member states to build a more systematic, professional, prompt, and responsible health system that:
 - i. adequate health infrastructure and essential public health capacities and functions,
 - ii. community-based, people-centered, and capable of quality service,
 - iii. competent and always-ready medical staff,
 - iv. sufficient and sustainable medical funds,
 - b. expecting WHO to create a manual book that aids different types of pandemics through such information but not limited to:
 - i. stay away from others if you feel unwell,
 - ii. keep social distance by avoiding unnecessary travel and staying away from large groups of people;

2. Calls upon all countries to foster a more enabling environment that eases market access, market-entry, and releasing the competitive productive capacities of developing countries through methods such as but not limited to:
 - a. ensuring governments to put emphasis on mainstreaming international trade as a part of economic development by:
 - i. extensively consulting with all stakeholders in the public, private and civil society,
 - ii. collaborating with academic experts in the area of international trade to tailor appropriate government policies,
 - iii. working closely with relevant Think Tanks and NGOs to incorporate international trade as part of the government agenda,
 - b. incorporation of the Trade Development Index (TDI) of the UNCTAD into the policies of the governments in assessing trade positions and interests to:
 - i. improve current awareness of countries' trade positions on an international level,
 - ii. better the judgment and quality of trade agreements,
 - iii. enhance the effectiveness of aid to nations in need via the specific targeting of nations identified in relation to the TDI,

- c. encouraging the set-up and investment in public-private partnerships with an agenda of promoting international trade to:
 - i. increase the participation of developing countries in new dynamic sectors following the example of the UNCTAD (Phillips initiative),
 - ii. protect domestic industries of LEDCs from hostile competitions,
 - iii. facilitate the sharing of modern ideas and technology from MEDCs to LEDCs,
 - d. promoting tourism in order to alleviate the growing tension between countries in ways such as:
 - i. calling upon governments to provide subsidies for different tourist organizations,
 - ii. creating collaborative systems to ease the travel between borders;
3. Requests the World Bank to communicate with the IMF to discuss potential changes in their guidelines to states in terms of international trade, potential changes include:
- a. inclusion of plans and guidelines for LEDCs to better prepare for a decrease in international trade, this can be done by:
 - i. identifying the comparative advantage of said countries in order to prepare a focused trade policy,
 - ii. developing a fully transparent report of each country's trade positions to fully inform relevant countries of their agenda in order to ensure accurate, fully informed decisions regarding trade policies,
 - b. using modern technologies such as big data and supercomputers to quantitatively analyze trade patterns in order to:
 - i. improve the accuracy and efficiency of trade policies,
 - ii. create specific international trade plans that best suits each participating country's goals,
 - iii. make more informed reports on the current state of trade and consumption of each country to better inform nations of each other's situation,
 - iv. recognize key areas of trade in LEDCs that have yet to be developed,
 - c. creating algorithms similar to that of social media platforms to pinpoint and match nations with similar trade interests with the use of technology aforementioned in part B to:
 - i. recognize each nation's trade policies by creating a profile that encompasses each one of the trade interests of said countries,
 - ii. finding the gaps in the existing trade policies of nations such as identify what the country needs and find countries with corresponding trade policies to fill the gap,

- iii. facilitate the finding of trade partners that have trade policies matching the gaps and needs of nations across the world so that their needs can be fulfilled,
 - iv. improve the efficiency of trade across the globe so that all nations' needs can be met,
 - v. improve the quality and accuracy of the trade policies of nations;
4. Expects organizations such as WTO, World Trade Organization, ICT, Information and Communication Technologies, to solve the situations of deglobalization, and encourage international citizens and nations to follow them, and alarm its importance in preventing the spread of deglobalization to lead them to follow in ways such as but not limited to:
- a. creating non-digital posters to constantly, and spread those, to remind the global citizens of how important the cooperation of the world is in such things but not limited to:
 - i. raising awareness that there are still many children suffering from poverty in the world,
 - ii. emphasizing the impact of the deglobalization trend on LEDC, Less Economically Developed Country, is enormous,
 - b. creating social media campaign in order to alarm global citizens that international cooperation is still needed in such things but not limited to:
 - i. creating a campaign that expresses the inner connection between global citizens,
 - ii. creating a campaign that emphasizes globalization is a desirable trend to anyone,
 - c. promoting developed countries loosening trade restrictions until developing countries can fully adapt to the deglobalization trend through methods such as but not limited to:
 - i. developing a step-by-step process so that all countries can naturally adjust to deglobalization with minimum damage;
5. Encourages the formation of a systematic debt forgiveness policy do not directly forgive debts of countries that can't currently repay them, but instead provide loans to indebted countries and extend the deadline for repayment in order for them to develop economically and capacity to gradually repay the debt;
6. Further recommends the supporting of a viable commodities-based development strategy to maintain global trade and economic growth through means such as increasing the accessibility and amount of loans available from the World Bank to

developing nations by requesting the World Bank to favor the indebted countries which have their debt to GDP ratio higher than 60% in loans with the guidelines of:

- a. setting provisions on the loans given to LEDCs so that countries can only qualify if they:
 - i. use the loans given to them to invest in their infrastructure and key industries for export,
 - ii. have enough credit to pay back the loans in a given time frame: the structure of payment can be further negotiated between the countries involved themselves,
 - iii. keep open trade policies that allow for an environment of international trade,
 - b. setting up of investigation committees to ensure that these requirements are met through methods such as but not limited to:
 - i. increasing the funding for said committees,
 - ii. additional training for inspectorates to improve their accuracy of identifying subsidized goods,
 - iii. acquiring richer data collection by settling better analytical models of international systemic risk,
 - c. investment from the International Monetary Fund (IMF) in the upgrading of traditional commodity sectors to:
 - i. improve training and the skillset of low-skilled workers to increase their efficiency and encourage less waste,
 - ii. enhance the quality of the commodities being made,
 - iii. increase research and development of the firms to better the technological capabilities of such firms,
 - iv. encourage long term planning for the growth of firms with specific restrictions on how the investment should be spent;
 - d. Such measure has the aim of:
 - i. increase the access of commodity-dependent countries to international finance for the purposes of development and to commodity exchanges,
 - ii. promote international trade of commodities,
 - iii. better the quality of commodities exported from LEDCs due to the direct investment in said industries
7. Strongly supports strengthening the international competitiveness of commodities and instilling a more enabling environment through the commodities-based development strategy for LEDCs through a multitude of measures such as but not limited to:
- a. making loans to LEDCs for development more readily available through means such as but not limited to:
 - i. increasing funds of the World Bank for the purpose of stimulating economic growth in LEDCs,

- ii. setting detailed provisions that relate specifically to trade openness and investment into local companies on the subsidies so MEDCs are more likely to fund these programs,
 - iii. decreasing the interest rate of the loans given to LEDCs,
 - b. strengthening the International Task Force on Commodities (launched at UNCTAD XI) by making it more operational and giving it sufficient resources to:
 - i. promote the commodity-based development strategy of LICs,
 - ii. improve current information on the trade policies in regard to commodity-based development to facilitate the making of more informed decisions,
 - c. assessing the needs of commodities-dependent developing economies to:
 - i. upgrade relevant facilities and infrastructure to increase productivity and long-term economic growth of said countries,
 - ii. support the introduction of new technologies in sectors that use out of date ones,
 - iii. increase the diversification efforts of developing economies by pinpointing the areas they have yet to develop;
- 8. Further Requests the setting up of partnerships between firms from MEDCs and LEDCs to encourage the exchange of ideas and production techniques through means such as but not limited to:
 - a. active encouragement and financial incentives to private companies to set up partnerships with companies in LEDCs to:
 - i. promote the exchange of technologies and production techniques,
 - ii. encourage the sharing of knowledge in areas such as but not limited to managerial techniques, staff training, long term financial planning,
 - iii. increase the efficiency and the profitability of firms in LICs,
 - iv. share industry market information and relevant knowledge about production to enhance the quality of products produced by firms from LEDCs,
 - b. giving out subsidies to companies in both ends of the partnership to:
 - i. decrease the costs of production for firms in order to stimulate long term development and innovation of products,
 - ii. incentivize firms from MEDCs to co-operate with ones from LEDCs;
- 9. Further suggests the lowering of tariffs, especially in developing countries through means such as but not limited to:
 - a. promoting the necessity of world trade and open markets to all nations and how it contributes greatly for economic growth to:
 - i. foster an enabling trade environment for MEDCs and LEDCs so that international trade can flourish,

- ii. increase the number of jobs available through the enhancement of the export industries as a direct result of increased trade volume,
 - iii. better the living standards of people living in LEDCs thus coinciding with goal number one of the UN Millennium Sustainable Development Goals of “no poverty”,
 - iv. increase the availability of resources and labor to nations worldwide,
 - v. promoting free competition among the market participants, therefore, increasing productivity, efficiency, and production of products,
- b. advocating the need for more friendly attitudes and co-operation between countries by disincentivizing the need for tariffs which by nature are aggressive to:
- i. encourage the exchange of ideas and manufacturing techniques to improve the efficiency and innovation of industries,
 - ii. increase cooperation and strengthening alliances between nations to further promote employment in LEDCs,
 - iii. establish long term trade partners and in order to diversify its import risk portfolio,
 - iv. strongly implementing the TPP (as well as the Transatlantic Trade and Investment Partnership – TTIP) treaty securing long term import relationships to acquire an increasing growth in financial development;

10. Recommends member states to take leading actions to hinder the progress of deglobalization by:

- a. enacting penalties, such as reasonable fines imposed on those found guilty in multiple incidents of manipulating the market for unfair advantages towards domestic firms,
- b. supporting education to spread awareness on economic conflicts between nations, such as Brexit and the trade war between China and the U.S to the general public through ways such as, but not limited to:
 - i. providing lectures about the impacts of deglobalization,
 - ii. providing information about consequences associated with new policies/economic activity,
- c. signing cooperation agreements with the organizations or other countries to urge more countries to have close connections with one another,
- d. gain a full understanding and knowledge over the negative impact of deglobalization, in ways including, but not limited to:
 - i. financial funding,
 - ii. resource provision,
 - iii. personnel provision,

- iv. government financial reports during times of deglobalization and globalization,

11. Urges member states to be actively seized in that matter.