



# **ECOSOC – Study guide**

**Juan Poveda**

**Stijn Servaes**

*Dear delegates,*

We welcome all of you to the United Nations Economic and Social Council of this KAMUN X! It is an honour for us to chair this committee and we are pleased and grateful to be part of a new MUN in times when the world is going through one of its biggest crises in history. We hope you feel that from now on, you are a part of the change needed to help us through this pandemic!

My name is Juan Poveda. I come from Ecuador. I am currently studying my fifth semester of my bachelor in International Relations at the Karlshochschule International University, in Karlsruhe, Germany. I have been engaged in MUN since High School, my first participations have officially taken place in Quito, Ecuador in 2014 when I went with my highschool delegation to a National MUN hosted by an important private highschool of the city. Since then, I have been acquiring knowledge and experiences that awoke my interest to get engaged in these events, until today where I would be chairing for my first time alongside Stijn. I really hope that this event could serve as a source of inspiration to all the delegates who want to leave a mark in the development of the international institutions, such as I did. This is an event that would take place under a new reality, and we might need to distance ourselves a bit from each other, but not distance from the motivation to make this KAMUN, a memorable weekend for all!

My name is Stijn, and I come from Belgium where I'm currently pursuing a Master's in Business Engineering at the KULeuven. In my first year of University, I've had the opportunity to participate without any real MUN training at my first MUN. As many first timers can attest to, I was very nervous and had some difficulties in making speeches in front of many people who seemed very knowledgeable. But throughout that conference, I've immediately witnessed big improvements in my public speaking skills, and from that moment onwards I've been engrossed ever since in the MUNing world. Nowadays, I mainly participate as a Chair as I want to give you the same good experiences that I've had as a delegate. I hope that together with my co-chair Juan, we will be able to give you not only an interesting and educational committee, but a fun one also. Besides MUNing, I have a great interest in World History so I'm especially excited with this committee, as I'm very confident in saying that we all are living through one of the biggest historical events of the 21st century.

We look forward to reviewing your Position Papers and welcoming you on the 6th of November in Karlsruhe for a week-end of great debates.

*Yours sincerely,*

*Juan & Stijn*

## Topic Recap

The current socio-economic impact on all nations cannot be overemphasised. This goes beyond the direct economic costs of containing the spread of the disease. The World Bank (<https://www.worldbank.org/en/news/press-release/2020/06/08/covid-19-to-plunge-global-economy-into-worst-recession-since-world-war-ii>) forecasts that the COVID-19 recession is/will be one of the worst since the Great Depression of the 1930s and the Second World War, far greater than the Great Recession in the latter half of the previous decade. The largest fraction of economies will experience decreases in output not seen in over 150 years. The reasons for the fallout are not only related to the COVID-19 pandemic itself. The lockdown policies adopted by developed economies has caused a collapse of the global demand and this has been a significant driver of the economic downturn of most developing countries.

Nevertheless, countries are just suffering from an intensification of the problems of the past. According to projections of the International Monetary Fund, the year 2019 was reported as one of the slowest economic growth years since 2008. The reason for such an impact can be found in the persistent malpractices of bad governance of many developing economies such as corruption, mismanagement of public and external funds and a poor strategic investment policy in sectors such as public health and education. As a result, many countries have redirected the funds destined for economic recovery to confront the new pandemic, without any additional sources of funding and reserves, and with a severe barrier to external financing. As a result, the lack of investment in public health systems and corruption lead to a collapse of most of the hospitals, shortages of medicine, equipment and personnel.

Besides, the economic collapse affected most of the vulnerable regions such as Africa and Latin America and the Caribbean (SME's). Due to the lack of supply and demand, many of the businesses had to indefinitely cease operations or furlough/dismiss personnel, generating a new wave of unemployment that left millions of new people living in poverty, deprivation and informality. The impact of the recession will not be felt equally among all nations and variation does not only exist within regions, but also between regions.

The global fall of per capita income brings in millions of vulnerable people in extreme poverty, as nations struggle to deal with the various macroeconomic vulnerabilities, some of which are unique to their region.

For example, the World Bank has projected that the economies of Latin-America and the Caribbean will shrink by 7.2 percent mainly due to falling commodity prices, disruptions to supply chains and capital outflow.

[\(https://www.un.org/development/desa/dpad/publication/un-desa-policy-brief-66-covid-19-and-the-least-developed-countries/\)](https://www.un.org/development/desa/dpad/publication/un-desa-policy-brief-66-covid-19-and-the-least-developed-countries/)

The United Nations Department of Economic and Social Affairs has expressed their concerns in their Policy Brief #66. The new socio-economic challenges during and after the pandemic will severely compromise developing economies, due to the reduction in global demand and exports of developing countries. Optimistically, we can expect the economies to rebound naturally and short-term output decreases to be compensated for, if we assume the crisis to

subside in the near future, however, we can be certain that there will be long lasting economic effects.

Economic dislocation, large scale output decreases and heightened uncertainties all serve to lower long term economic growth projections, which have already been revised downwards in previous years. A significant chunk of financial and human capital has been wiped away by uncertainty and unemployment, and the risks for Emerging Markets and Developing Nations (EMDNs) are high. In that sense, it is important to focus on the implementation of good policy responses in supporting public health systems, affected households and businesses, incentivising external financing and providing access to private capital markets.

Restarting the different economies effectively in order to minimise negative effects on the most important economic sectors of many developing economies (tourism, industry, extraction, etc.) should be a priority topic of debate. Finally, one of the important goals of the Council is to ensure the achievement of the SDG's 2030 Agenda by all the countries in the world. For that reason, one should formulate policy recommendations with respect to these goals. Returning to the situation pre-pandemic is not enough. It can be an opportunity to push countries towards more sustainable paths. In all of this, cooperation must be the central axis of discussion; the problems are global, the solutions must be equally so.

### **Previous Resolutions**

In A\_RES\_74\_270\_E from April 2020 - the first resolution about the coronavirus disease (COVID-19) -, The UN General Assembly recognizes the importance of confronting the pandemic under the values of unity and solidarity. In this resolution, the General Assembly recognizes that the pandemic would leave the worst economic and social effects to developing countries. For that reason, the resolution states that all member states recognize the United Nations as the only coordination organism able to seek multilateral cooperation and prioritize the aid towards the most vulnerable. The General Assembly urges to provide the necessary aid to developing countries to have an equal and sustainable recovery.

In E/2020/58 from May 2020 - is a report elaborated by the ECOSOC providing an analysis of the world economic situation and prospects as of mid- 2020. Recognizes the economic effects of the pandemic, and states some predictions based on the global economic lockdown. It provides an analysis of Global economic trends supported with statistical data and predictions. For instance, in the report there is a forecast of the GDP (Gross Domestic Product) to shrank by 3.2% in 2020. As well, the report gives a lot of focus to developing economies.

In E/2020/51 from May 2020 -United Nations Inter-Agency Task Force on the Prevention and Control of Non-communicable Diseases -, Provides a guideline of how to create a Force among the member states in order to cooperate to tackle an issue that is threatening human integrity and safety. This report describes how a Task Force should be developed, focusing specifically on non-communicable diseases. Details which areas could be effectively assumed by a Task Forces, and exemplifies it with previous efforts, such as the 2019-2021 Task Force oriented towards developing economies. This is a common method used by this committee, in order to provide support to developing economies in need in a situation of crisis.

In E/FFDF/2020/2 from March 2020 - Financing for sustainable development -, Is a note from the ECOSOC directed to the UN Secretary General, that collects the results of the 2020 Report of the of the Inter-Agency Task Force on Financing for Development. It describes the details of the work in progress concerning the Task Force as the summary details: “ In its report, the Task Force draws upon the expertise, analysis and data collected by over 60 of its members. It analyses the global economic context and its implications for sustainable development, challenges and opportunities for financing sustainable development in an era of transformative digital technologies and progress in the action areas of the Addis Ababa Action Agenda of the Third International Conference on Financing for Development.” (United Nations, Economic and Social Council, Financing for sustainable development : Note by the Secretary General, E/FFDF/2020/2, (19 March 2020), available from: [https://www.un.org/ga/search/view\\_doc.asp?symbol=E/FFDF/2020/2](https://www.un.org/ga/search/view_doc.asp?symbol=E/FFDF/2020/2)

### **Block Positions**

As stated previously, the challenges faced by individual nations are more often than not unique, depending on the make-up and orientation of their economies. Nevertheless, these challenges can be broadly grouped in various regions reflecting their macroeconomic conditions.

#### Latin America and the Caribbean

<http://pubdocs.worldbank.org/en/876791588788341170/Global-Economic-Prospect-2020-Regional-Overview-LAC.pdf> One of the bigger issues facing this region is the sharp fall of global commodity prices. The global downturn caused many of the established supply chains to be disrupted, combined with the fact that financial conditions have worsened, makes Latin America and the Caribbean a region which will experience one of the deepest recessions ever faced for the already tumultuous region.

#### Middle East and North Africa

<http://pubdocs.worldbank.org/en/638331588788199341/Global-Economic-Prospect-2020-Regional-Overview-MENA.pdf> The sharp downfall in the demand for oil and other commodities serves as a primary reason for the downturn in this region. Negative spillovers from major trading partners compound the downturn due to weakening structures of more advanced economies and risk adversity of external financing sources.

#### Sub-Saharan Africa

<http://pubdocs.worldbank.org/en/888831588788355661/Global-Economic-Prospect-2020-Regional-Overview-SSA.pdf> Many of the problems felt in this region are similar to the previously mentioned regions. One particular issue that is apparent is the severe constraints faced by governments when it comes to available resources. The pandemic has caused funds to be redirected away from other critical areas of government activity and the costs of growing budget deficits are only made stronger by a decrease in availability of external funds. Disruptions in food and agricultural trade may signal a possible extensive food crisis.

## South Asia

<http://pubdocs.worldbank.org/en/389601588787976753/Global-Economic-Prospect-2020-Regional-Overview-SAR.pdf> Despite the apparent smaller outbreaks faced in this region relative to other regions, South Asia is susceptible to an increase in long-term poverty. A major part of the population is employed in the informal industries who are especially vulnerable due to spillovers from economic disruptions in global supply chains and the service industry.