

GS-MUN 2023

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Research Guide



ECOSOC

Economic and Social Council



AGENDA

Restoring Economic and
Social Stability to Conflict
Affected Regions

MESSAGE FROM THE EXECUTIVE BOARD

Dear Delegates,

The Executive Board of GS-MUN 2023, considers it an honour to host you all at a simulation of the United Nations Economic and Social Council (UN-ECOSOC), organized by Geethanjali College of Engineering and Technology. This Research Guide will provide you an insight into the agenda that drives the committee session. The Delegates are advised to refer to it and establish a thorough understanding on the major issues that are specified.

It is to be noted that this Research Guide is in no way exhaustive and is only meant to provide the Delegates with enough background information that will establish a foundation for the research. The Delegates are recommended to do extensive research on the wide spectrum of issues encompassing the agenda. In addition to this, the Delegates are expected to be aware of their country's foreign policies, trade relations and alliances so that their decisions and claims are realistic and implementable.

The Executive Board extends its best wishes to all the Delegates. If any delegate has any query, procedural or otherwise, please feel free to contact any member of the Executive Board and we will reach out to you at the earliest. The Executive Board wants the Delegates to know that their presence is highly solicited.

Looking forward to meeting you at the Conference!

Regards,

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INTRODUCTION

Economic recovery is an important factor in achieving temporary stability, reintegration, socioeconomic advancement, and long-term peace in post-conflict scenarios. Social and economic stability provides communities and individuals with tools for survival and rehabilitation. Among the carnage and irreparable losses, conflict resolution can pave the way for social and economic reform. It is an opportunity that societies transitioning from a period of conflict to one of peace cannot afford to pass up, and one in which the global community can be extremely beneficial.

Economic and social stability has always been the top most priority of every country. The economic vulnerability of nations is highly interdependent and world trade has always ensured to keep it that way. This interdependence can build or shatter the economies of countries, especially those of the developing ones. Cross border conflicts, intra state and inter state conflicts are the pivotal points that make the global economy go topsy-turvy. The recent tensions between Russia - Ukraine, Israel - Palestine and tensions within Afghanistan have adversely affected the global economic and social stability. It's high time that the member nations of ECOSOC come together and act immediately to restore the economic and social stability in these conflicted regions so as to save millions of lives entangled in this prolonged economic crisis.

Local communities that have been devastated by war are often the first to respond quickly. Resuming economic activity, reviving social safety nets, and repairing damaged infrastructure are all made possible by the solidarity and tenacity of afflicted women and men. These actions demonstrate the pro-social attitudes, resilience, and capacity for skill and knowledge adaptation and transformation in the local communities. Existing vulnerabilities, widespread poverty, and a precarious peace, on the other hand, could exacerbate inequality, impede or delay the emergence of real work opportunities, and ultimately jeopardize the durability of these coping mechanisms.

Post conflict regions are those in which there has been an end to warfare; however, peace has not yet fully occurred and conditions are highly volatile. To better understand this

concept, and the struggles that such regions face, they will be discussed in the general overview section. Post conflict regions that will be of significant relevance to this issue are: Afghanistan, Ukraine, and Israel-Palestine. Please keep in mind that this report is by no means an exhaustive, complete guide to global conflicts and post-conflict regions, and that Delegates are free to discuss any conflict that they deem relevant to the Agenda.

DEFINING KEY TERMS

- **Food Price Index:**
 - The FAO Food Price Index (FFPI) is a measure of the monthly change in international prices of a basket of food commodities.
 - It was introduced in 1996 as a public good to help in monitoring developments in the global agricultural commodity markets.
- **Inflation:**
 - Inflation is an increase in the general price level of goods and services in an economy.
 - When the general price level rises, each unit of currency buys fewer goods and services; consequently, inflation corresponds to a reduction in the purchasing power of money.
- **Production Inputs:**
 - The resources, or factors of production, used in the production of output by a firm.
 - This term is most frequently associated with the analysis of short-run production, and is often modified by the terms fixed and variable, as in fixed input and variable input.
- **Capital Stock:**
 - The capital stock of a company comprises stocks that the company issues to investors and shareholders to finance its business operations and expand its market share.
 - By investing in that company, an investor gets this stock in the form of shares, which denotes a unit of ownership in a company.
- **Exchange Rates:**
 - An exchange rate is a rate at which one currency will be exchanged for another currency.
 - Most exchange rates are defined as floating and will rise or fall based on the supply and demand in the market. Some exchange rates are pegged or fixed to the value of a specific country's currency.

- **Poverty Gap:**
 - The poverty gap reflects the intensity of poverty in a nation, showing the average shortfall of the total population from the poverty line.
 - The poverty gap is an indicator produced by the World Bank, which measures poverty by looking at per capita income and consumption in households.

- **Sovereign Equality:**
 - According to the principle of Sovereign Equality, which was written into the UN Charter of 1945, all states are equal before international law no matter the size of their territory, population, economy or military.
 - States are also, in principle, in control over affairs within their borders and are protected against undue interference from the outside.

- **Gross Domestic Product:**
 - Gross domestic product (GDP) is the total monetary or market value of all the finished goods and services produced within a country's borders in a specific time period.
 - As a broad measure of overall domestic production, it functions as a comprehensive scorecard of a given country's economic health.

GENERAL OVERVIEW

Unfortunately, there are a plethora of problems facing the globe today, including wars and conflicts, climate change, poverty, inequality, breaches of human rights, and the spread of nuclear weapons. Economic and social stability must be restored in post-conflict countries in order to maintain integration within the international community. In order to comprehend the seriousness and provide Delegates with the essential background knowledge to address this issue, examples of post conflict regions will be given in this section.

Russo-Ukrainian War:

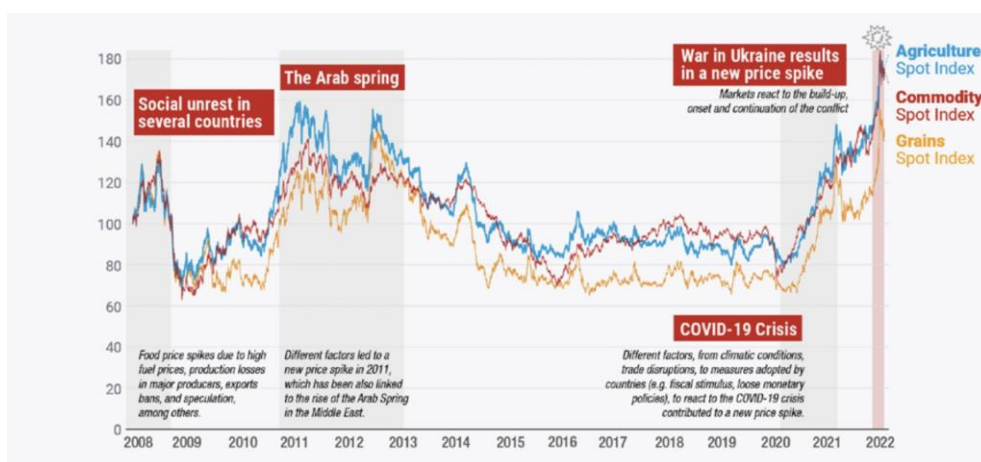
The war in Ukraine, in all its dimensions, is producing alarming cascading effects to a world economy already battered by COVID-19 and climate change, with particularly dramatic impacts on developing countries. Recent projections by UNCTAD estimate that the world economy will be a full percentage point of GDP growth lower than expected due to the war, which is severely disrupting already tight food, energy, and financial markets.

Ukraine and the Russian Federation are among the world's breadbaskets. They provide around 30 percent of the world's wheat and barley, one fifth of its maize, and over half of its sunflower oil. At the same time, the Russian Federation is the world's top natural gas exporter, and second-largest oil exporter. Together, neighboring Belarus and the Russian Federation also export around a fifth of the world's fertilizers.

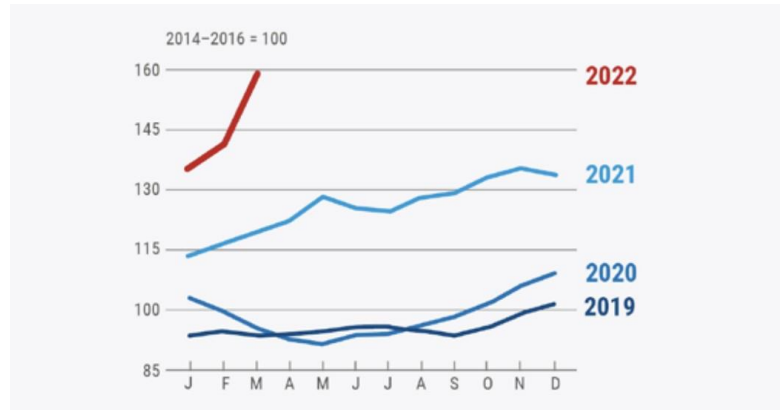
As a result, commodity prices are reaching record highs across the board. On the 8th of April 2022, the United Nations Food and Agriculture Organization (FAO) published its third consecutive record food price index. Food prices are 34% higher than this time last year and have never been this high since FAO started recording them. Similarly, crude oil prices have increased by around 60%, and gas and fertilizer prices have more than doubled.

Vulnerable populations in developing countries are particularly exposed to these price swings, as they dedicate the larger share of their income to food and energy. The world's poorest countries tend to be net food importers and export and import measures on trade can further exacerbate rising food prices. At current price levels, FAO worst-case estimates of increases in undernourishment and food insecurity are also highly likely.

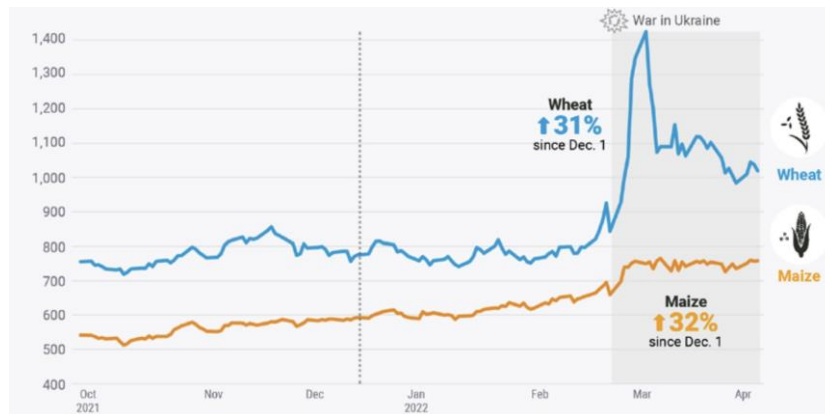
Ongoing disruptions in global supply chains and financial markets further complicate current outlooks. Freight costs even before the war started were at multiples of their historical averages, complicating rerouting efforts and increasing consumer prices and import costs across the board. Furthermore, global inflation rose to a decade high of 5.2% last year, forcing many central banks to signal sooner-than-expected increases in interest rates, leading to higher debt servicing costs for the developing world. According to the Financing for Sustainable Development Report 2022, “60 percent of least developed and other low-income countries are already at high risk of, or in, debt distress”.



Fig(i): Rising prices elevate the alarm for social stability.



Fig(ii): FAO Food Price Index.



Fig(iii): Steep increase in wheat and maize prices.

Israel-Palestine Conflict:

The Gaza Strip has been under a complete land, sea and air closure and restrictions since June 2007, that in effect amount to a blockade, with nearly 2 million people living in 365 square kilometers. In June 2007, Israel tightened restrictions on the movement of people and goods in and out of Gaza. The entrance of goods was reduced to a minimum, and exports were banned. In addition to the closure and restrictions, there have been three major rounds of hostilities during a six-year timespan; the first operation was in December 2008. While restrictions on the movement of people and goods in and out of Gaza have slightly eased in the ensuing years, movement remains both highly restricted and unpredictable. This has contributed to an unprecedented, permanent humanitarian crisis.

The result of the closure and restrictions and military operations has been the near collapse of the regional economy of Gaza, as well as its separation from the rest of the Palestinian economy. Gaza has registered one of the world's highest

unemployment rates, and more than half of its population lives below the poverty line. The majority of the population has no access to safe water, a regular and reliable electricity supply or a proper sewage system. In the 11 years between 2007 and 2018, the regional economy of Gaza grew by just 4.8 percent, and its share of the Palestinian economy decreased from 31 percent in 2006 to 18 percent in 2018. As a result, gross domestic product (GDP) per capita shrank by 27 percent, unemployment increased by 49 percent and poverty increased by 42 percent.

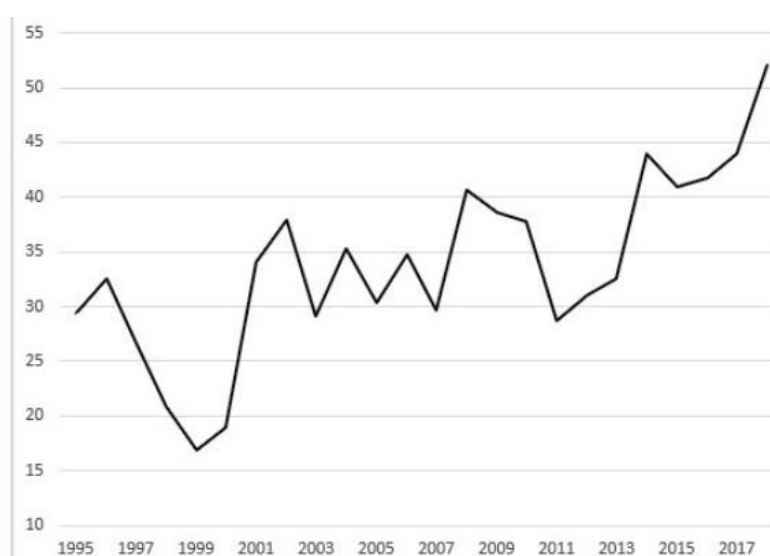
Some indicators of the impact and costs are:

- According to the International Monetary Fund (2017), the damage from the hostilities from December 2008 to January 2009 was equivalent to over 60 percent of the total capital stock of Gaza and the damage from the hostilities in 2014 was equivalent to 85 percent of the capital stock that existed after the previous hostilities.
- The International Monetary Fund (2018) notes that had the utilization of production inputs been similar to that in the West Bank, growth rates in Gaza could have been three times higher than the actual rates.
- In 2014, during which the 50-day hostilities took place, the GDP of Gaza was reduced by \$460 million (World Bank, 2015).
- Conservative estimates by the World Bank (2017) indicate that lifting the economic limitations could generate additional cumulative growth in the range of 32 percent by 2025. In addition, some relaxation of the dual-use list alone could generate an additional 11 percent of growth in Gaza by 2025.
- The direct economic losses caused by the military operation from December 2008 to January 2009 is estimated at \$2.5 billion (UNCTAD, 2009).
- During the military operations in 2012 and 2014, over 64,000 residential units and at least 1,000 industrial and commercial establishments were destroyed or damaged. The value (not cost of replacement) of assets in Gaza damaged as a result of the last two military operations is estimated at more than \$2.7 billion (UNCTAD, 2015).

- The total cost of recovery and reconstruction activities in Gaza in the aftermath of the military operation in 2014 is estimated at \$3.9 billion (State of Palestine, 2015).

Indicator	2006	2018	Difference	Percentage change
Population (thousands)	1 349	1 933	0.584	43
Population density (people per square kilometre)	3 696	5 296	1 600	43
Real GDP (millions of constant 2015 dollars)	2 691	2 819	128	4.8
Share in Occupied Palestinian Territory GDP (percentage)	31.1	18.1	-13.0	-42
Real GDP per capita (millions of constant 2015 dollars)	1 994	1 458	-536	-26.9
Investment share in Occupied Palestinian Territory GDP (percentage)	9.5	2.7	-6.8	-71.6
Exports share in Occupied Palestinian Territory GDP (percentage)	0.8	1.0	0.2	20
Imports share in Occupied Palestinian Territory GDP (percentage)	19	7.5	-11.5	-61
Unemployment rate (percentage)	34.8	52.0	17.2	49.4
Poverty (percentage)	39 (2007)	55.4 (2017)	16.4	42.1

Fig(iv): Gaza - Before and After Closure and Restrictions.



Fig(v): Rate of Unemployment in Gaza.

The Ongoing Crisis in Afghanistan:

Afghanistan ended 2020 with significant economic and development challenges. The country's international partners assessed the extent of these challenges at the time and pledged more than US\$13 billion in November 2020 over the following four years. This amount, which is indicative of the scale of the challenges facing the country, was expected to be augmented by an increase in domestic resources derived from a revival in growth. However, not only would this have required significant domestic reforms to improve governance, promote the private sector and reduce corruption, but it is unlikely that sufficient additional revenue could have been generated by a revival in growth alone to satisfy the needs of the country, including those for reducing poverty and improving social conditions.

The political change on 15 August 2021 has created new conditions. The de facto authority headed by the Taliban has yet to be internationally recognized. This, combined with the uncertainty arising from the divergence between official announcements and actions on the ground, has led to a sudden stop in international aid and the freezing of Afghan reserves held abroad. The drop in foreign aid that previously accounted for 40 percent of GDP has had an immediate and significant impact on the economy, which was already in decline. The country is also coping with one of the most severe droughts in decades, the impacts of the pandemic, and the rapidly increasing levels of food insecurity. As a result, Afghanistan has already entered a twin humanitarian and development crisis that is becoming graver and needs to be immediately addressed to save lives and protect livelihoods.

The results of an assessment of the economic outlook for the country are alarming. Although there is considerable uncertainty regarding the future course of the country, the estimates suggest an economic contraction by around 20 percent of GDP within a year, a decline that may reach 30 percent in the following years. The sizable imports upon which Afghanistan critically depends for its energy and food need, may drop by half. Inflation has accelerated and the exchange rate has already depreciated considerably. The absence of foreign aid has taken its toll on investment and

Therefore on current and future production, as well as on private consumption. The banking sector also is very much under stress, raising the risk of financial instability.

The combination of falling incomes and a growing population may more than double the 'poverty gap', requiring an estimated US\$2 billion to lift the incomes of all poor people up to the poverty line. This alone is indicative of the relief required to avoid a humanitarian catastrophe of an unprecedented scale. COVID-19 is damaging lives, livelihoods, basic and essential health care, emergency responses and efforts to eradicate polio. Having barely recovered from the 2018 drought, Afghanistan declared a national drought last summer that may turn out to be the worst the country has had in decades. The number of people that would require food assistance is expected to reach a record of nearly 23 million, more than half of the population. The prices for food, cooking oil and fuel have risen sharply; wages have fallen; and unemployment may double over the next couple of years.

Using the Sustainable Development Goals (SDGs) as a summary measure for economic and social progress, the findings of this report suggest that the most severe impacts are likely to be felt on poverty (SDG 1), hunger (SDG 2), clean water and sanitation (SDG 6), employment (SDG 8) and inequality (SDG 10). Education (SDG 4) has already taken a hit, as girls are not being allowed to return to their schools. Related, past gains in gender equality (SDG 5) have been swiftly reversed by restricting women from working and, more generally, depriving them of representation and confining them in the private sphere, where they are afforded few of their internationally recognized human rights. Restricting female employment may inflict an immediate economic loss of between US\$600 million and US\$1 billion (3 percent to 5 percent of GDP). The income of households with working women will fall accordingly. This estimate can be compared with an earlier one by UNDP in 2020 that showed that, prior to 2021, Afghanistan would have needed US\$300 million a year to meet the SDGs by 2030.

Global and regional leaders have underscored their concerns regarding the humanitarian impact of the political change in August 2021 and of the economic crisis that has ensued. However, while the country plunges deeper into economic crisis, there is no consensus on how and when to fully resume vital financial assistance. Against this background, the UN and the international community have promised to continue humanitarian aid to Afghans in need while also outlining the conditions under which financial support may be granted in the future, including the containment of terrorism, as well as the protection of the rights of girls, women, and ethnic and religious minorities.

The overall response must save lives and livelihoods. In doing so, policies and aid must ensure that the combined effects of the economic crunch, the drought and the pandemic do not turn a crisis into a catastrophe. To avoid this, international support for Afghanistan should first and foremost contribute to food security and help Afghans cope during the harsh winter season. The vaccination effort should intensify, not only for COVID-19 but also for the millions of children who have gone unvaccinated for polio in recent years. Targeting pregnant and lactating women and children under the age of five should be a priority. Many UN agencies and other organisations are already active in these areas. However, these efforts should be complemented and supported by Afghanistan's de facto authorities by providing safe access and support to aid workers, including local ones. The recently imposed restrictions on the deployment of female aid workers go against the spirit of such cooperation.

The Importance of Economic and Social Stability:

All of the preceding events highlight the importance of both economic and social stability. The loss of human life and resources in such wars require worldwide cooperation in order to assure international aid and large-scale infrastructure projects. As stated in the introduction to this research report, there are various strategies that post-war governments should adopt in the short term to rebuild their economies and so prevent them from reverting to warfare, both of which entail

economic and social rehabilitation. Post-war nations face great demands while having relatively limited revenue, necessitating a coordinated response; more solution options will be examined further in this report.

However, because of the highly political nature of wars, as well as the UN Charter, which states in Article 2 that 'the Organization (UN) is founded on the principle of the sovereign equality of all its Members', any action must be agreed upon in order to avoid aggravating parties involved in the wars. If a government is obliged to conform, it is likely that its economic and social situations will worsen, causing innocent civilians to suffer. Post-war nations face great demands while having relatively limited revenue, necessitating a coordinated response; more solution options will be examined further in this study.

MAJOR PARTIES INVOLVED:

World Trade Organization (WTO):

International trade is regulated and facilitated by the World Trade Body, an intergovernmental organisation. It aims to stimulate new trade, monetary, and fiscal policies with the goal of fostering social stability and expediting economic recovery. Special provisions for post war regions can be included in all WTO agreements as seen in the status quo, through means such as: extended implementation timelines for commitments and agreements, steps to increase trading opportunities, assistance in setting up the necessary systems to conduct WTO business, resolving disputes, and implementing technical standards.

Human Rights Watch (HRW) :

The Human Rights Watch strives to defend human rights around the globe. They thoroughly look into violations, widely disseminate the information, and apply pressure to individuals in positions of authority to uphold rights and ensure justice. The Crisis and Conflict division records, exposes, and campaigns to stop abuses of human rights and the laws of war whenever there are armed conflicts, natural disasters, or significant social or political upheaval. As a result, the HRW promotes human rights to guarantee social stability. The HRW's work is vital in post-war regions as it enables a foundation for a society based on fundamental rights and avoids the forms of corruption that result in upheaval. The information gathered by the HRW is also used by other UN entities to formulate responses to generate economic growth and stability.

European Bank for Reconstruction and Development (EBRD):

In 1991, the European Bank for Reconstruction and Development was created as a worldwide financial entity. In many post-conflict regions, the EBRD is fostering open, sustainable market economies and stability. It currently conducts business in 40 countries, including the Southern and Eastern Mediterranean, Central Europe, Central Asia, the West Bank, and Gaza. By helping create sustainable economies the

EBRD cooperates with post-conflict regions to bring about economic policies that generate long term stability.

United Nations Human Commissioner for Human Rights (UNHCR):

The UN High Commissioner for Refugees is a United Nations organisation tasked with assisting refugees, forcibly displaced communities, and stateless individuals in voluntary return, local integration, or resettlement to a third nation. By doing so, the UNHRC promotes societal stability by allowing persons to be removed to safety and repatriated if they so desire.

The World Bank:

Low- and middle-income governments can apply to the World Bank for loans and grants to help finance programs. The Post-War Fund (PCF) was established in 1997 to strengthen the World Bank's capabilities to support nations in their transition from war to long-term peace and economic success. The Post-Conflict Fund provides funding to a wide range of partners in order to make it simpler for the World Bank to provide early and comprehensive assistance to conflict-affected nations (institutions, nongovernmental organisations, United Nations agencies, transitional authorities, governments, and other civil society institutions). With an emphasis on creative responses to conflict, engagement with donors and implementing agencies, and resource leveraging through a variety of funding structures, grants are intended to restore the lives and livelihoods of war-affected populations. The World Bank has increased its loans to post-conflict nations by more than 800 percent since 1980, and reconstruction projects cover every conceivable geographic area and sphere of the economy.

The United Nations Development Programme (UNDP) :

The United Nations Development Programme is a UN agency tasked with helping nations eradicate poverty and achieve sustainable growth in their economies and levels of human development. The largest UN development organisation, it operates in 170 nations. The UNDP also publishes a document with recommendations on how

post-conflict countries might expand on their current capacities to manage their own recovery. The major goals of such reports are to "avoid a relapse into violence and lay the groundwork for permanent peace and sustainable development." The UNDP has developed a list of "peace milestones" for post-conflict countries to help them make the transition from conflict to a flourishing economy. States frequently get support from other countries once the economic recovery has begun; but, in order to meet the requirements of the long-suffering population, nations must develop their own resources and become self-sufficient.

United Nations Conference on Trade and Development (UNCTAD):

The United Nations Conference on Trade and Development (UNCTAD) is an intergovernmental organisation within the United Nations Secretariat that promotes the interests of developing countries in world trade. It was established in 1964 by the United Nations General Assembly (UNGA) and reports to that body and the United Nations Economic and Social Council (ECOSOC). UNCTAD is composed of 195 member states and works with nongovernmental organisations worldwide; its permanent secretariat is in Geneva, Switzerland.

The primary objective of UNCTAD is to formulate policies relating to all aspects of development, including trade, aid, transport, finance and technology. It was created in response to concerns among developing countries that existing international institutions like GATT (now replaced by the World Trade Organization), the International Monetary Fund (IMF), and the World Bank were not properly organised to handle the particular problems of developing countries; UNCTAD would provide a forum where developing nations could discuss and address problems relating to their economic development.

UN INVOLVEMENT AND RELEVANT RESOLUTIONS AND REPORTS

- Economic and social repercussions of the Israeli occupation on the living conditions of the Palestinian people in the Occupied Palestinian Territory, including East Jerusalem, and the Arab population in the occupied Syrian Golan, 21 September 2020 **(E/RES/2021/4)**.
- 31st Special Session of the Human Rights Council on the Situation in Afghanistan, 24 August 2021 **(A/HRC/S-31/2)**.
- World Economic Situation and Prospects as of Mid-2022, 10 May 2022 **(E/2022/60)**.
- Institutions And State-Building In Conflict-Affected Settings : The Case Of Afghanistan, 24 January 2022 **(E/C.16/2022/4)**.

The aforementioned UN documents will help Delegates to understand the general stance of the UN, as well as that of its various Member States towards the Agenda. These resolutions and reports can provide a good starting point to acquire relevant information while also functioning as a useful tool to understand the structure and format of UN documents.

This guide provides four examples of relevant documents; Delegates are requested to not rely solely on the provided examples and to do more in-depth research regarding the Agenda in general - information is the most effective weapon of any delegate, regardless of the nature of the debate in the Committee.

POSSIBLE SOLUTION APPROACHES

The proposed recommendations recognize the response will need to be phased and, as such, focuses first on areas for action based on existing policies and instruments that can be enacted immediately, if needed adjustments and flexibilities are introduced. These crises will leave deep and long-lasting scars, and therefore further medium and long-term policy proposals will be needed subsequently.

- Call on all countries to keep engaging in multilateral fora to address urgent global food, energy and financial issues. Delays in collective action will exacerbate already troubling prospects for the world economy.
- Call on all countries and stakeholders to recognize that the very nature of increasingly common global shocks is such that countries are not individually responsible, and that therefore solutions must be based on global, and not solely country-based risk.
- Make immediate and efficient use of all the existing mechanisms to address both, the countries directly suffering from conflict, but also, the global consequences of the war in developing countries.
- Call not only on countries, but also on the private, civil society and the philanthropic sectors to help the most vulnerable populations around the world and to be proactive actors in the pursuit of coordinated solutions. Fragmented interventions will not lead to the best results.

These general avenues of thought and approach will form the basis of the Committee's approach towards trying to solve this multifaceted and multidimensional problem. Delegates are requested to use this research report as a basis from which they can obtain information regarding the Agenda.

Please note that this guide does not cover the stances of individual Member States towards the Agenda and their foreign policy; that would be altogether unachievable and would defeat the purpose of the MUN, which rewards research and perseverance.