

NMUN • NY

GENERAL ASSEMBLY SECOND COMMITTEE



NATIONAL MODEL
UNITED NATIONS

5-9 April 2009 - Sheraton
7-11 April 2009 - Marriott

www.nmun.org

BACKGROUND GUIDE 2009

NATIONAL
COLLEGIATE CONFERENCE
association™

WRITTEN BY:
Brian Andrew
Holger Baer
Kimberly Spaulding
Jeanna Trammel

Please consult the FAQ section of www.nmun.org for answers to your questions. If you do not find a satisfactory answer you may also contact the individuals below for personal assistance. They may answer your question(s) or refer you to the best source for an answer.

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NMUN•NY 2009 IMPORTANT DATES

IMPORTANT NOTICE: To make hotel reservations, you must use the forms at www.nmun.org and include a \$1,000 deposit. Discount rates are available until the room block is full or one month before the conference – whichever comes first. **PLEASE BOOK EARLY!**

SHERATON

MARRIOTT

31 January 2009

31 January 2009

- Confirm Attendance & Delegate Count. (Count may be changed up to 1 March)
- Make Transportation Arrangements - DON'T FORGET!
(We recommend confirming hotel accommodations prior to booking flights.)

15 February 2009

15 February 2009

- Committee Updates Posted to www.nmun.org.

1 March 2009

1 March 2009

- Hotel Registration with FULL PRE-PAYMENT Due to Hotel - Register Early! Registration is first-come, first-served.
- Any Changes to Delegate Numbers Must be Confirmed to karen@nmun.org
- Two Copies of Each Position Paper Due via E-mail
(See opposite page for instructions).
- ***All Conference Fees Due to NMUN for confirmed delegates.***
(\$125 per delegate if paid by 1 March; \$150 per delegate if received after 1 March.) Fee is not refundable after this deadline.

NATIONAL MODEL UNITED NATIONS

The 2009 National Model UN Conference

- 5 - 9 April – Sheraton New York
- 7 - 11 April – New York Marriott Marquis

Two copies of each position paper should be sent via e-mail by 1 MARCH 2009

1. TO COMMITTEE STAFF

A file of the position paper (.doc or .pdf) for each assigned committee should be sent to the committee e-mail address listed below. Mail papers by 1 March to the e-mail address listed for your particular venue. These e-mail addresses will be active after 15 November. Delegates should carbon copy (cc:) themselves as confirmation of receipt. Please put committee and assignment in the subject line (Example: GAPLEN_Greece).

2. TO DIRECTOR-GENERAL

- Each delegation should send one set of all position papers for each assignment to the e-mail designated for their venue: positionpapers.sheraton@nmun.org or positionpapers.marriott@nmun.org. This set (held by each Director-General) will serve as a back-up copy in case individual committee directors cannot open attachments. Note: This e-mail should only be used as a repository for position papers.
- The head delegate or faculty member sending this message should cc: him/herself as confirmation of receipt. (Free programs like Adobe Acrobat or WinZip may need to be used to compress files if they are not plain text.)
- Because of the potential volume of e-mail, only one e-mail from the Head Delegate or Faculty Advisor containing all attached position papers will be accepted. Please put committee, assignment and delegation name in the subject line (Example: Cuba_U_of_ABC). If you have any questions, please contact the Director-General at dirgen@nmun.org.

COMMITTEE	E-MAIL SHERATON	COMMITTEE	E-MAIL MARRIOTT
GENERAL ASSEMBLY PLENARY	gaplenary.sheraton@nmun.org	GENERAL ASSEMBLY PLENARY	gaplenary.marriott@nmun.org
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OTHER USEFUL CONTACTS:

Entire Set of Delegation Position Papers (send only to e-mail for your assigned venue)	positionpapers.sheraton@nmun.org positionpapers.marriott@nmun.org
NMUN Director of Programs	karen@nmun.org
Secretary-General	secgen@nmun.org
Director(s)-General	dirgen@nmun.org

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THE 2009 NATIONAL MODEL UNITED NATIONS

SPONSORED BY THE NATIONAL COLLEGIATE CONFERENCE ASSOCIATION

New York City, 5-9 April (Sheraton) & 7-11 April (Marriott) • www.nmun.org

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Dear Delegates,

Welcome to the 2009 National Model United Nations (NMUN). Your Directors for the General Assembly Economic and Financial (GA 2nd) Committee are Holger Baer and Brian Andrew.

Holger Baer will serve as the Director at the Sheraton venue. He was the Director of the General Assembly Social, Cultural and Humanitarian Committee in 2008 and is currently finishing his MA in Politics and Public Administration at Constance University and York University, Toronto. Holger Baer's Assistant Director will be Kimberly Spaulding, who is a senior from University of California, San Diego studying International Studies with an emphasis on Political Science. She was Assistant Director in the Economic Commission for Africa in 2008 and was a delegate representative for two previous conferences. Brian Andrew will direct the Marriott venue and will be assisted by Jeanna Trammell. Previously, Brian served as director for the Economic Commission for Africa. Jeanna did her graduate work in comparative and international legal studies at the SOAS of the University of London. Collectively, we work as a team, and we are truly looking forward to serving as your Directors and Assistant Directors.

The topics for this year's General Assembly 2nd Committee are:

1. Climate Change Economics
2. Economic and Trade Policies to Address Food Price Volatility
3. External Trade and Macro-financial Assistance to Developing Countries

Being a delegate in the Second Committee of the General Assembly can be a challenging task. A thorough knowledge of GA 2nd's role in the UN system is required in order to be able to address the economic issues on the agenda within the framework of the organization and international politics. This guide will aid you in developing a cursory understanding of the topics listed above and give you a starting point for your research. But it can only be a starting point. Your personal learning experience and the success of the simulation essentially depend on the dedication and effort that you will put into your preparation as a representative of your country. Thus, the preparation for the conference must consist of an excellent knowledge of the topics, the role of the General Assembly 2nd Committee, and your country's policy with regard to the three topics.

Every participating delegation is required to submit a position paper prior to attending the conference. NMUN will accept position papers via e-mail by **March 1st** for both venues. Please refer to the message from your Director's-General explaining NMUN's position paper requirements and restrictions. Delegates' adherence to these guidelines is crucial.

A General Assembly committee can be a little intimidating and overwhelming in the beginning, but it will be an incredibly rewarding experience. We wish each of you the best as you prepare. Please do not hesitate to direct any questions or concerns via e-mail to your Director. We look forward to meeting you at the conference in spring 2009.

Sincerely yours,

Sheraton Venue

Holger Baer
Director
Kimberly Spaulding
Assistant Director
Ga2nd.sheraton@nmun.org

Marriott Venue

Brian Andrew
Director
Jeanna Trammell
Assistant Director
Ga2nd.marriott@nmun.org

Message from the Directors-General Regarding Position Papers for the 2009 NMUN Conference

At the 2009 NMUN New York Conference, each delegation submits one position paper for each committee it is assigned to. Delegates should be aware that their role in a respective committee has some impact on the way a position paper should be written. While most delegates will serve as representatives of Member States, some may also serve as observers, NGOs or judicial or technical experts. To understand these fine differences, please refer to Delegate Preparation Guide.

Position papers should provide a concise review of each delegation's policy regarding the topic areas under discussion and establish precise policies and recommendations in regard to the topics before the committee. International and regional conventions, treaties, declarations, resolutions, and programs of action of relevance to the policy of your State should be identified and addressed. Discussing recommendations for action to be taken by your committee is another portion of the position paper that should be considered. Position papers also serve as a blueprint for individual delegates to remember their country's position throughout the course of the Conference. NGO position papers should be constructed in the same fashion as traditional position papers. Each topic should be addressed briefly in a succinct policy statement representing the relevant views of your assigned NGO. You should also include recommendations for action to be taken by your committee. It will be judged using the same criteria as all country position papers, and is held to the same standard of timeliness.

Please be forewarned, delegates must turn in material that is entirely original. *The NMUN Conference will not tolerate the occurrence of plagiarism.* In this regard, the NMUN Secretariat would like to take this opportunity to remind delegates that although United Nations documentation is considered within the public domain, the Conference does not allow the verbatim re-creation of these documents. This plagiarism policy also extends to the written work of the Secretariat contained within the Committee Background Guides. Violation of this policy will be immediately reported to faculty advisors and may result in dismissal from Conference participation. Delegates should report any incident of plagiarism to the Secretariat as soon as possible.

Delegation's position papers can be awarded as recognition of outstanding pre-Conference preparation. In order to be considered for a Position Paper Award, however, delegations must have met the formal requirements listed below. Please refer to the sample paper on the following page for a visual example of what your work should look like at its completion. The following format specifications are **required** for all papers:

- All papers must be typed and formatted according to the example in the Background Guides
- Length must **not** exceed one double-sided page (two single-sided pages is **not** acceptable)
- Font **must** be Times New Roman sized between 10 pt. and 12 pt.
- Margins must be set at 1 inch for whole paper
- Country/NGO name, School name and committee name clearly labeled on the first page; the use of national symbols is highly discouraged
- Agenda topics clearly labeled in separate sections

To be considered timely for awards, please read and follow these directions:

1. **A file of the position paper** (.doc or .pdf) **for each assigned committee** should be sent to the committee email address listed in the Background Guide. These e-mail addresses will be active after November 15, 2008. Delegates should carbon copy (cc:) themselves as confirmation of receipt.

2. Each delegation should also send **one set of all position papers** to the e-mail designated for their venue: positionpapers.sheraton@nmun.org or positionpapers.marriott@nmun.org. This set will serve as a back-up copy in case individual committee directors cannot open attachments. These copies will also be made available in Home Government during the week of the NMUN Conference

Each of the above listed tasks needs to be completed no later than **March 1, 2009 for Delegations attending the NMUN conference at either the Sheraton or the Marriott venue.**

PLEASE TITLE EACH E-MAIL/DOCUMENT WITH THE NAME OF THE COMMITTEE, ASSIGNMENT AND DELEGATION NAME (Example: AU_Namibia_University of Caprivi)

A matrix of received papers will be posted online for delegations to check prior to the Conference. If you need to make other arrangements for submission, please contact Sarah Tulley, Director-General, Sheraton venue, or Lauren Judy, Director-General, Marriott venue at dirgen@nmun.org. There is an option for delegations to submit physical copies via regular mail if needed.

Once the formal requirements outlined above are met, Conference staff uses the following criteria to evaluate Position Papers:

- Overall quality of writing, proper style, grammar, etc.
- Citation of relevant resolutions/documents
- General consistency with bloc/geopolitical constraints
- Consistency with the constraints of the United Nations
- Analysis of issues, rather than reiteration of the Committee Background Guide
- Outline of (official) policy aims within the committee's mandate

Each delegation should submit a copy of their position paper to the permanent mission of the country being represented, along with an explanation of the Conference. Those delegations representing NGOs do not have to send their position paper to their NGO headquarters, although it is encouraged. This will assist them in preparation for the mission briefing in New York.

Finally, please consider that over 2,000 papers will be handled and read by the Secretariat for the Conference. Your patience and cooperation in strictly adhering to the above guidelines will make this process more efficient and is greatly appreciated. Should you have any questions please feel free to contact the Conference staff, though as we do not operate out of a central office or location your consideration for time zone differences is appreciated.

Sincerely yours,

Sheraton Venue
Sarah Tulley
Director-General

sarah@nmun.org

Marriott Venue
Lauren Judy
Director-General

lauren@nmun.org

Sample Position Paper

The following position paper is designed to be a sample of the standard format that an NMUN position paper should follow. While delegates are encouraged to use the front and back of a single page in order to fully address all topics before the committee, please remember that only a maximum of one double-sided page (or two pages total in an electronic file) will be accepted. Only the first double-sided page of any submissions (or two pages of an electronic file) will be considered for awards.

Delegation from
Canada

Represented by
(Name of College)

Position Paper for General Assembly Plenary

The topics before the General Assembly Plenary are: Breaking the link between Diamonds and Armed Conflict; the Promotion of Alternative Sources of Energy; and the Implementation of the 2001-2010 International Decade to Roll Back Malaria in Developing Countries, Particularly in Africa. Canada is dedicated to collaborative multilateral approaches to ensuring protection and promotion of human security and advancement of sustainable development.

I. Breaking the link between Diamonds and Armed Conflict

Canada endorses the Kimberly Process in promoting accountability, transparency, and effective governmental regulation of trade in rough diamonds. We believe the Kimberly Process Certification Scheme (KPCS) is an essential international regulatory mechanism and encourage all Member States to contribute to market accountability by seeking membership, participation, and compliance with its mandate. Canada urges Member States to follow the recommendations of the 2007 Kimberley Process Communiqué to strengthen government oversight of rough diamond trading and manufacturing by developing domestic legal frameworks similar to the Extractive Industries Transparency Initiative. We call upon participating States to act in accordance with the KPCS's comprehensive and credible systems of peer review to monitor the continued implementation of the Kimberley Process and ensure full transparency and self-examination of domestic diamond industries. We draw attention to our domestic programs for diamond regulation including Implementing the Export and Import of Rough Diamonds Act and urge Member States to consider these programs in developing the type of domestic regulatory frameworks called for in A/RES/55/56. We recommend Member States implement the 2007 Brussels Declaration on Internal Controls of Participants and, in cooperation with established diamond industries, increase controls for record keeping, spot checks of trading companies, physical inspections of imports and exports, and maintenance of verifiable records of rough diamond inventories. Pursuant to Article 41 of the Charter of the United Nations and in conjunction with S/RES/1346, we support renewed targeted sanctions on Côte d'Ivoire, initiated under Paragraph 1 of S/RES/1782, and recommend the Security Council use targeted sanctions and embargos to offset illicit exploitation of diamond trading. Canada recognizes the crucial role of non-governmental organizations (NGOs) in the review of rough diamond control measures developed through the Kimberly Process and encourages States to include NGOs, such as Global Witness and Partnership Africa Canada, in the review processes called for in A/RES/58/290. We urge Member States to act in accordance with A/RES/60/182 to optimize the beneficial development impact of artisanal and alluvial diamond miners by establishing a coordinating mechanism for financial and technical assistance through the Working Group of the Kimberly Process of Artisanal Alluvial Producers. Canada calls upon States and NGOs to provide basic educational material regarding diamond valuation and market prices for artisanal diggers, as recommended by the Diamond Development Initiative. Canada will continue to adhere to the 2007 Brussels Declaration on Internal Controls of Participants and is dedicated to ensuring accountability, transparency, and effective regulation of the rough diamond trade through the utilization of voluntary peer review systems and the promotion of increased measures of internal control within all diamond producing States.

II. The Promotion of Alternative Sources of Energy

Canada is dedicated to integrating alternative energy sources into climate change frameworks by diversifying the energy market while improving competitiveness in a sustainable economy, as exemplified through our Turning Corners Report and Project Green climate strategies. We view the international commitment to the promotion of

alternative sources of energy called for in the Kyoto Protocol and the United Nations Framework Convention on Climate Control (UNFCCC) as a catalyst to sustainable development and emission reduction. Canada fulfills its obligations to Article 4 of the UNFCCC by continuing to provide development assistance through the Climate Change Development Fund and calls upon Member States to commit substantial financial and technical investment toward the transfer of sustainable energy technologies and clean energy mechanisms to developing States. We emphasize the need for Member States to follow the recommendations of the 2005 Beijing International Renewable Energy Conference to strengthen domestic policy frameworks to promote clean energy technologies. Canada views dissemination of technology information called for in the 2007 Group of Eight Growth and Responsibility in the World Economy Declaration as a vital step in energy diversification from conventional energy generation. We call upon Member States to integrate clean electricity from renewable sources into their domestic energy sector by employing investment campaigns similar to our \$1.48 billion initiative ecoENERGY for Renewable Power. Canada encourages States to develop domestic policies of energy efficiency, utilizing regulatory and financing frameworks to accelerate the deployment of clean low-emitting technologies. We call upon Member States to provide knowledge-based advisory services for expanding access to energy in order to fulfill their commitments to Goal 1 of the Millennium Development Goals (MDGs). Canada emphasizes the need for States to establish domestic regulatory bodies similar to the Use, Development, Deployment, and Transfer of Technology Program to work in cooperation with the private sector to increase the transfer of alternative energy technologies. Highlighting the contributions of the Canadian Initiative for International Technology Transfer and the International Initiative for Technology Development Program, we urge Member States to facilitate the development and implementation of climate change technology transfer projects. Canada urges States to address the concerns of the 2007 Human Development Report by promoting tax incentives, similar to the Capital Cost Allowances and Canadian Renewable and Conservation Expenses, to encourage private sector development of energy conservation and renewable energy projects. As a member of the Renewable Energy and Energy Efficiency Partnership, Canada is committed to accelerating the development of renewable energy projects, information sharing mechanisms, and energy efficient systems through the voluntary carbon offset system. We are dedicated to leading international efforts toward the development and sharing of best practices on clean energy technologies and highlight our release of the Renewable Energy Technologies Screen software for public and private stakeholders developing projects in energy efficiency, cogeneration, and renewable energy. Canada believes the integration of clean energy into State specific strategies called for in A/62/419/Add.9 will strengthen energy diversification, promote the use of cogeneration, and achieve a synergy between promoting alternative energy while allowing for competitiveness in a sustainable economy.

III. Implementation of the 2001-2010 International Decade to Roll Back Malaria in Developing Countries, Particularly in Africa

Canada views the full implementation of the treatment and prevention targets of the 2001-2010 International Decade to Roll Back Malaria in Developing Countries, Especially in Africa, as essential to eradicating malaria and assisting African States to achieve Target 8 of Goal 6 of the MDGs by 2015. We recommend Member States cooperate with the World Health Organization to ensure transparency in the collection of statistical information for Indicators 21 and 22 of the MDGs. Canada reaffirms the targets of the Abuja Declaration Plan of Action stressing regional cooperation in the implementation, monitoring, and management of malaria prevention and treatment initiatives in Africa. To fully implement A/RES/61/228, Canada believes developed States must balance trade and intellectual property obligations with the humanitarian objective of the Doha Declaration on the TRIPS Agreement and Public Health. We continue to implement Paragraph 6 of the Doha Declaration on the TRIPS Agreement and Public Health into our compulsory licensing framework through the Jean Chrétien Pledge to Africa Act. We urge Member States to support compulsory licensing for essential generic medicines by including anti-malarial vaccines and initiating domestic provisions to permit export-only compulsory licenses to domestic pharmaceutical manufacturers, similar to Canada's Access to Medicines Regime. Canada calls upon Member States to establish advanced market commitments on the distribution of pneumococcal vaccines to developing States in cooperation with PATH and the Malaria Vaccine Initiative. We emphasize the need for greater membership in the Roll Back Malaria initiative to strengthen malaria control planning, funding, implementation, and evaluation by promoting increased investment in healthcare systems and greater incorporation of malaria control into all relevant multi-sector activities. Canada continues to implement the Canadian International Development Agency's (CIDA) New Agenda for Action on Health to reduce malaria infection rates among marginalized populations in Africa, increase routine immunizations rates, and reduce infection rates of other neglected infections. Canada will achieve the goal of doubling aid to Africa by 2008-2009 by providing assistance to the Global Fund to Fight Aids, Tuberculosis, and Malaria. We urge Member States to increase donations to intergovernmental organizations and NGOs that support malaria

programming in Africa, exemplified by CIDA's contribution of \$26 million to the Canadian Red Cross. We continue our efforts to provide accessible and affordable vector control methods to African States through the Red Cross' Malaria Bed Net Campaign and the African Medical Research Foundation Canada by supplying insecticide-treated mosquito nets and Participatory Malaria Prevention and Treatment tool kits. We support the Initiative to Save a Million Lives Now 2007 Campaign to improve healthcare for impoverished mothers and children and reaffirm the need for standardization of healthcare systems to ensure adequate training of healthcare officials. We call upon Member States to assist in the capacity building of developing States' healthcare frameworks to provide adequate training, equipment, and deployment to new and existing African healthcare personnel. Canada places strong emphasis on ensuring increased accessibility to health services, improved standards of living, and reduction in mortality rates through our \$450 million contribution to the African Health Systems Initiative. Pursuant to Article VII of the A/55/2, we will continue to exhibit leadership in the implementation of A/RES/61/228 to mitigate the effects of malaria in developing States, particularly in Africa, and remain dedicated to the strengthening of healthcare systems to improve malaria prevention and treatment.

History of the General Assembly 2nd Committee

In 1945, fifty-one States came together to ratify the United Nations Charter and thus created the United Nations (UN).¹ This action represented the international community's belief in the necessity of an international organization that would "promote international cooperation and to achieve peace and security."² Working to secure a stronger future for humankind, the UN has grown and evolved since its creation and today addresses an even broader range of issues from genocide to the role of women and minorities in social and economic development. The six principle UN organs include: the General Assembly (GA), the Economic and Social Council (ECOSOC), the Security Council (SC), the International Court of Justice (ICJ), the Trusteeship Council and the UN Secretariat.³

The General Assembly

Established by Chapter III Article VII of the United Nations Charter, the General Assembly holds an important role as a plenary body in which all 192 UN Member States may participate.⁴ Each Member State is afforded one vote in the annual meetings, which take place from September to December.⁵ The body also allows an additional seventy-one non-voting observer groups to participate in debate.⁶ The Sixty-third Session of the General Assembly begins on September 16, 2008.⁷

Subsidiary Bodies

The General Assembly maintains six subsidiary committees, each of which considers a more limited agenda of specific topics.⁸ The issues considered by these committees range from international peace and security to human rights to legal and financial issues. The General Second Committee is tasked with the "consideration of economic questions." Some such topics include: "macroeconomic policy questions (including international trade, debt and commodities), financing for development, sustainable development, human settlements, poverty eradication, strengthening humanitarian and disaster relief assistance, globalization and interdependence, operational activities for development, and information and communication technologies for development."⁹ Additionally, the committee has recently concerned itself with financial issues in Least Developed Countries (LDCs) and Landlocked Developing Countries (LLDCs).¹⁰ The General Assembly Second committee helps to implement the Programme of Action for the Least Developed Countries for the Decade 2001-2010 by addressing this issue in resolution 60/228 which sets a high-level meeting for the discussion of the execution of the Programme.¹¹

As stated in Article 15 of Chapter IV of the United Nations Charter the, "[the] General Assembly shall receive and consider reports from the other organs of the United Nations."¹² The GA Second Committee works with other UN bodies and agencies such as the Economic and Social Council of the United Nations (ECOSOC), United Nations Human Settlements Program (UN-HABITAT), United Nations Environment Programme (UNEP) to produce resolutions dealing with a broad range of financial topics.¹³ The General Assembly receives draft resolutions from these agencies and votes whether or not to implement the resolutions.¹⁴ One issue that GA Second Committee works closely with ECOSOC on is sustainable development.¹⁵ Sustainable

¹ United Nations Publications, *History of the United Nations*.

² *Ibid.*

³ Public Inquiries Unit, Department of Public Information, United Nations, *Membership of principal United Nations Organs in 2008*, n.d.

⁴ United Nations Publications, *History of the United Nations*.

⁵ United Nations General Assembly, *List of non-Member States, entities and organizations having received a standing invitation to participate as observers in the sessions and the work of the General Assembly (A/INF/62/6)*, 2008.

⁶ *Ibid.*

⁷ *Ibid.*

⁸ United Nations, *Economic and Financial UN General Assembly 61st Session - Second Committee*, 2006.

⁹ *Ibid.*

¹⁰ *Ibid.*

¹¹ United Nations Economic and Social Commission for Asia and the Pacific, *Implementation of the Programme of Action for the Least Developed Countries (62/11)*, 2006.

¹² United Nations, *Charter of the United Nations*, 1945, Chapter IV.

¹³ United Nations Second Committee Recommends Proclamation of International Decade on 'Water For Life', 2005-2015, 2003.

¹⁴ *Ibid.*

¹⁵ United Nations Department of Economic and Social Affairs, Division for Sustainable Development, *Trends in Sustainable Development – Africa*, 2008.

development is “development that meets the needs of the present without compromising the ability of future generations to meet their own needs.”¹⁶ The General Assembly approved the creation of the Commission on Sustainable Development in December 1992 to administer the implementation of Agenda 21 and recommend actions to the General Assembly at the UN Conference on Environment and Development.¹⁷ Agenda 21 is a document that was adopted at the United Nations Conference on Environment and Development in Rio de Janeiro in 1992.¹⁸

The report from the Governing Council of the UNEP on its twenty-fourth session was received and GA Second Committee approved the draft resolution A/C.2/62/L.39 by consensus.¹⁹ With this draft resolution the General Assembly Second Committee declares 2010-2020 as the UN Decade for Deserts and the Fight against Desertification. The resolution emphasizes the need to fully instigate and continue to enhance the Bali Strategic Plan for Technology Support and Capacity-building.²⁰ The Bali Strategic Plan aims to support long- and short-term assesses for technology support and capacity building and strengthens the facility of Governments of developing countries and countries with transitioning economies.²¹

Affordable and sustainable agricultural technologies are important in helping developing countries alleviate poverty and eradicate hunger which General Assembly Resolution A/RES/62/190 addresses.²² Eradicating poverty will take countries working together as well as working on their own policies and plans to build a structure that will be able to eradicate poverty in a sustainable way. The United Nations Declaration Millennium Goals would like to halve the poverty by 2015. The General Assembly is concerned that Africa is not on track to achieve this goal by 2015 and emphasizes the need to support the efforts to help Africa reach this goal.²³

Conclusion

The GA Second Committee is a resolution writing committee. From its inception, the GA Second Committee focused on financial and economic issues. The committee has played an important role to the General Assembly and to the United Nations over the years. The committee makes large contribution to the UN by being the decision maker for approving draft resolutions and discussing economic concerns with UN bodies and agencies such as UNEP, ECOSOC, and UN-HABITAT.

The General Assembly Second Committee must consider all factors and obstacles that countries will face when implementing new programs and policies to eradicate hunger and reduce poverty. The call on countries to change policies and programs especially in developing countries and countries with economies in transition will face many challenges. Member States must help provide resources to countries for a better chance of all Member States reaching their goal to reduce poverty by 50% in the year 2015 as outlined in the UN Millennium Declaration A/55/L.2.²⁴

I. Climate Change Economics

*“Climate change is a result of the greatest market failure the world has seen. The evidence on the seriousness of the risks from inaction or delayed action is now overwhelming. We risk damages on a scale larger than the two world wars of the last century. The problem is global and the response must be a collaboration on a global scale”.*²⁵

16 *Ibid.*

17 United Nations Department of Public Information, *UN Conference on Environment and Development (1992)*, 1997; UN Chronicle, *Assembly creates Sustainable Development Commission, endorses 'Agenda 21.'*-United Nations General Assembly, 1993.

19 United Nations Department of Public Information, General Assembly GA/EF/3204 Four texts approved by Second Committee would boost initiatives on climate change, promote sustainable development, 2007.

20 *Ibid.*

21 United Nations Environment Programme, *Bali Strategic Plan for Technology Support and Capacity-building*. (n.d.).

22 General Assembly, *Agricultural technology for development (A/RES/62/190)*, 2008.

23 *Ibid.*

24 General Assembly, *Millennium Declaration (A/55/L.2)*, 2000.

25 Benjamin, *Stern: Climate Change a 'market failure'*, 2007.

Introduction

Climate change has been a major issue on the UN agenda for the last 20 years. In 1979, the World Meteorological Organization held its first World Climate Conference spearheading research on global warming. The General Assembly's Second Committee (GA 2nd), concerned with economic and financial questions, was on the forefront of the political debate, when it considered and subsequently passed a resolution A/RES/43/53 on *Protection of Global Climate for Present and Future Generations* for the first time in 1988.²⁶ While great attention has been paid to the natural science basis and the importance of anthropogenic carbon dioxide emissions in causing long term change in the climate, an economic analysis of climate change has been largely missing until the publication of former World Bank Chief Economist Sir Nicholas Stern's 2007 *Review on the Economics of Climate Change*.²⁷ An economic perspective on climate change promises to provide new impetus to the use of the market-based emission reduction instruments devised in the *Kyoto Protocol to the UN Convention on Climate Change*, as well as a new perspective on forms of global cooperation to be developed that might become part of a post-Kyoto accord.²⁸ This background guide provides an overview of the most important institutional actors within the UN system, a brief introduction into the economic theory of climate change, and an overview on the implications for climate policy within the UN context, exemplified in a case study on the economics of deforestation.

Climate Change within the United Nations System – Institutions and Science

The General Assembly (GA) and its GA 2nd committee have worked extensively on climate change in both the *Millennium Declaration* calling on States "to make every effort to ensure the entry into force of the Kyoto Protocol" by 2002, as well as the adoption of the annual *resolution Protection of global climate for present and future generations of mankind*.²⁹ This resolution recognizes the seriousness of risks and challenges of climate change and that developing – in particular least developed – countries are most affected and reaffirms the principles of "common but differentiated responsibilities and respective capabilities."³⁰

At the 1992 United Nations Conference on Environment and Development in Rio de Janeiro, the *United Nations adopted the Framework Convention on Climate Change* (UNFCCC).³¹ Its central objective was to reduce developed countries' carbon dioxide emissions to 1990 levels by 2000 in order to stabilize "greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system. Such a level should be achieved within a time frame sufficient to allow ecosystems to adapt naturally to climate change, to ensure that food production is not threatened and to enable economic development to proceed in a sustainable manner" ('precautionary principle').³² To date, 192 parties have ratified the UNFCCC and four parties act as observers.³³ Within the UNFCCC, there are three groups of States with various obligations under the treaty: Annex I States – or the 40 industrialized countries that agreed to reduce their greenhouse gas (GHG) emissions below the 1990 levels; Annex II States – the 23 industrialized countries – all within Annex I that provide financial support to the third group of developing countries that are not subject to emission reduction requirements.³⁴ The convention's emission reduction goals were not binding, but it provided, in Article 17, the possibility to adopt protocols that mandate binding emission reductions.

The 1997 Kyoto Protocol is such a protocol based on Article 17 of the UNFCCC and can be viewed as a reaction to the ineffectiveness of the UNFCCC in achieving GHG emission reductions in industrialized countries.³⁵ In the protocol, there are 37 so-called Annex-B countries (industrialized countries, identical with the Annex-I of the UNFCCC), who are subject to a binding commitment to reduce their national greenhouse gas emission levels by five per cent, on collective average, compared to the 'base year' 1990 by the end of the first commitment period in

26 United Nations General Assembly, *Protection of Global Climate for Present and Future Generations of Mankind* (A/RES/43/53), 1988.

27 Stern, *The Economics of Climate Change*, 2006.

28 Stavins, *An International Policy Architecture for the Post-Kyoto Era*, 2008, p. 149.

29 United Nations General Assembly, *United Nations Millennium Declaration* (A/RES/55/2), 2000; United Nations General Assembly, *Protection of Global Climate for Present and Future Generations of Mankind* (A/RES/62/86), 2008.

30 *Ibid.*

31 United Nations, *Framework Convention on Climate Change*, 1992.

32 *Ibid.*, Articles 2 and 4.

33 United Nations Framework Convention on Climate Change, *Status of Ratification*, 2007.

34 United Nations, *Framework Convention on Climate Change*, 1992.

35 Grubb, *The Economics of the Kyoto Protocol*, 2003, p. 157.

2012.³⁶ An example of the differences in ‘burden sharing’ under the protocol can be seen in the European Union (EU) States that share a collective 8% reduction goal (‘bubble’), while individual Member States have diverging national commitments ranging from reductions of 21% for Denmark and Germany, to a commitment to increase national GHG emissions by no more than 27%, as is the case for Portugal.³⁷ Developing countries were not included in Annex-B of the protocol and not subject to binding reduction commitments under the protocol due to the economic burden it would place upon them. To date, 182 parties have ratified the protocol, which came into force on February 16, 2005.³⁸

The protocol’s central idea is to allow the different parties to meet their commitments not just domestically, but also through exchange of emission allowances. The protocol devises three “flexible mechanisms” to achieve reductions in cheaper ways: (1) Emissions Trading – which describes the exchange of emission allowances between Annex-B States (2) the Clean Development Mechanism (CDM) – in which Annex-B parties to the protocol can acquire allowances from investments in projects in developing countries that lead to “real, measurable and long-term benefits” and are “additional to any that would occur in the absence of the certified project activity”; and (3) Joint Implementation (JI) – which applies the idea of the CDM to investments where both States are in Annex-B and the investor country receives a part of the emission allowances of the host country.³⁹ The instruments share the same basic idea: that it is not important where in the world emission reductions take place, and that markets for emission credits will allow Annex-I countries with GHG reduction commitments to achieve these in an economic way.⁴⁰ The negotiations leading up to the protocol were dominated by the United States of America’s (U.S.)’ push for market-based, flexible mechanisms in order to minimize the costs of emission reductions, thus to “extend economic globalization to environmental policy.”⁴¹ While Japan and the EU-States had much lower per capita greenhouse gas emissions than the U.S. or Australia, they were the ones who pushed for deeper cuts and stronger domestic action on reducing emissions, fearing that the U.S., as the biggest emitter at the time, could fulfill their obligations by simply buying allowances from other countries without actually reducing domestic emissions.⁴² The allocation of reduction commitments was thus not based on a particular principle, but on the willingness of governments. The protocol has been in force since 2005, and while a number of countries will not be able to achieve their goals, the biggest emitter in the protocol – the UN – is ‘on track’ for its goals using a policy mix including emission trading, the use of CDM and JI and energy/carbon taxation.⁴³ The world’s largest emitter of GHGs, the U.S., is the only Annex-B country left that has not ratified the Kyoto Protocol.⁴⁴

Climate politics have been influenced by the findings of international research like few other areas. The central institution in this field is the Intergovernmental Panel on Climate Change (IPCC). The IPCC was founded in 1988 by the World Meteorological Organization (WMO) and the United Nations Environment Programme (UNEP) in order “to provide decision-makers and others interested in climate change with an objective source of information” based on peer-reviewed scientific publications.⁴⁵ Its *Fourth Assessment Report* of 2007 underlined that the carbon dioxide concentration in the atmosphere of 379 parts per million (ppm) exceeds “by far the natural range over the last 650,000 years (180 to 300 ppm of CO₂)”, and that the observable “unequivocal” warming of 1.6 degrees centigrade since 1750 has been primarily based on human activities, 1.48 degrees from human activity compared to 0.12 by natural causes.⁴⁶

There are six greenhouse gases – carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulphur hexafluoride (SF₆) – that are most important to the IPCC’s work and to

36 United Nations Framework Convention on Climate Change, *Kyoto Protocol*, 1997.

37 Klepper and Peterson, *The European Emissions Trading Regime and the Future of Kyoto*, 2008, p. 102.

38 United Nations Framework Convention on Climate Change, *Kyoto Protocol Status of Ratification*, 2008.

39 United Nations Framework Convention on Climate Change, *Kyoto Protocol*, 1997, Art. 12; Grubb, *The Economics of the Kyoto Protocol*, 2003, pp. 153 et seq.

40 *Ibid.*

41 *Ibid.*, p. 183.

42 *Ibid.*, pp. 153 et seq.

43 European Environmental Agency, *Greenhouse Gas Emission Trends and Projections in Europe 2007*, 2007, p. 9-11.

44 United Nations Framework Convention on Climate Change, *Kyoto Protocol Status of Ratification*, 2008.

45 Intergovernmental Panel on Climate Change, *About IPCC*.

46 Intergovernmental Panel on Climate Change, *Climate Change 2007: The Physical Science Basis. Summary for Policymakers*, 2007.

international climate politics.⁴⁷ As carbon dioxide is by far the most important of those with regard to its concentration in the air, it is used as the basis for measurement and the cumulated concentration of greenhouse gases are measured in CO₂ equivalents (CO_{2e}). Generally, the operationalization of the UNFCCC's Article 2, also known as the precautionary principle (or the maximum amount of warming that would be consistent with the prevention of "dangerous anthropogenic interference with the climate system"), is defined as 2 degrees centigrade, which is equal to a stabilization of greenhouse gas concentration between 445 and 490 ppm CO_{2e}.⁴⁸ Climate change itself is unavoidable and a warming of up to 2.5 degrees centigrade above pre-industrial levels would mean that temperatures hold "significant risks to many unique and threatened systems" that are distributed unevenly so that "those in the weakest economic position are often the most vulnerable."⁴⁹ This of course has consequences for burden-sharing of the costs, ethical principles, and distributive aspects, which will be discussed in the third section.

The IPCC emphasizes that with current climate mitigation policies, emissions will continue to grow.⁵⁰ Depending on the rate and magnitude of climate change, irreversible impacts are likely, including species extinction, partial loss of polar ice sheets and subsequent rising sea levels, and continuing acidification of oceans.⁵¹ However, the IPCC scientists conclude that with "high agreement and much evidence" that there is great economic potential for the mitigation of GHG emissions and outlines key policy strategies for the most important sectors and technologies linked to reducing GHG emissions.⁵² The next paragraph will introduce to the economic debate on climate change, its basic and controversial assumptions, and the ethical implications of the strategies discussed in the literature.

The Economics of Climate Change and Ecosystem Services

One of the striking differences between ecological economics and neo-classical economic theory is the acknowledgment of the finiteness of the planet's resources and ecological services – e.g. the ability to absorb carbon dioxide in the atmosphere – and the existence of a physical-biological framework that confines economic activities.⁵³ There is a lack of consideration in standard economics given to the economic value of services provided by nature that – valued financially – far exceed (1.8 times) the global gross national product.⁵⁴ For example, pollination services by insects would have an economic value \$117 billion. – comparable to New Zealand's economy – while the economic value of global forests (nearly \$5 trillion) and their services goes unrecognized in standard economic accounting although having an economic value higher than Japan – the world's third largest economy.⁵⁵ If species or forests are destroyed, it in fact creates costs, as less of these services are provided by nature – in standard economics this would not be recognized, respectively logging would be considered as a positive contribution to GNP without accounting for the lost value of the services provided. This phenomenon was identified as an enormous problem by neoclassical economist Arthur Cecil Pigou in the 1920s. He argued that markets will make efficient allocations only when private and social costs are identical – if not, a resource would be used too much or not enough by economic actors depending on whether the 'external effects' are positive or negative.⁵⁶ Thus, if one economic actor causes a gain or loss to another person or society without a compensation being paid, it will lead to market failure – as in the case of carbon dioxide emissions that is produced in addition to the natural carbon cycle, and thus has a negative impact on humanity by increasing the stock of CO₂ to a level that creates costs globally –while this negative impact is not accounted for and private actors therefore lack an incentive to adjust their behavior.⁵⁷ Pigou proposed a tax equivalent to the 'externalized costs' so that private actors could adjust their decisions, internalize the 'social costs', which in turn would lead to an efficient allocation of goods and services.⁵⁸

Ecological economics aims to integrate external effects, nature's services, as well as fundamental principles such as nature's limited carrying capacity, the distinction of stock versus flow pollutants, or the existence of threshold effects

47 United Nations Framework Convention on Climate Change, *Kyoto Protocol*, 1997, Annex A.

48 Intergovernmental Panel on Climate Change, *Climate Change 2007. Synthesis Report. Summary for Policymakers*, 2007, p. 20.

49 *Ibid.*, p. 21.

50 *Ibid.*, p. 7.

51 *Ibid.*, p. 10 et seq.

52 *Ibid.*, p. 14.

53 Daly and Farley, *Ecological Economics. Principles and Applications*, 2004, pp. 62.

54 Costanza et al., *The Value of the World's Ecosystem Services and Natural Capital*, 1997.

55 *Ibid.*

56 Pigou, *The Economics of Welfare*, 1932, p. 172.

57 Daly and Farley, *Ecological Economics. Principles and Applications*, 2004, p. 376.

58 *Ibid.*

(e.g. irreversible changes, such as the melting of the Greenland ice shelf) in economic theory and decision-making.⁵⁹ For the case of climate change this means that, with an estimated lifetime of up to 125 years, carbon dioxide as a 'stock pollutant' is stocked in the atmosphere – and builds up over many years, increasing its impact on the atmosphere, while other 'flow pollutants', such as SO₂ disintegrate fast, which means that only their current emissions affect their impact on people and climate.⁶⁰ In the case of carbon dioxide, changes in annual emissions will have their full impact on the climate years later, which means that reductions today will benefit society decades later. While with flow pollutants economists were often able to show that pollutants' concentrations were decreasing once a certain per capita income was reached (people are increasingly willing to pay for better health and a cleaner environment with rising income – the so-called Environmental Kuznets Curve hypothesis), this connection cannot be used in discussing the relationship between per capita income and carbon dioxide – or, as theoretical economic models show, that the 'turning points' at which carbon dioxide emissions would start to decrease would range between \$55,000 and \$90,000 – income levels that are clearly unsuitable as a global solution to the problem.⁶¹

Economic studies of climate change – the most prominent being the *Stern Review on the Economics of Climate Change* – guide political decision-making and reflect the outlined considerations to a varying extent. The central argument of the review by Stern is that the benefits of immediate action to reduce GHG emissions outweigh the mitigation costs, which are rising the longer action is delayed, while increasing the risks posed by climate change.⁶² The Stern Review found that the loss of GDP for the stabilization of GHG emissions at 450-550 ppm CO_{2e}, a level that could be in line with the two degrees centigrade goal, is likely to be roughly 1% by 2050.⁶³ These numbers are comparable to the estimates given by the IPCC; It calculated that the economic costs for the stabilization of GHG by 2050 range between 0.05 – 0.12% of reduced annual growth until 2050, respectively "between a 1% gain and 5.5% decrease of global GDP in 2050."⁶⁴ The review is based on the IPCC scientific findings, which aims to stabilize GHG emissions in the range of 450-550 ppm CO_{2e}, peaking within the next 10 to 20 years in order to prevent irreversible damages.⁶⁵ While the Stern Review emphasizes that its major conclusions for climate policy are independent of the assumptions made, the economic simulation model, in particular the discount rate, have been subject to debate.⁶⁶ The discount rate itself reflects the consideration that in climate change the costs and benefits distributed unequally between generations as today's emission level will not affect the climate immediately, but in the future. Thus, the central argument of the debate is how much weight to give to each generation, respectively how to divide the costs, with a lower discount rate indicating more immediate action, while a higher discount rate would imply leaving more of the costs to future generations.⁶⁷ Stern's critics advocate a higher discounting rate, which is closer to current market rates and would effectively shift greater responsibility for emission reduction to future generations ('policy ramp').⁶⁸ In turn, the authors of the Stern Review argue that the rates proposed by Nordhaus would ignore the scale of the changes brought along by climate change, are impractical as the rates of return which Nordhaus proposes as an orientation are widely diverging in the world, and would effectively mean that for a discount rate of 2%, 'someone born in 1972 would have twice the ethical weight of someone born in 2007' – the higher the discount rate, the more important is the consumption of current generations.⁶⁹ Indian economist Parvan Sukhdev argues that the Nordhaus argument relies too heavily on high growth assumptions in order to justify higher resource consumption today ('optimists paradox') and warns that this policy could mean that future generations will be worse off than today's.⁷⁰

Climate change will impact countries unequally and it will hit developing countries hardest, which will, all other

59 Lieb, *The Environmental Kuznets Curve and Flow versus Stock Pollution: The Neglect of Future Damages*, 2004, pp. 485; Ranjan and Shortle, *The Environmental Kuznets Curve when the Environment Exhibits Hysteresis*, 2007.

60 Lieb, *The Environmental Kuznets Curve and Flow versus Stock Pollution: The Neglect of Future Damages*, 2004, p. 484.

61 Stern, *The Economics of Climate Change*, 2006, pp. 191.

62 *Ibid.*, p. i.

63 Dietz et al., *Right for the Right Reasons. A Final Rejoinder on the Stern Review*, 2007, p. 230.

64 Intergovernmental Panel on Climate Change, *Climate Change 2007. Synthesis Report. Summary for Policymakers*, 2007, p. 21.

65 *Ibid.*, p. xi.

66 Stern and Taylor, *Climate Change: Risk, Ethics, and the Stern Review*, 2007, p. 203; Leonhardt, *A Battle over the Costs of Global Warming*, 2007.

67 Stern and Taylor, *Climate Change: Risk, Ethics, and the Stern Review*, 2007.

68 Nordhaus, *A Review of the Stern Review on the Economics of Climate Change*, 2007.

69 Dietz et al., *Right for the Right Reasons. A Final Rejoinder on the Stern Review*, 2007, p. 239-243.

70 European Communities/ Sukhdev, *The Economics of Ecosystems and Biodiversity – An Interim Report*, p. 30.

things being equal, increase the unequal distribution of income and poses concerns to fairness, as poor countries are less capable of managing these problems that were primarily caused by industrialized countries.⁷¹ However, while there is debate on the 'how much' and 'how fast' of achieving emission reductions, there is widespread agreement that there needs to be a 'price on carbon'.

In order to 'put a price on carbon', States and private actors can use two different methods: (a) a so-called cap-and-trade emissions trading schemes for carbon dioxide, such as the EU's Emissions Trading Scheme (ETS), the Regional Greenhouse Gas Initiative, or the Chicago Climate Exchange; or (b) environmental/carbon taxes in order to provide economic incentives to businesses and people for a more carbon-efficient use of resources. The latter are designed as revenue neutral taxes that aim to reduce people's and the economy's use of carbon by increasing its price, while refunding the tax income through lower taxes in other areas. The idea has been viewed critically for its politically controversial nature, but made a comeback at the Bali 2007 UNFCCC negotiations, where speakers emphasized that cap-and-trade systems are often too vulnerable to special interests, while carbon taxes are applied regardless of actors.⁷² The EU Member States have developed an environmental finance reform that includes a set of environmental taxes and cuts environmentally harmful subsidies in order to reduce external effects and GHG emissions.⁷³ Cap-and-trade systems have been set up in various countries, such as Australia, some U.S. states, as well as the EU, which today is by far the biggest market for carbon allowances with a total value of more than \$24 billion in 2006.⁷⁴ While the emission trading systems in New South Wales, Australia, and the U.S.-based 'Regional Greenhouse Gas Initiative' are of similar design, the Chicago Climate Exchange is an example for a voluntary, but legally binding cap-and-trade system for private enterprises.⁷⁵

There is an increasing number of policies aimed at reducing emissions as efficiently as possible. One topic that has been an important subject under the Kyoto negotiations and that dominated debates at the UNFCCC conference in Bali 2007 is the recognition of deforestation as a very important source of GHG, respectively the avoidance of deforestation and reforestation as a cheap way to reduce global emissions. The next paragraph will provide an overview on the economics of deforestation and its significance for a post-Kyoto accord.

Case Study: The Economics of Deforestation

Economic considerations on the costs of GHG reductions have increased the importance of an issue that has been overlooked in climate policy although it provides a very cost-effective way to mitigation: the role of forests as so-called carbon sinks or storages of carbon dioxide.⁷⁶ Scientific studies suggest that a fifth of the temperature increase in the last decades is due to deforestation, especially of tropical forests for logging or agricultural use, in addition to the natural impact of warming on tropical forests.⁷⁷ This is leading to a decrease in carbon uptake and thus reducing the capacity of tropical forests to contribute to climate mitigation.⁷⁸

The introduction of financial incentives for forest conservation was one of the central debates of the UNFCCC's 13th Conference of Parties in Bali 2007, as well as the 2008 Accra Climate Change Talks.⁷⁹ Further, the World Bank and the Global Forest Leaders Forum have hosted a number of conferences and workshops that explore the economic opportunities to reduce the growth of global GHG emissions and conserve forests.⁸⁰ The current Kyoto framework does consider the issue of forest as carbon sinks as well, but with great caution to the – at that time – monitoring and measurement problems, as well emphasis that these must result from "direct human-induced land-use change and forestry activities, limited to afforestation, reforestation and deforestation since 1990, measured as verifiable changes in carbon stocks."⁸¹ In addition to these considerations, there are existing examples of voluntary payments for environmental services (PES), such as between the Governments of Guyana and the United Kingdom, as well as

71 Tol et al., *Distributional Aspects of Climate Change Impacts*, 2004, 270.

72 Global Policy Forum, *Energy Taxes*, 2007.

73 European Commission, *Green Paper on Market-Based Instruments for Environment and Related Policy Purposes*, 2007, p. 5.

74 Chafe and French, *Improving Carbon Markets*, 2008, p. 93.

75 *Ibid.*, p. 94 et seq.

76 Dietz et al., *Right for the Right Reasons. A Final Rejoinder on the Stern Review*, 2007, p. 230.

77 Gullison et al., *Tropical Forests and Climate Policy*, 2007, p. 985.

78 *Ibid.*

79 Miles and Kapos, *Reducing Greenhouse Gas Emissions from Deforestation and Forest Degradation: Global Land-Use Implications*, 2008, p. 1454.

80 Worldbank, *Climate Change*, 2008.

81 United Nations Framework Convention on Climate Change, *Kyoto Protocol*, 1997, Art. 3.

private investment firms.⁸² These initiatives could become policy tools to promote ecologically sound conservation and economically efficient mitigation of GHG emissions.⁸³ In addition to voluntary cooperation projects between States, payments for carbon storage services are already part of various institutions outside the Kyoto Protocol, such as the EU's emissions trading scheme or the Chicago Climate Exchange.⁸⁴

Brazil is one of the leading countries in the use of payments for the conservation of the environment, which is not only directed at accounting for the carbon storage service, but also at maintaining biodiversity, the water cycle, and at providing the chance to generate income and employment for the poor in the conservation of tropical forests.⁸⁵ Studies suggest that Brazilian farmers can earn up to 50 times more income under the EU's emission trading scheme than from the burning of rainforests and using it as cropland.⁸⁶ Thus, if designed appropriately, PES can both help to provide income to farmers, as well as significantly reduce emissions from the burning of rainforests for agricultural use – a source of emissions that account for three quarters of the total GHG emissions in Brazil.⁸⁷ The use of economic instruments can globally help to significantly contribute to GHG reductions and to the conservation of forests and generation of income for farmers.

Conclusion

Scientific evidence for anthropogenic climate change is sound and the GA has unambiguously called on Member States to increase efforts to reduce greenhouse gas emissions and to ratify the Kyoto Protocol. Ecological economics suggest a wide range of policy tools to address shortcomings in the working of markets and governments. The upcoming negotiations for a follow-up to the Kyoto protocol provide the possibility to review the economic instruments included in the Kyoto infrastructure – emissions trading, CDM, and JI – and to assess their effectiveness, as well as to discuss other means, such as carbon taxes or payments for environmental services. The 2nd committee is assigned to contribute to this review and to propose guidelines for the upcoming negotiations under the UNFCCC. The committee should further assess the role of (tropical) forests for the climate and give new impetus in the debate through the use of economic reasoning to protect forests and sustain their ability to provide a large range of ecological services. The authority of the GA will be crucial for a more encompassing and more successful, global climate policy to be shaped in the coming years.

Delegates should understand the crucial refinements made by introducing ecological boundaries to the market system and the basics of climate science. They are expected to have a thorough knowledge of the policy instruments in their countries, as well as the impact climate change will have on various aspects of the lives of their people in addition to an excellent understanding of the international legal framework. A thorough understanding of the flexible mechanisms in theory and in the use, or potential use, by their country, is essential to fruitfully contribute to the debate. Besides the debate on policy design, delegates are welcomed to critically evaluate the use of economic instruments for environmental goals.

II. Economic and Trade Policies to Address Food Price Volatility

"This is not Greek tragedy where fate is decided by the gods and humans can do nothing about it. No, we have the ability to influence our futures."⁸⁸

Last year, in its 62nd session, the General Assembly Second Committee declared that the upcoming decade, 2008 to 2017, would be the Second United Nations Decade for the Eradication of Poverty.⁸⁹ However, without stable food prices this lofty goal is unlikely: at the start of 2008, food prices were the highest they had been nominally in 50 years, and their highest real price in 30 years.⁹⁰ Food prices have doubled over the past three years and rose an

82 Hall, *Paying for Environmental Services: The Case of Brazilian Amazonia*, 2008; Mongabay.com, *Private Equity Firm buys Rights to Ecosystem Services of Guyana Rainforest*, 2008.

83 *Ibid.*

84 Hall, *Paying for Environmental Services: The Case of Brazilian Amazonia*, 2008, p. 3.

85 *Ibid.*, p. 1.

86 *Ibid.*, p. 6.

87 *Ibid.*

88 Balmer, Crispian, *Years of Poor Decisions Created Food Crisis – FAO*, 2008, p. 1.

89 United Nations General Assembly Second Committee, *Reports of the second committee on agenda items 41-129*, 2007.

90 FAO, *Soaring Food Prices*, 2008, p.1.

incredible 85 percent from April 2007 to April 2008.⁹¹ Due to the high costs of food, food aid organizations are unable to meet their obligations leaving many to go hungry. Food at these prices threatens the livelihoods' of 290 million people, a number that vastly outnumbers those affected by natural disasters like the 2004 Asian tsunami or 2008 Chinese earthquake.⁹² The World Food Programme (WFP) specifically has faced problems getting access to grains intended for their missions.⁹³ The shortages and lack of food that people are facing due to donor shortages are because the high prices are making it tougher to accomplish the Millennium Development Goals (MDGs), especially Goal 1, Target 2, which calls for the eradication of extreme poverty and hunger.⁹⁵

High food prices are not just a problem for 2008. High price spikes in food prices are not unusual, and in fact food prices have spiked to more than twice the standard deviation four times since 1961. However, only the first 1972-1974, and current spike, which is in its third year, have lasted for more than two calendar years.⁹⁷ According to the United Nations Millennium Declaration there exists a shared responsibility in the world that we all manage economic development in ways that are beneficial to all, and unless we are able to understand what leads to food price spikes and how to implement policies to keep them from occurring in the future we will be unable to accomplish this goal.⁹⁸

Origins of the Problem

Like any financial or economical conundrum food prices can be explained by supply and demand. As a good becomes scarcer the cost of it rises. A good can become scarcer through any number of means: supply shortages, increases in demand, government policies that distort the price mechanisms, and myriad other causes. The Millennium Declaration acknowledges that the world has become increasingly interconnected and independent and therefore policies in one country affect the rest of the world.⁹⁹

One challenge that this increasingly intertwined world faces is to make sure globalization is a force that benefits all the people of the world.¹⁰⁰ An environment should be created that is conducive to development and works to alleviate poverty.¹⁰¹ Good governance in international dealings and a commitment to a free, fair, equally applied rule based system of trade and finances are necessary for such an environment to exist.¹⁰²

Changes in supply are a major part of the current increases in food prices. A 4% decline in the production of cereals by major exporting countries in 2005, compounded with a further 7% decline in 2006 has contributed to cereal scarcity, causing part of the price increase.¹⁰³ Not only this, but food stock levels have been declining since the mid 1990s. The decline is averaging 3.4% per year.¹⁰⁴ Therefore, any shocks to the system are much more dramatic, whether they are supply or demand driven. The relationship between low stockpiles and higher food prices is statistically significant, and world cereal stocks will be at their lowest level in 25 years by the end of 2008.¹⁰⁵ Because of rising fuel costs, it now costs more than twice what it did in 2006 to ship food, further exacerbating the problem.¹⁰⁶ Fuel costs are affecting food prices by less direct means as well, through agriculture inputs, such as fertilizer, pesticide, and irrigation. These factors are less in developing countries where agriculture is more labor intensive and other inputs only account for about four percent of the cost of a crop, but this number increases up to

⁹¹United Nations. United Nations Conference on Trade and Development, *Civil Society Forum Declaration to UNCTAD XII*, 2008.

⁹² Oxfam International, *The Time is Now: how world leaders should respond to the food price crisis*, June 2008, p. 1.

⁹³ Von Braun, *Physical and Virtual Global Food Reserves to Protect the Poor and Prevent Market Failure*, 2008, p.1.

⁹⁴ World Food Programme, WFP Crisis Page: High Food Prices, FAQ about high food prices.

⁹⁵ Saavedra, *Presidential Summit on Sovereignty and Food Security: Food for Life*, 2008, p.5.

⁹⁶ United Nations, *The millennium development goals report*, 2007, p.1.

⁹⁷ FAO, *Soaring Food Prices*, 2008, p.3.

⁹⁸ General Assembly, *United Nations Millennium Declaration*, 2000, p.2.

⁹⁹ *Ibid*, p.1.

¹⁰⁰ *Ibid*, p.2.

¹⁰¹ *Ibid*, p.4.

¹⁰² United Nations General Assembly, *United Nations Millennium Declaration*, 2000, p.4.

¹⁰³ *Ibid*, p.5.

¹⁰⁴ FAO, *Soaring Food Prices*, 2008, p.5.

¹⁰⁵ *Ibid*, p. 6.

¹⁰⁶ *Ibid*, p.7.

20 percent in larger UN Member States like Brazil, China, and India.¹⁰⁷

Biofuels and the massive government subsidies that go along with them are relatively new, are increasing the demand for cereals and oilseeds, and can account for much of the recent run up in food prices.¹⁰⁸¹⁰⁹¹¹⁰¹¹¹ A World Bank study concluded that 65 percent of the increase in prices is due to biofuels and factors relating to them.¹¹² The IMF has come to the same conclusions.¹¹³ Because of the effect these policies have on food prices, United Nations Secretary General Ban Ki-moon has called for the international community to create guidelines that will keep biofuels from competing with food crops and from leading to deforestation.¹¹⁴ Not only are they causing rapid increases in food prices, the Organization for Economic Co-operation and Development (OECD) has stated that biofuels are highly dependent on public funding to make economic sense.¹¹⁵ Furthermore, the support of biofuels by governments is costly and does little to reduce greenhouse gas or increase energy security, yet it does have a large adverse affect on world food prices.¹¹⁶ While ethanol from sugar cane, which is effectively priced out of the market in the United States and Europe though government intervention, does reduce greenhouse gas emission by up to 80%, the biofuel based on feedstocks that is being protected by the OECD states of the Northern hemisphere are much less efficient and often fall below a 30% reduction in emissions.¹¹⁷ Corn based ethanol in the United States is less efficient than sugar cane ethanol from Brazil. Yet, due to trade and market distorting government subsidies and tariffs corn based ethanol is the one most commonly used.¹¹⁸ As more corn is grown for fuel it increases the global demand for corn and accounted for three-fourths of the demand for corn in 2007.¹¹⁹ In Europe 70 percent of the rapeseed oil on the global market has been diverted to making ethanol.¹²⁰ The ethanol it makes is only financially sustainable? because of the world's highest ethanol subsidies.¹²¹ Governments support biofuels through budgetary measures, tax concessions, direct financial support, mandates that require biofuel blended gasoline, trade restrictions, and import tariffs, but are still unable to make them efficient. In regards to the import tariffs protecting the biofuel industry, not only do they hurt farmers in developing states, they also retard the acceptance of biofuels in developed nations by raising the retail cost that end users pay for biofuel.¹²²

Other factors affecting demand, although not as strongly as the effect of biofuels, are economic development, population growth and inelasticity of food demand. As the population of the world grows, demand increases for food stuffs. Also, as developing countries have sustained income growth, people's diets begin to change, and they start to want more meat and dairy products and less feed grains. These two factors are small parts of the current price spike, but will force prices higher over the long term.¹²³ For example, in South Asia, China and India, shifting patterns of food demand can be easily observed. There, consumption of rice is declining on a per capita basis, while consumption of milk and vegetables has increased 70% and consumption of meat, eggs, and fish has doubled.¹²⁴ Supplies of food are also very inelastic. While food prices increased 50% between 2000 and 2006, supplies only increased by 8%.¹²⁵ Food supplies normally only increase at a rate of 1 to 2% per 10% increase in price.¹²⁶ From this it is easy to see that farmers are generally producing food at capacity, and are still not able to keep up with

¹⁰⁷ Von Braun, *Food Price and Action*, 2008, p.4.

¹⁰⁸ FAO, *Soaring Food Prices*, 2008, p.7.

¹⁰⁹ Von Braun, *High Food Prices: The what, who and how of proposed policy actions*, 2008, p.3.

¹¹⁰ Food and Agriculture Organization of the United Nations and OECD. *OECD-FAO agricultural outlook 2008 – 2017*, 2008, p.17.

¹¹¹ OECD, *Rising food prices: Causes and consequences*, 2008, p.2-9.

¹¹² Von Braun, *Food Price and Action*, 2008, p.5.

¹¹³ *Ibid*, p.5.

¹¹⁴ Ariel, *Leaders at Food Summit Pledge to Ease Food Crisis*, 2008, p.2.

¹¹⁵ OECD, *Biofuel policies in the OECD countries costly and ineffective*, 2008, p.1.

¹¹⁶ OECD, *Economic assessment of biofuel support policies*, July 2008, p.1.

¹¹⁷ OECD, *Biofuel policies in the OECD countries costly and ineffective*, 2008, p.1.

¹¹⁸ FAO, *Soaring Food Prices*, 2008, p.8.

¹¹⁹ *Ibid*, p.9.

¹²⁰ *Ibid*, p.10.

¹²¹ *Ibid*, p.10.

¹²² *Ibid*, p.1.

¹²³ FAO, *Soaring Food Prices*, 2008, p.12.

¹²⁴ Von Braun, *The world food situation: new driving forces and required actions*, December 2007, p.5.

¹²⁵ *Ibid*, p.9.

¹²⁶ *Ibid*, p.9.

demand. Biofuels and trade distorting government policies are only making the problem worse.¹²⁷ Furthermore, most world commodities are traded in U.S. dollars, and food is no different; as the dollar has depreciated relative to other currencies the global price of food has gone up.¹²⁸

Others may suggest that speculation has played a role in the increases in food prices, but studies examining the role speculators have played in the food commodities market demonstrate that higher prices cause more investment, and not the other way around, in both the short and long term.¹²⁹ One such study, published by the Interagency Task Force on Commodity Markets formed by the United States' Commodities and Futures Trading Commission found that oil and other commodities recent price movements have not been caused by speculators.¹³⁰ In the study the CFTC found that traders change their positions in relation price changes, which indicates that their holdings were not driving the prices higher.¹³¹ One group most often pointed to as increasing the price and volatility in food prices is hedge funds, however the opposite is true. Hedge funds' positions have moved inversely to the price of food commodities during this current food price spike, meaning hedge funds have actually acted as a counter measure to the price and volatility increases of these commodities.¹³² If prices had been pushed above market equilibriums, inventories of food stocks would have accumulated as people would be unwilling to buy the food at such high prices, yet as stated earlier, inventories at historic lows because the demand for food even at these elevated prices still exists.¹³³ The answer to whether or not speculation is at fault is an important one, because the world financial and agricultural markets need to know whether or not supply and demand are the root cause of food prices instability, or if a few actors with large investment portfolios are driving the problem.¹³⁴ If the causes are of supply and demand then policy prescriptions must tackle these problems, but if the fluctuating prices are due to investors then there is no long term food shortage problem, and the focus for solving the current crisis and stopping future food price volatility must shift to the financial markets.¹³⁵

Policy Responses

In a survey the FAO conducted of 77 countries about how they were combating the food price crisis, only 16% said they were doing nothing.¹³⁶ Nearly half of the States reduced import taxes.¹³⁷ A similar amount used price controls, or government subsidies, in order to dampen or reduce the impact of food price increases on their populations.¹³⁸ Nearly one-quarter used export restrictions, and a nearly equal number took policy steps to increase supply.¹³⁹ Since these policies are not mutually exclusive, many States used more than one policy prescription. States in Asia and the Middle East took dramatic action in all four policy areas, while those in Latin America and Sub-Saharan Africa took the least action.¹⁴⁰ The GA 2nd committee has noted that when markets are not allowed to function properly and free of manipulation it leads to growing global imbalances.¹⁴¹

Toward the end of the last session, the GA 2nd committee passed a resolution to express disdain and concern over the lack of progress in the Doha Round Trade Negotiations.¹⁴² The World Trade Organization (WTO) Doha Round of trade negotiations is a chance for the developing and developed world to dramatically and drastically alter the world food market, but to this point, negotiations have been largely unsuccessful. Even the Director General of the World Trade Organization, Pascal Lamy, has said the current round is in crises due to the lack of progress made.

Leo Mèrorés, President of the Economic and Social Council, urges Member States to have the political flexibility to

¹²⁷ Von Braun, *The world food situation: new driving forces and required actions*, December 2007, p.9.

¹²⁸ *Ibid*, p.14.

¹²⁹ *Ibid*, p.13.

¹³⁰ Interagency Task Force on Commodity Markets, *Interim Report on Crude Oil*, June 2008, p. 3.

¹³¹ *Ibid*, p.5.

¹³² *Ibid*, p.5.

¹³³ *Ibid*, p.31.

¹³⁴ Young, J. *Speculation and World Food Markets*, 2008, p.1.

¹³⁵ *Ibid*, p.1.

¹³⁶ *Ibid*, p.41.

¹³⁷ *Ibid*, p.41.

¹³⁸ *Ibid*, p.41.

¹³⁹ *Ibid*, p.41.

¹⁴⁰ *Ibid*, p.42.

¹⁴¹ General Assembly Second Committee, *GA2nd to reform global financial system*, 2008.

¹⁴² General Assembly Second Committee, *GA2nd condemns Doha*, 2007.

bring forth a new trade system that provides the proper incentives so that food crises in the future will be less likely. One important part of this is concluding the Doha Round and making sure to address agriculture subsidies and tariffs of developed nations during the negotiations.¹⁴³ Secretary General Ban Ki-moon also urges the Member States, and specifically those involved in the Doha Round, to address trade-distorting subsidies in developed countries.¹⁴⁴ Furthermore, Ban has called for the minimization of import taxes and export restrictions to deal with the current crisis, and has pointed out that “reducing trade barriers and marketing distorting policies” will help alleviate hunger.¹⁴⁵ Empirical evidence suggests that by encouraging trade liberalization and eliminating tariffs and subsidies, 48 million people would be immediately lifted out of poverty, while 51 million could be lifted out of poverty in the long run, strengthening the credibility of Ban’s recommendations.¹⁴⁶ This is neither a new nor an unpopular concept; Argentina has blamed subsidies, specifically those granted to farmers in the United States and the European Union, for driving up food prices.¹⁴⁷

As prices for food started to increase, many States that are normally food exporters saw they were actually importing food to feed their citizens.¹⁴⁸ This is because many of them had some type of trade distorting policy in place that made it more economical for domestic producers to pay the extra cost to sell their food abroad than at home. Alarmed by this, these same States then introduced export restrictions so that their domestic producers would be forced to sell within their country.¹⁴⁹ A case study below on Argentina and Chile will look at an example of this further. These actions also increased price volatility for the rest of the world.¹⁵⁰

One possibility for solutions is through the private sector. Mèrorés encourages greater cooperation between the private sector, foundations, and other civil organizations to help create and run new and original programs to alleviate the current pain and future food crises through the diffusion of knowledge and extension of services.¹⁵¹ Additionally, the global donor community is encouraged to give aid in the form of money, food, and technical expertise to the poorest countries with aims to increase agricultural productivity and food production.¹⁵² Perhaps such work and investment through these other nongovernmental organizations could bring about a “Green Revolution” in Africa: It simply requires an emphasis placed on the research and development of crops that are suited to growing in the climate.¹⁵³ Such a Green Revolution would make the GA 2nd and United Nations’ goal as a whole of reaching and succeeding in the Millennium development goals much closer to reality.

Export restrictions can sometimes lead to short term price stability in States. However, they may also lead to a buying panic in the domestic market and push prices higher than those of the world market. Even if something as drastic as this does not happen, farmers reduce planting crops because they cannot sell their products at prices high enough to recoup the increasing costs of inputs.¹⁵⁴ Such policies are also passed without consideration to the rest of the world, as export restrictions exacerbate world price volatility and worsen the food security of other nations.¹⁵⁵

The Civil Society Forum also acknowledges the livelihood problems faced by small farmers in developing nations that are being forced out of the market by artificially low priced agriculture goods which are dumped from developed nations granting subsidies to their farmers.^{156,157} If these restrictions were not in place small farmers

¹⁴³ Mèrorés, L. General Assembly Economic and Social Council, May 2008, p.3.

¹⁴⁴ Ariel, *Leaders at Food Summit Pledge to Ease Food Crisis*, 2008, p.3.

¹⁴⁵ *Ibid*, p.1.

¹⁴⁶ Saavedra, *Presidential Summit on Sovereignty and Food Security: Food for Life*, 2008, p.15.

¹⁴⁷ Ariel, *Leaders at Food Summit Pledge to Ease Food Crisis*, 2008, p.1.

¹⁴⁸ FAO, *Soaring Food Prices*, 2008, p.13.

¹⁴⁹ *Ibid*, p.13.

¹⁵⁰ *Ibid*, p.13.

¹⁵¹ Merores, *Statement of the President of the Economic and Social Council on the occasion of the special meeting of the council on the global food crises*, 2008, p.4.

¹⁵² *Ibid*, p.4.

¹⁵³ *Ibid*, p.3.

¹⁵⁴ FAO, *Soaring Food Prices*, 2008, p.45.

¹⁵⁵ *Ibid*, p.45.

¹⁵⁶ The Civil Society Forum was first proposed at UNCTAD X in the Bangkok Declaration. It called for open dialogue with civil society, including but not limited to NGOs, private sector, academia and others with interest in the development process. The first Civil Society Forum was held at UNCTAD XI.

¹⁵⁷ United Nations. *Civil Society Forum Declaration to UNCTAD XII*, 2008, p.3.

could be winners during this time of food price increases. Instead they are some of those that do not have enough money to pay to put food on their own table because of unfavorable trade policies implemented by developed nations.¹⁵⁸

The Doha Round has presented many imbalanced trade plans through this point which allow developed nations to continue their large agriculture subsidies by shifting them into Green Box subsidies, which are claimed to be non-trade distorting, but which have been proven to distort trade.¹⁵⁹ Yet these developed nations are still insisting on maintaining their subsidies while calling for the reduction of developing nations' trade barriers.¹⁶⁰ Subsidies to farmers in developing nations account for, on average, 34% of farmers' income.¹⁶¹ Current trade policies are far from neutral, and the increase in both price and volatility in the food market, can be attributed to this broken system.¹⁶² Developed countries must phase out their trade distorting subsidies, including those that fall under the Green Box rules.¹⁶³ Even while some developed nations are reducing their trade barriers they are finding new trade barriers to stop the flow of developing nations' imports, though regulations placed on imports.¹⁶⁴ Safety and technical regulations are the most likely culprits of this method.¹⁶⁵ As developed states are continuing tariffs and are inventing new ways to distort international trade the United Nation's own Food and Agriculture Organization says tariff reductions make good policy sense.¹⁶⁶ First, when in place they distort market signals, secondly and more immediately noticeable when they are removed there is a reductions in food prices for the states citizens.¹⁶⁷

The mismatch of supply and demand, mainly due to biofuels, is a trend that should be reversed.¹⁶⁸ China and South Africa have already capped the amount of food to be used for biofuel production in light of the food crises, but other States as well need to reexamine their policies as well.¹⁶⁹ States should shift their attention away from promoting biofuels though market manipulation and allow a more open market which will have more efficient outcomes and lower the costs to consumers.¹⁷⁰

States that have been building their food stock piles are now feeding into the problem by taking food out of the market and therefore driving the prices higher and leading to increased volatility in the market. By preventing food from flowing to where it is needed most, these governments are imposing large losses of efficiency on the global food market, with the adverse affects hitting the poorest countries and citizens the hardest.¹⁷¹ The crisis is being made worse by this malfunctioning of the grain market and the market is not working as it should due to grain and other commodity export restrictions which have resulted in even higher food prices.¹⁷²¹⁷³

Implications

Social unrest and food riots are only the most visible signs of the consequences that higher food prices. Ban Ki-moon notes, "Widespread hunger, malnutrition and social unrest on an unprecedented scale," are occurring because of the current food crisis.¹⁷⁴ When a state heavily subsidizes food for its citizens people have to stand in long lines to buy these goods rather than spend their time creating goods and services for others to share in. Countries that are net importers of food have been "panic buying" worried that the prices will continue to spiral upwards, and wanting to ensure that enough domestic stocks exist to feed their citizens.¹⁷⁵ Countries that are net exporters are placing

¹⁵⁸ Braun, *The world food situation: new driving forces and required actions*, December 2007, p.17.

¹⁵⁹ United Nations. *Civil Society Forum Declaration to UNCTAD XII*, 2008, p.3.

¹⁶⁰ *Ibid*, p.3.

¹⁶¹ Saavedra, *Presidential Summit on Sovereignty and Food Security: Food for Life*, 2008, p.4.

¹⁶² United Nations. *Civil Society Forum Declaration to UNCTAD XII*, 2008, p.1.

¹⁶³ *Ibid*, p.2.

¹⁶⁴ *Ibid*, p.3.

¹⁶⁵ *Ibid*, p.7.

¹⁶⁶ FAO, *Soaring Food Prices*, 2008, p.45.

¹⁶⁷ *Ibid*, p.45.

¹⁶⁸ *Ibid*, p.2.

¹⁶⁹ *Ibid*, p.45.

¹⁷⁰ OECD, *Biofuel policies in the OECD countries costly and ineffective*, 2008, p.1.

¹⁷¹ Braun, *Physical and Virtual Global Food Reserves to Protect the Poor and Prevent Market Failure*, 2008, p.1.

¹⁷² *Ibid*, pg1

¹⁷³ UN Chief to focus on Global Food Crisis at G8 summit, 2008, p.1.

¹⁷⁴ BBC News, *UN Sets up Food Crisis Task Force*, 2008, p.1.

¹⁷⁵ FAO, *Soaring Food Prices*, 2008, p.16.

restrictions so that much of the food stays in country, further destabilizing the markets. Those hit the hardest by the high food prices are the poor, who spend 70-80% of their income on food, and cannot pay for these higher prices.¹⁷⁶ Since much of the problem can be attributed to poor policies, the fact that people have to give up health care, education, and much else to buy enough food to stay alive should be laid at the policy makers feet.¹⁷⁷ The prices at which Least Developed Countries (LDCs) have to import food have swollen to more than twice what they were in 2000.¹⁷⁸

While food aid makes up less than one percent of total food production, to those who rely on this aid to eat a meal it is very important and has been declining as prices have risen. Food aid is at its lowest level since 1973, and is 40 percent lower than in 2000.¹⁷⁹ Where it still is occurring, it has been targeted to specific countries and in these countries to specific beneficiary groups.¹⁸⁰ When examining food aid and how it should be distributed it is important to remember possible future ramifications such as undermining domestic production or creating market distortions in developing states.¹⁸¹

Case Studies: Argentina and Brazil

Another example, looking at Argentina focuses on the different policy prescriptions to the high food prices taken by Argentina and Brazil. As noted above Argentina has increased excise taxes.¹⁸² This acts to make it harder for farmers to sell their goods abroad and instead forces sell them at home. While this does keep the food prices for Argentineans lower, it only works if the farmers continue to produce their food at rates similar to what they would have produced if the excise weren't in place. In Argentina this didn't happen. The farmers took to the street in protest of these taxes.¹⁸³ Their protests forced the government to back down and they voted against the measure in the end of July.¹⁸⁴ Brazil offers a strikingly different experience with high global food prices. Rather than try to harm their own farmers like Argentina did, Brazil is helping its farmers to prosper. Since Brazil, like Argentina is a net exporter of food, high prices can actually be beneficial to the state.¹⁸⁵ The Government has extended low interest loans with longer payback periods to farmers recently, which has allowed them to buy newer machinery and plant and harvest more crops.¹⁸⁶ Therefore, Brazilian farmers are doing the most they can to supply food throughout the world which helps reduce world hunger and in addition are making more money than they were before.

Conclusion

Everyone sees the problem, and knows the facts about these reoccurring food crises. Currently thirty-seven states are facing a food crisis.¹⁸⁷ While the United Nations Human Rights Council sees a right to food for all persons, the problem is that no one person has all the answers, and there are many competing points of view and many parties at the table¹⁸⁸. Farmers in developed countries want to continue protecting their jobs, while farmers in developing countries want protection to be able to develop their agricultural capabilities, and the poor across the world want to have food to put on their table.¹⁸⁹ It seems that coming up with a solution which meets everyone's wants and needs is an impossibility, yet people are working to do just that. WTO, UN, GA 2nd, private entrepreneurs are all working to solve this large and growing problem. To this end, however, we must remember Mèrorés warns a quick response to the current crises should not have longer lasting negative effects which will only encourage future food crises.¹⁹⁰

What types of policies can governments implement that will help to solve this food crisis? Are biofuels which may

¹⁷⁶ *Ibid*, p.16.

¹⁷⁷ *Ibid*, p.16.

¹⁷⁸ *Ibid*, p.17.

¹⁷⁹ Braun, *The world food situation: new driving forces and required actions*, 2007, p.14.

¹⁸⁰ *Ibid*, p.14.

¹⁸¹ OECD, *Rising Food Prices: Causes and Consequences*, 2008, p.9.

¹⁸² Downie, A., *As food prices soar, Brazil and Argentina react in opposite ways*, 2008, p.1.

¹⁸³ *Ibid*, p.1.

¹⁸⁴ *Ibid*, p.1.

¹⁸⁵ *Ibid*, p.1.

¹⁸⁶ *Ibid*, p.1.

¹⁸⁷ Balmer, *Years of Poor Decisions Created Food Crisis – FAO*, 2008 p.1.

¹⁸⁸ United Nations, Human Rights Council, *Draft Resolution A/HRC/S-7/L.1/Rev.1*, 2008, p. 1.

¹⁸⁹ OECD, *Agricultural Policy Design and Implementation*, 2008, p.12.

¹⁹⁰ Merores, *Statement of the President of the Economic and Social Council on the occasion of the special meeting of the council on the global food crises*, 2008, p.2.

reduce green house gasses worth starving many in the world who live on less than a dollar a day? Is the problem of high food prices a onetime event, or something which will occur again in the future?

III. External Trade and Microfinancial Assistance to Developing Countries

*“Microfinance is an idea whose time has come.”*¹⁹¹

Introduction

Microfinance is a form of financial development whose primary aim is to alleviate poverty through the provision of financial services to the poor.¹⁹² A common form of this sort of financial service is microcredit, or lending small amounts of money to the poor. However, microfinance is more than the concept of microcredit; it is a broader notion, which includes financial insurance, transactional services, and, most importantly, savings for developing countries.¹⁹³ The idea of microcredit originated in Bangladesh, where it successfully enabled extremely impoverished people to engage in self-employment, which allowed them to generate an income to build moderate sustainability and exit poverty.¹⁹⁴ They began there in 1976 and achieved prominence in the 1980s, thanks to innovative programs such as the Grameen Bank, launched by Nobel Prize winning Mohammed Yunus with enthusiastic support from Bangladeshi government officials.¹⁹⁵ These projects have aroused interest in the international community and consequently, the UN designated 2005 as the International Year of Microcredit.¹⁹⁶

Close to three billion people – half of the world’s population – live on less than two US dollars a day.¹⁹⁷ The United Nations (UN) adopted the Millennium Development Goals (MDGs) at the 2000 Millennium Summit with *Resolution A/RES/55/2, the Millennium Declaration*.¹⁹⁸ The first of the eight goals aims to eradicate extreme poverty by 2015. Key to achieving this goal is improving trade and microfinance opportunities in the developing world. Following the Millennium Summit, a number of countries took action at the 2003 International Conference for Financing International Development in Monterrey, Mexico, which emphasized the need for multilateral approaches to development financing, including increased international trade and the use of microfinance.¹⁹⁹ Of the eight MDGs, there are three that are most important when discussing economic development: goal 1 – working to eradicate extreme poverty and hunger; goal 3 – promoting gender equality and empowerment of women; and goal 8 – develop a global partnership for development.²⁰⁰ The international community is increasingly turning to microfinance and enhanced trade schemes to aid developing and least developed countries in their drive to achieve the MDGs.²⁰¹ However, a central challenge in this undertaking is the provision of actual data on microfinance in order to evaluate the progress made – especially in the regions that traditionally lack access, such as Africa.²⁰² A crucial role is played in this respect by the World Bank and the International Monetary Fund (IMF) who are both working to “broaden the scope of their financial data to develop and include indicators of access to, and use of, microfinance.”²⁰³

The UN Millennium Development Goals and Microfinance

The UN’s involvement with external trade and microfinance is inherent in both the UNs and 2nd Committees work in implementing the MDGs. The eighth MDG calls for the formation of partnerships, which are essential at all levels – local, national, and global – for the attainment of the other seven goals and the values and actions set out in the *Millennium Declaration*.²⁰⁴ In order to understand the basis of microfinance and implementing these methods with

¹⁹¹ Annan in: FINCA, *What is Microfinance? What is Village Banking?*

¹⁹² FINCA, *What is Microfinance? What is Village Banking?*

¹⁹³ Barr, *Microfinance and Financial Development*, 2005, p. 10.

¹⁹⁴ Bangladesh Rural Advancement Committee, *History*.

¹⁹⁵ Barr, *Microfinance and Financial Development*, 2005, p. 9.

¹⁹⁶ International Year of Microcredit 2005, *Why a Year? About Microfinance and Microcredit*, 2005.

¹⁹⁷ Chen and Ravallion, *How Have the World’s Poorest Fared Since the Early 1980s?*, 2004, p. 2.

¹⁹⁸ The General Assembly, *The Millennium Declaration*, 2000.

¹⁹⁹ Barr, *Microfinance and Financial Development*, 2005, p. 2.

²⁰⁰ United Nations, *UN Millennium Development Goals*, 2000.

²⁰¹ Hassan, *Statement to the Second Committee on Agenda item 98: Implementation of the First United Nations Decade for the Eradication of Poverty (1997-2006) and Draft Programme of Action for the International Year of Microcredit*, 2003.

²⁰² United Nations Capital Development Fund, *Microfinance Matters - Update on the International Year of Microcredit*, 2005.

²⁰³ *Ibid.*

²⁰⁴ United Nations. General Assembly. 55th Session. *United Nations Millennium Declaration (A/RES/55/2)*, 2000.

current trade practices, connecting these ideas in achieving the MDGs is vital for economic integration in the international community. The General Assembly (GA) and its Second Committee have emphasized the crucial role that microfinance plays in “generating productive self-employment and [...] in assisting people in overcoming poverty and reducing their vulnerability to crisis”.²⁰⁵ As the formal financial sector still fails to provide access for the poor to its services, the GA called on States as well as financial institutions to improve access in order to meet the demand for capital by the poor and contribute to poverty reduction and the empowerment of women.²⁰⁶ One way of providing access to financial services and thus fostering the achievement of the MDGs is through a system called village banking.

Village banks are community-managed credit and savings associations established to provide access to financial services in rural areas.²⁰⁷ The purpose of village banks is to provide poor families with small loans to invest in their microenterprises: “Village Banking empowers [entrepreneurs] to create their own jobs, raise their incomes, build assets, and increase their families’ well-being.”²⁰⁸ Village money lenders also provide small loans for short periods of time unsecured by collaterals to people they know well. Their interest rates are much higher than other sources of credit, but they address the specific needs of their clients.²⁰⁹ According to a Study of the Foundation for International Community Assistance (FINCA International) in 2003, “[m]icrofinance allows poor people to protect, diversify, and increase their sources of income, the essential path out of poverty and hunger.”²¹⁰ Despite these efforts, the MDGs still prove difficult to achieve. Progress has been made in some areas, but if current trends persist, there is a risk that many of the poorest countries will not be able to meet many of them.²¹¹ Much of the problem lies in the slow adoption of development-oriented programs in developing countries due to the changing focus on international challenges, which has raised concerns.²¹²

The Work of Non-governmental and Intergovernmental Organizations in Microfinance

Both NGOs and IGOs play an extremely important role in providing resources to developing countries around the world. One important body within the UN system that is dedicated to microlending is the United Nations Capital Development Fund (UNCDF). The UNCDF pays special attention to, and recognizes, the vulnerability of Least Developed Countries (LDCs) and works to aid in their development through small-scale development and microfinance programs.²¹³ The UN General Assembly adopted *Resolution 3174, Special Measures in Favour of the Least Developed Countries*, in 1973, requesting UNCDF to concentrate its investment in LDCs.²¹⁴ Since then, the UNCDF has made an effort to support private investments through microfinance in assisting LDCs.²¹⁵ The World Bank has provided support to microfinancial institutions, but has also failed in previous loan policies: “[W]hile it is recognised that economic development is desperately needed by poor Congolese people, the World Bank [...] [has] failed to take account of the highly unstable situation in Congolese politics, and the serious weaknesses of the government.”²¹⁶ Despite this example of failure, the World Bank continues to assist LDCs through microfinancial investments.²¹⁷ Microfinancial investments can help developing countries by providing start-up opportunities for entrepreneurs and help business owners overcome failed loans.

As mentioned above, there are also a number of NGOs that are important to microcredit schemes as well. Organizations such as the FINCA International and ACCION International are utilizing strategies like village banking to help achieve the MDGs in order to put an end to extreme poverty by 2015.²¹⁸ ACCION International, is

²⁰⁵ United Nations. General Assembly. 61st Session. *Role of Microcredit and Microfinance in the Eradication of Poverty (A/RES/61/214)*, 2006.

²⁰⁶ *Ibid.*

²⁰⁷ Ledgerwood, *Microfinance Handbook: An Institutional and Financial Perspective*, 1999, p. 85.

²⁰⁸ FINCA, *What is Microfinance? What is Village Banking?*.

²⁰⁹ Global Development Research Center, *Microfinance Programme: What Works*.

²¹⁰ *Ibid.*

²¹¹ United Nations General Assembly, *The Millennium Goals Report: 2005*, 2005, p. 3.

²¹² Turner, *MDGs by 2015: Recognizing the Achievements, Addressing the Challenges, and Getting Back on Track*, 2008.

²¹³ United Nations Capital Development Fund, *About UNCDF*.

²¹⁴ United Nations General Assembly, *Special Measures in Favor of the Least Developed Countries*, 1973.

²¹⁵ *Ibid.*

²¹⁶ Buckrell, Carrere, Caruso, Colchester, Counsell, Chidley, et al., *Broken Promises: How World Bank Group Policies Fail to Protect Forests and Forest Peoples' Rights*, p. 15.

²¹⁷ *Ibid.*

²¹⁸ ACCION International, *Investing in Microfinance*.

one of the many organizations whose mission is to provide small loans and technical assistance to those around the world who are under-served by commercial banks.²¹⁹ Through its efforts to alleviate poverty, ACCION is able to increase local participation and accommodate a larger group of prospective borrowers by partnering with local microfinance institutions.²²⁰ The idea of microfinance is successful because it encourages organizations to be involved with economic activities, no matter how small, with start-ups appropriated to the community.

The World Trade Organization's Doha Development Agenda

The World Trade Organization (WTO) has played an important role in trade facilitation by including effective rules, procedures, and infrastructure in trade negotiations.²²¹ The WTO was created in 1995 with the intention to organize and liberalize international trade.²²² More efficient customs operations and reliable transport are thought to enable developing countries to benefit more from trade. Trade can contribute positively to the MDGs through its impact on economic growth.²²³ In 2005, the World Bank estimated that a pro-poor outcome of the Doha Development Agenda (DDA) could increase global income, but the world's poorest countries have not always been able to fully benefit from the trade opportunities offered by the multilateral trading system.²²⁴ In November, 2001, the WTO launched the DDA with the hope of coming to agreements, but the DDA failed after a final nine days round of negotiations in July 2008.²²⁵ EU Trade Commissioner Peter Mandelson stated: "We did not fail for lack of time. We failed because we lacked the political will to close the final gaps."²²⁶ According to the Report of the Secretary General to the General Assembly, A/62/217, "there is a practical need to bring microfinance activities under the financial sector's regulatory framework."²²⁷

Case Study: Pakistan's Microfinance Program

The Grameen Bank in Bangladesh and the Self Employed Women's Association (SEWA) are just two of many successful microcredit organizations. One other such organization is the Aga Khan Rural Support Program (AKRSP) in Pakistan.²²⁸ AKRSP has been instrumental in improving the lives of men, women, and children in the cities of Gilgit, Baltistan, and Chitral, where the population subsists on an average of \$0.50 a day per capita.²²⁹ According to the United Nations Development Programme's (UNDP) 2003 Human Development Report, Pakistan remains one of the poorest countries of the world.²³⁰ The AKRSP's success is remarkable as it operates in an extremely challenging region of the world with few transport and communication links with the rest of Pakistan.²³¹ Economically, the AKRSP has provided loans and other forms of credit to the people in the cities and regions listed above; socially, the AKRSP has facilitated the formation of village organizations and women's organizations, including key infrastructure projects for agriculture.²³² The AKRSP has been most successful in the social sphere by developing village organizations, which allow members of the community to converge and pool their resources.²³³ This allows for all members of the community to progress economically.

In the early 1980s, women in the community did not freely participate in business because of the preexisting patriarchal traditions.²³⁴ With the aim to fully integrate the community, the AKRSP created separate women's organizations in 2000 to address the needs and concerns of women.²³⁵ The success of this microcredit initiative has been attributed to the program's encouragement of self-reliance and the empowerment of women.²³⁶ Although the

²¹⁹ *Ibid.*

²²⁰ *Ibid.*

²²¹ United Nations Conference on Trade and Development, *Trade Practice Meets Trade Policy*.

²²² World Trade Organization, *What is the WTO?*, 1995.

²²³ European Commission, *The EU and the WTO*.

²²⁴ *Ibid.*

²²⁵ Government of Alberta, *Negotiations Update – Doha Development Agenda*, 2008.

²²⁶ European Commission, *Mandelson Regrets Loss of Doha "Insurance Policy"*, 2008.

²²⁷ United Nations General Assembly, *Report of the Secretary-General: Follow-up to and Implementation of the International Conference on Financing Development*, 2007, p. 33.

²²⁸ Rural Support Programmes Network, *Aga Khan Rural Support Programme (AKRSP)*.

²²⁹ Aga Khan Agency for Microfinance, *About*.

²³⁰ United Nations Development Programme, *Pakistan HDI Rank*, 2003

²³¹ Ishaque, *Microcredit at the Grassroots: A Case Study of a Microfinance Program in Pakistan*.

²³² Aga Khan Agency for Microfinance, *About*.

²³³ Aga Khan Agency for Microfinance, *About*.

²³⁴ Ishaque, *Microcredit at the Grassroots: A Case Study of a Microfinance Program in Pakistan*.

²³⁵ Aga Khan Agency for Microfinance, *About*.

²³⁶ *Ibid.*

village organizations and microcredit initiatives have been successful, the women's organizations have not been as successful as originally envisioned because of the continued patriarchal influence within the community.²³⁷ AKRSP has made significant changes in the political, economic, and social realms that have threatened to destroy its community organizations.²³⁸ Despite these factors, AKRSP has been successful in operating in an environment where three Islamic communities reside side by side and where sectarian differences exist among the community.²³⁹ The success of AKRSP has served as a model for the National Rural Support Programme (NRSP) followed by the Sindh Rural Corporation (SRSC), Balochistan Rural Support Programme (BSRP) and Punjab Rural Support Programme (PRSP).²⁴⁰ These programs were initiated to improve both the social and economic conditions and to mobilize the rural communities of Pakistan.²⁴¹

The success of these programs among communities through the creation of jobs, empowerment of women, and economic security has served as an example for other countries as well. On November 6, 2007, Abdul Alim, the First Secretary on the *Implementation of the First United Nations Decade for the Eradication of Poverty* recognized the significant efforts of the MDGs, particularly the first goal.²⁴² However, Secretary Alim strongly called upon Member States to "proclaim the 'second decade on the eradication of poverty' and look forward to new impetus in [the] efforts for a shared goal of having a world [...] free from [...] deprivation."²⁴³

Conclusion

Microcredit through microfinance is not the only solution to poverty in developing countries, but it is indeed an "inducer" to a great many activities that may lead to a better quality of life for low-income groups. Trade policies can provide opportunities for promoting economic development and tackling poverty reduction. Although many microfinancial organizations and the MDGs have instilled plans to eradicate poverty and combat issues regarding external trade and microfinancial organizations, regional differences are often unforeseen and should be considered in research. The General Assembly and its Second Committee are called upon to take a central role in facilitating this worldwide development and in building capacity to foster the diffusion of microfinance programs, and in increasing the capacity to measure the success of microfinance in contributing to the achievement of MDGs by providing access to capital. An important aspect of these activities is to monitor, and if necessary guide, the actions of the multitude of organizations involved in microfinance and trade facilitation.

Although it will be a difficult task, delegates should put forth an effort to produce a resolution aimed at improving international economic stability by allowing for different strategies in using the synergies between microfinance and external trade. In addition to considering previous case studies, some questions delegates should consider when preparing for the conference include: Does external trade promote financial development? What is the link between external trade and microfinance? What role do the MDGs play in microfinance and external trade? Would developing countries be in support of another mode of organizing assistance for microfinance and trade? What attempts should be made to place development programs on a larger political, economic, and social context? What components of development programs are related to microfinance?

Annotated Bibliography

Committee History

Charter of the United Nations. (1945). Retrieved September 10, 2008, from <http://www.un.org/aboutun/charter/>
The Charter of the United Nations contains an introductory note, the preamble and nineteen chapters. It states the mission, the organs of the bodies, and UN agencies. Under the articles of the chapters it discusses the functions of the different organs and agencies of the UN This charter can be reviewed with

²³⁷ *Ibid.*

²³⁸ Ishaque, *Microcredit at the Grassroots: A Case Study of a Microfinance Program in Pakistan*.

²³⁹ *Ibid.*

²⁴⁰ Ahmed, *Agriculture of Pakistan and Micro Finance*.

²⁴¹ *Ibid.*

²⁴² Alim, *Statement by Abdul Alim, First Secretary on agenda 58 (a) Implementation of the First United Nations Decade for the Eradication of Poverty (1976-2006)*, 2007.

²⁴³ *Ibid.*

two-thirds vote of the General Assembly and nine members of the Security Council they can set a date and time to review the Charter under the amendment to Article 109.

- General Assembly. (2007). *GA/EF/3204 Four Texts Approved by Second Committee Would Boost Initiatives*. Retrieved September 14, 2008, from <http://www.un.org/News/Press/docs/2007/gaef3204.doc.htm>
This article discusses the four draft resolutions that were approved and the drafts that were presented to GA Second Committee to take action on. The approved resolutions include document A/3//40, A/2//41, A/2//38, and A/2//L.39. It describes the process of which the resolutions were approved. This voting procedure includes voting and acting without a vote. There were four draft resolutions that were approved without a vote.
- IMF Survey Magazine: In the News (2008). *Food Price Rises Threaten Efforts to Cut Poverty*. Retrieved August 4, 2008, from <http://www.imf.org/external/pubs/ft/survey/so/2008/new041008a.htm>
Tithe affects of food price increase on the poor and the strategies that the world can take to reduce these affects are mentioned. Strauss-Kahn lists four steps to help the struggle in reducing the food prices for the short term. He also mentions increase in open trade policy as a long term step to reduce food prices. Open trade policy is an issue that has been long debated among international experts.
- United Nations. (2006). *UN General Assembly 61st Session-Second Committee*. Retrieved August 3, 2008, from <http://un.org/ga/61/second/second.shtml>
The GA Second committee, during the 61st Session, covered issues that include macroeconomic policy questions, sustainable development, human settlements, poverty eradication, strengthening humanitarian and disaster relief assistance, globalization and interdependence, operational activities for development, financing for development, and information and communication technologies for development. This session took action on 45 draft proposals.
- United Nations. (2008). *General Assembly Elects, By Acclamation, President for Sixty-Third Session, Bureau Members of Its Main Committees. General Assembly GA/10714*. Retrieved September 14, 2008, from <http://www.un.org/News/Press/docs/2008/ga10714.doc.htm>
Miguel Desoto Brickman of Nicaragua will be President of this session to start in September 2008. Miguel talks about the mission of the world's nations that includes eradicating poverty while maintaining biodiversity and cultural diversity. This article also mentions the names of the elected Committee officers that will represent the Committee.
- United Nations. (2005). *History of the United Nations*. Retrieved August 3, 2008, from <http://www.un.org/aboutun/unhistory/>
A brief synopsis of how and why the United Nations was formed is provided. The League of Nations was established in 1919 and the International Peace Conference in Hague was held in 1899. The conference and the organization were the forerunners of the United Nations.
- United Nations General Assembly (2008). *A/INF/62/6 [United Nations]*. Retrieved August 4, 2008, from <http://www.un.org/Docs/journal/asp/ws.asp?m=A/INF/62/6>
This document contains the names of the observers in the General Assembly. There are seventy one observers in the GA. This list was distributed on January 31, 2008.
- United Nations. (2005). *Implementation for the International Strategy for Reduction A/60/180*. Retrieved August 4, 2008, from <http://www.unisdr.org/eng/hfa/isdr/SG-report-60-180-eng.pdf>
This report talks about the inception of the International Strategy for Reduction with the tsunami crisis. It also states what actions that it will take to prevent and foresee large scale natural crises to be able to prepare in the future. The International Strategy for Reduction is the building the resilience of nations and communities to disasters through the Hyogo Declaration and Hyogo Framework for Action 2005-2015. This ten year plan agrees to work towards reducing the loss of lives and the social, economic, and environment assets.
- United Nations. (2008). *Membership of Principal United Nations Organs in 2008*. Retrieved August 29, 2008, from <http://www.un.org/geninfo/faq/factsheets/fs25membership.pdf>

The six organs of the United Nations and the members of each organ are listed. Under the description of the organs it states the how many members there are and the voting procedure to select the members. The General Assembly has 192 Member States. The Security Council and International Court of Justice have 15 members respectively.

United Nations (1997). *Milestones in United Nations History*. Retrieved August 29, 2008, from <http://www.un.org/Overview/milesto4.htm>

A chronological history of the United Nations from its inception to December 1996 that includes the creation of major conventions is mentioned. conferences, and declarations. The history of the UN spans from 1941 to 1996 in this article. The first blueprint of the UN was at Dumbarton Oaks Conference in Washington D.C. in 1944.

United Nations Press Release (2003). *Press Release GA/EF/3068- Second Committee Recommends Proclamation of International Decade on 'Water for Life', 2005-2015*. Retrieved September 10, 2008, from <http://www.un.org/News/Press/docs/2003/gaef3068.doc.htm>

The Proclamation of International Decade on 'Water for Life' includes the goal to maintain water for life from the period of 2005-2015. This release discusses the different UN agencies working on draft resolutions together to achieve these goals such as UN-HABITAT, UNEP, and ECOSOC Commission on Sustainable Development. It states Second Committee's approval of the draft resolution on unilateral economic measures in A/2//33 and the resolution on the permanent sovereignty of the Palestinian people in document AC.2//36/1.

UN Department of Economic and Social Affairs. (2008). *National Sustainable Development Strategies*. Retrieved August 30, 2008, from <http://www.un.org/esa/sustdev/natlinfo/nsds/nsds.htm>

This article explains the national strategies for sustainable development that is found in agenda 21 of chapter eight. It talks about the meetings and actions that have worked to achieve these strategies. It mentions the United Nations Millennium Declaration in striving to reach sustainable development.

United Nations General Assembly. (n.d.) *UN General Assembly - Main Committees*. (n.d.). Retrieved August 3, 2008, from <http://www.un.org/ga/maincommittees.shtml>

The six committees of the General Assembly and the issues that are addressed by each committee are discussed. It describes the issues that each committee is concerned with. It also mentions the General Committee which reviews the progress of the General Assembly.

United Nations General Assembly. (n.d.). *Functions and Powers of the General Assembly*. Retrieved August 3, 2008, from <http://www.un.org/ga/about/background.shtml>

The General Assembly was established in 1945. It specifically states the functions of the GA that can be found in the Charter of the United Nations. It also describes voting procedures for the GA which includes each Member State has one vote.

United Nations Backgrounder. (2008). *Sixty-third Session of the General Assembly*. Retrieved August 29, 2008, from http://www.unis.unvienna.org/pdf/GA_Backgrounder_English_SM_2008.pdf

The issues that will be discussed in the 63rd session of the General Assembly and where and when it will be convened are mentioned. The session began on September 16, 2008 at the UN headquarters in New York City. One issue that is on the agenda is "financing for development to end hunger, poverty, and lack of access to clean water and basic health services."

United Nations General Assembly. (1993). *Assembly Creates Sustainable Development commission, endorses 'Agenda 21'*. Retrieved August 30, 2008, from http://findarticles.com/p/articles/mi_m1309/is_/ai_13828045

The creation of the Commission on Sustainable Development and its function to implement Agenda 21 was approved in December 1993. The Commission works under ECOSOC but also works with UNDP, UNEP, and World Bank. Secretary-General Boutros Boutros-Ghali iterated the concern to keep the enthusiasm when he stated that "The challenge after Rio is to maintain the momentum of commitment to sustainable development, to transform it into policies and practice, and to give it effective and coordinated organizational support."

United Nations General Assembly. (2008). *Agricultural technology for development* (A/RES/62/190). Retrieved November 10, 2008 from <http://daccess-ods.un.org/TMP/2208362.html>
Resolution adopted by the General Assembly that states agenda item 54(a) for the sixty-second session. It states actions necessary to achieve development through agricultural technology. These resolutions works with ECOSOC to achieve these goals.

United Nations Economic and Social Commission for Asia and the Pacific. (2006). *Implementation of the Programme of Action for the Least Developed Countries (62/11)*. Retrieved September 27, 2008, from <http://www.unescap.org/LDCCU/PICs-SIDs/Special%20Body/9th-Jakarta-Apr2006/Resolution62-11.doc>
ESCAP's resolution recalls other resolutions such as the General Assembly resolution 52/279 of 12 July 2001 and Assembly resolution 60/228 of 23 December 2005. The first resolution supports Brussels Programme of Action for the Least Developed Countries. GA resolution 60/228 emphasizes the need to discuss steps to assist Least Developed Countries through a high-level meeting. ESCAP addresses the international community to focus more attention to ensuring the success of the Programme of Action for the Least Developed Countries.

United Nations Environment Programme (n.d.). *Bali Strategic Plan for Technology Support and Capacity-building*. Retrieved September 27, 2008 from:
<http://www.unep.org/DEC/OnLineManual/Compliance/NationalImplementation/CapacityBuilding/Resource/tabid/679/Default.aspx>
The Plan was approved at the 23rd session of UNEP Governing Council in February 2005. The Plan seeks to improve coordination of all efforts to reinforce capability by different multilateral and bilateral institutions. This Plan has many great tasks ahead of them and will need the effort of all countries involved to participate.

United Nations General Assembly (2000). *A/55/L.2* Retrieved September 27, 2008, from
<http://www.un.org/millennium/declaration/ares552e.htm>
The United Nations Millennium Declaration was established in 2000 to halve the poverty by 2015. Issues discussed in the declaration include the major concerns of the General Assembly as well as a special focus on meeting the needs of Africa that includes sustaining regional and sub regional methods towards the prevention of conflicts and political instability.

I. Climate Change Economics

Benjamin, A. (2007, November 29). Stern: Climate Change a 'market failure'. *The Guardian*. Retrieved August 26th., 2008 from <http://www.guardian.co.uk/environment/2007/nov/29/climatechange.carbonemissions>
The article presents Stern's central argument, that 'climate change is a market failure'. It argues that developed countries have to take the lead and encourage cooperation in crucial areas – deforestation, technology transfer and a commitment to global agreements on climate policy. Stern calls for the final delivery of the long-promised 0.7% goal in official development assistance, as developing countries are increasingly faced with the unequally distributed costs of climate change.

Chafe, Z., and French, H. (2008). *Improving Carbon Markets*. In The Worldwatch Institute. *State of the World 2008: Innovations for a Sustainable Economy*. New York: W.W. Norton.
This chapter of the book portrays the development of markets for carbon dioxide emission allowances in voluntary schemes, as well as mandatory ones. Besides the EU's emissions trading scheme, it presents U.S. state and Australian schemes, as well as projects under the Kyoto Protocol's clean development and the joint implementation mechanism. The chapter shows that CDM and JI projects are very unevenly distributed at the moment toward China, India, Brazil, and South Korea, indicating great potential for additional emission reductions.

Costanza, R., D'Arge, R., De Groot, R., Farber, S., Grasso, M., Hannon, B., et al. (1997). The Value of the World's Ecosystem Services and Natural Capital. *Nature*, 387, 253-260.
The article provides a financial evaluation of nature's services and natural capital stocks that are critical to human welfare. The authors provide valuations for various categories of goods and services based on the costs of alternative provision. The economic value of ecosystem services is roughly double the global

gross national product produced by humans.

Daly, H., and Farley, J. (2004). *Ecological Economics. Principles and Applications*. Washington: Island Press. *The ecological economics textbook provide an introduction into the basic concepts of the discipline and identifies the differences and refinements of classical economic theory. Delegates will find an introduction into the central refinements of economic theory needed in order to account for the ecological boundaries in which economic activities are happening and how these in turn affect these boundaries. Understanding these differences is of crucial importance in order to understand the climate change as a 'market failure' and how economic instruments can be used to efficiently contribute to greenhouse gas reductions.*

Dietz, S., Anderson, D., Stern, N., Taylor, C., and Zenghelis, D. (2007). Right for the Rights Reasons. A Final Rejoinder on the Stern Review. *World Economics*, 8, 2, 229-258. *The authors – among them Nicholas Stern – present a defense against a range of arguments brought up against the validity of the findings of the Stern Review on the Economics of Climate Change. They show that the criticism tends to fall into two categories: (1) being rooted in disagreement with the scientific work of the IPCC; and (2) criticism of single elements in the economic models used. While they dismiss the first on basis of partisanship, they argue with regard to the 2nd critique that, first, the points presented would not change the general conclusion and 2nd that the central interest of the Stern Review is on policy, not on economic modeling.*

European Commission (2007). *Green Paper on Market-Based Instruments for Environment and Related Policy Purposes*. Retrieved August 29, 2008 from <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:52007DC0140:EN:NOT> *The paper gives an overview on the economic instruments devised by the EU to address environmental problems, along with those related to GHG emissions. It outlines the environmental finance reforms that introduce taxes in the Member States on environmental consumption and cut subsidies on environmentally harmful behavior. These measures complement the EU's emission trading scheme and increase energy and resource efficiency in Europe while the increased revenues are used for tax cuts that overall lead to more jobs.*

European Commission and Sukhdev, P. (2008). *The Economics of Ecosystems and Biodiversity - An Interim Report*. Retrieved July 17th, 2008 from http://ec.europa.eu/environment/nature/biodiversity/economics/pdf/teeb_report.pdf *The report is the first part of a study program on the economics of ecosystems conducted by the Indian economist Parvan Sukhdev on behalf of the European Communities. The authors show how the complexities of the ecological systems inform the economic valuation framework that has to reflect those complexities. The report discusses basic ideas of ecosystem and climate services economics and how that informs the design of policy tools.*

European Environmental Agency (2007). *Greenhouse Gas Emission Trends and Projections in Europe 2007 – Tracking Progress towards Kyoto Targets*. Copenhagen: European Environmental Agency. Retrieved August 30, 2008 from http://reports.eea.europa.eu/eea_report_2007_5/en/Greenhouse_gas_emission_trends_and_projections_in_Europe_2007.pdf *The report provides an overview on the distribution of the emission reduction burden within the EU-bubble – the common 8% reduction goal for the European Union States. The report emphasizes that some EU States will not be able to achieve their goals, but that the overall aim will be achieved. It shows the wide array of EU-wide and national policies implemented to tackle the issue and how these policies are connected to the Kyoto framework.*

Global Policy Forum (2007). *Energy Taxes*. Retrieved August 30, 2008 from <http://www.globalpolicy.org/socecon/glotax/carbon/index.htm#2008> *The Web site provides a series of articles on the debate on carbon taxes at the 2007 UNFCCC conference in Bali. The general argument made by New York Mayor Michael Bloomberg was that carbon trading is “vulnerable to special interests, corruption, inefficiencies.” Carbon taxes on the other hand would have the same effects on the environment and would still produce the revenues needed for necessary investments.*

- Grubb, M. (2003). The Economics of the Kyoto Protocol. *World Economics*, 4(3), 143-189. *This article introduces delegates to the structure of the Kyoto protocol and its mechanisms. It further portrays the key debates and interests of different actors in the negotiations to the protocol. The latter part of the paper is devoted to the economic analysis of the protocol – its GHG emission reductions and the flexible mechanisms. The article presents the working of the different mechanisms, so delegates can understand the fundamentals of how the GHG allowances market works.*
- Gullison, R.E., Frumhoff, P.C., Canadell, J.G., Field, C.B., Nepstad, D.C., Hayhoe, K., Avissar, R., Curran, L.M., Friedlingstein, P., Jones, C.D., and Nobre, C. (2007). Tropical Forests and Climate Change. *Science*, 316, 985-986. *The authors of this article show that nearly a fifth of anthropogenic greenhouse gas emissions emitted are due to deforestation of tropical forests. The article discusses the concerns that lead to the exclusion of 'avoided deforestation' as a source of carbon credits under the Kyoto protocol's Clean Development Mechanism and argues that technological progress would allow an inclusion in the Post-Kyoto protocol. It further underlines that while action is urgent, the avoidance of deforestation is both cheap and would have a significant impact on greenhouse gas emission levels, next to the additional unrelated climate benefits of rainforest preservation.*
- Hall, A. (2008). Paying for Environmental Services: The Case of Brazilian Amazonia. *Journal of International Development*. Retrieved August 6, 2008 from <http://www3.interscience.wiley.com/cgi-bin/fulltext/120735551/PDFSTART> *This article describes the central role of the rainforest in Brazil for both: a) the emission of greenhouse gases through its burning for the use as cropland; and b) as a provider of a wide range of ecosystem services, which by far exceed the economic worth of the first option, but are ignored by classical economics and markets and therefore unexplored. The author presents existing corporate, as well as government-sponsored PES schemes that are in place and discusses the inclusion of PES in the follow-up document to the Kyoto protocol.*
- Intergovernmental Panel on Climate Change (n.d.). *About IPCC*. Retrieved August 5, 2008 from <http://www.ipcc.ch/about/index.htm> *The International Panel on Climate Change is the premier scientific advisory body of the international community dealing with Climate Change. Its Web site presents its institutional foundation and its mandate. Further, delegates can find an introduction into the working method of the IPCC assuring its scientific integrity.*
- Intergovernmental Panel on Climate Change. (2007). *Climate Change 2007: The Physical Science Basis. Summary for Policymakers*. Retrieved July 15, 2008 from <http://www.ipcc.ch/pdf/assessment-report/ar4/wg1/ar4-wg1-spm.pdf> *This summary explains the fundamentals of the natural science phenomena of climate change. It presents the development of GHG concentrations and its consequences and compares the impact of natural factors and humanity. It further provides regional projections for changes in temperature and precipitation. The full report can be accessed at <http://www.ipcc.ch/ipccreports/ar4-wg1.htm>.*
- Intergovernmental Panel on Climate Change. (2007). *Climate Change 2007. Synthesis Report – Summary for Policymakers*. Retrieved July 15, 2008 from http://www.ipcc.ch/pdf/assessment-report/ar4/syr/ar4_syr_spm.pdf *The Synthesis Report of the Fourth Assessment Report summarizes both the natural science of climatic change so far, but more importantly provides an outlook on the estimated impacts. The documents crucial role lies in presenting different climate models aiming at stabilization of GHG emissions at different concentrations and connects them to the impacts on the world's regions and ecosystems that can be expected. The full synthesis report can be accessed at <http://www.ipcc.ch/ipccreports/ar4-syr.htm>.*
- Klepper, G., and Peterson, S. (2008). The European Emissions Trading Regime and the Future of Kyoto. In Zedillo, E. (Ed.). *Global Warming – Looking Beyond Kyoto*. New Haven: Center for the Study of Globalization, Yale University; Washington, D.C.: Brookings Institution Press. *The chapter outlines the EU's Emissions Trading Scheme, the individual countries' progress in reaching*

their national goals, as well as the common 8% goal for GHG emission reductions by 2012. The authors present how the ETS is based on and integrates the flexible mechanisms of the Kyoto protocol (emissions trading, CDM, JI), while ensuring significant domestic action on emission reductions. It is also argued that by the opening of the ETS to developing countries through the CDM, much can be learned for the post-Kyoto accord and international climate policy that can be effective on developing countries' emissions in the absence of an absolute cap for their emissions.

- Lieb, C. M. (2004). The Environmental Kuznets Curve and Flow versus Stock Pollution: The Neglect of Future Damages. *Environmental and Resource Economics*, 29, 483-506.
Lieb's article explains the difference in the relationship of economic growth and air pollutants depending on their flow or nature. It is shown that while income growth can lead to lower emission levels for flow pollutants; this is unlikely for stock pollutants, such as carbon dioxide. This in turn supports the Stern Review's belief that timely action is not only urgent, but also economic. The article will help delegates understand the profound modifications of classical economic theory when it is set in an ecological framework.
- Leonhardt, D. (2007, February 21). A Battle over the Costs of Climate Change. *The New York Times*. Retrieved August 2, 2008 from <http://www.nytimes.com/2007/02/21/business/21leonhardt.html>
The article provides an overview – easy to understand for non-economists – on the scientific debate on the methodology used in the Stern Review on the Economics of Climate Change. It introduces the major proponents on both sides of the debate, which will help delegates find their way into the scientific debate on the economics of climate change. The reader will also be introduced to the major rifts on the key issues: discount rate and the treatment of uncertainty under the precautionary principle of the UNFCCC.
- Miles, L. and Kapos, V. (2008). Reducing Greenhouse Gas Emissions from Deforestation and Forest Degradation: Global Land-Use Implications. *Science*, 320, 1454-1455.
The article presents an overview on the debate on the introduction of a financial mechanism to reduce emissions from deforestation at the UNFCCC's Bali 2007 Conference, which would become a major source for conservation of forests. The general economics of deforestation are outlined with its distributional consequences and the changes in investments that can be expected once forests' carbon storage services are financially recognized. Delegates will also find a brief consideration of the technical difficulties of monitoring and reporting of these services.
- Mongabay.com (2008). *Private Equity Firm buys Rights to Ecosystem Services of Guyana Rainforest*. Retrieved August 29, 2008 from <http://news.mongabay.com/2008/0327-iwokrama.html>
The article presents the story of a London-based investment firm that purchased the right to various ecosystem services of a rainforest area of 371,000 hectare in Guyana. While the firm would pay a significant share of the maintenance costs, it would have a right to 16% of the profits from ecosystem services generated, of which 80% would go to local communities and 4% to other stakeholders. The actors involved in the project outline their motives for engaging in this deal. In addition to that, a range of comparable projects are presented, in which private sector actors pay for the conservation of ecological services.
- Nordhaus, W. D. (2007). A Review of the Stern Review on the Economics of Climate Change. *Journal of Economic Literature*, 45, 686-702.
William Nordhaus emphasizes that the results of the Stern Review depend “decisively on the assumption of a near-zero time discount rate combined with a specific utility function.” He argues that Stern's assumption for discounting do not reflect current market rates and would lead to too great savings, while reducing consumption and growth. The author favors a ‘policy ramp’ approach, in which annual emission reductions start at a low level and increase every year.
- Pigou, A. C. (1932). *The Economics of Welfare*. London: Macmillan and Co.
This book is a classic in environmental economics theory as it recognizes the existence of external effects and proposes a solution to it. Pigou shows in his book that market allocation of resources is only efficient if “marginal private net product and marginal social net product are identical” – if no externalities exist. The principle at the core of environmental economic theory is that use of taxes or other forms of payment to

internalize private costs that are otherwise carried by the public are necessary to correct inefficient allocation.

- Ranjan, R. and Shortle, J. (2007). The Environmental Kuznets Curve when the Environment Exhibits Hysteresis. *Ecological Economics*, 64, 1, 204-215.
The Environmental Kuznets Curve theory suggests that the relationship of income and environmental pollution follows an inverted U-shape, such that after reaching a 'turning point' in per capita income, pollution will decrease. Ranjan and Shortle show that this 'prescription of growth' in order to mitigate climate change is a faulty strategy when taking into account the natural science of climate change. The authors show that the stock pollutant nature of carbon dioxide can lead to hysteresis and irreversible changes in the global climate system – such as the melting of the Greenland ice shelf or the release of methane from thawing Siberian soils, which classical economic theory does not account for.
- Stavins, R. N. (2008). An International Policy Architecture for the Post-Kyoto Era. In: Zedillo, E. (Ed.), *Global Warming: Looking Beyond Kyoto*. New Haven & Washington, D.C.: Center for the Study of Globalization, Yale University & Brookings Institution Press, 145-53.
While scientific evidence and economic analysis underline the need for policy action, the rules of the Kyoto Protocol have been relaxed, halting its ability to reach its actual goals. Its follow-up must be based on three pillars: (1) extended participation that includes developing countries; (2) targets must be connected to longer time paths; and (3) the use of market-based instruments must be extended to achieve higher reductions with less resources. Among other issues, the authors discuss the problem of market power in negotiating emission allowances that is often viewed as the main disadvantages of emissions trading compared to environmental taxes.
- Stern, N. (2006). *The Economics of Climate Change. Executive Summary*. Retrieved July 16, 2008 from http://www.hm-treasury.gov.uk/media/4/3/Executive_Summary.pdf
The Report by former World Bank chief economist Nicholas Stern on behalf of the British Government received worldwide attention for its findings that timely and decisive action is not only needed in the light of the IPCC findings, but that the costs of non-action by far outweigh the costs of action. The report takes an international perspective and provides overviews on the structure of greenhouse gas emissions and underscores the economic benefits of early action in contrast to a 'policy ramp' approach. The Review estimates the costs of stabilizing greenhouse gas emissions at 500 – 550 ppm CO_{2e} – a level that could be consistent with the UNFCCC's precautionary principle of keeping warming below 2 degrees centigrade – around 1% of global GDP by 2050. The Stern Review can be considered the central piece of the debate and delegates should consider it a mandatory reading. While the bibliography refers to the executive summary, delegates should browse the full report as well, as it contains more specific sections on the different impacts on developed and developing countries.
- Stern, N., Taylor, C. (2007). Risk, Ethics, and the Stern Review. *Science*, 317, 203-204.
The article discusses the Stern Review's approach concerning ethical principles and insecurities in science and offers a methodical critique of macroeconomic equilibrium models applied to climate change. The article provides easy-to-understand examples on the importance of discount rates and compares the rates used by the Stern Review and by William Nordhaus. It further explains how the costs of mitigation and adaptation will vary depending on the time political action is taken to manage greenhouse gas emissions.
- Tol, R. S. J., Downing, T. E., Kui, O. J., Smith, J. B. (2004). Distributional Aspects of Climate Change Impacts. *Global Environmental Politics*, 14, 259-272.
The authors present both negative and positive impacts of climate change on the international community. The article applies economic measures of income distribution and its impact on the costs of climate change and shows that developing countries, in particular tropical and subtropical ones, are hit hardest by the warming that is to be expected. The authors also discuss problems of fairness and equity with regard to the sharing of these burdens.
- United Nations. (1992, May 9). *Framework Convention on Climate Change*. 1771 U.N.T.S. 107, 165; S. Treaty Doc No. 102-38 (1992); U.N. Doc. A/AC.237/18 (Part II)/Add.1; 31 I.L.M. 849 (1992). Retrieved July 17, 2008 from <http://unfccc.int/resource/docs/convkp/conveng.pdf>

The UN Framework Convention on Climate Change is the legal frame for international climate policy. It was agreed upon in 1992 and came into force in 1994 as a result to growing scientific evidence that anthropogenic influences lead to a change in climate. The convention formulates as the central goal of international climate policy to stabilize “greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system” even in the absence of full scientific evidence. In the absence of binding reduction goals, the framework convention remained ineffective – in order to correct this shortcoming, the Kyoto Protocol was adopted in 1997 in order to concretize the framework convention.

United Nations. Framework Convention on Climate Change. *Status of Ratification*. Retrieved July 17, 2008 from http://unfccc.int/files/essential_background/convention/status_of_ratification/application/pdf/unfccc_conv_rat.pdf *The document lists the convention’s 192 Member States and organizations. It further provides the dates for signature, ratification and entry into force, as well as national declarations and reservations made to the convention.*

United Nations. Framework Convention on Climate Change. (1997, December 11). *Kyoto Protocol to the Framework Convention on Climate Change*. UN Doc FCCC/CP/1997/7/Add.1, Dec. 10, 1997; 37 ILM 22. Retrieved July 17, 2008 from <http://unfccc.int/resource/docs/convkp/kpeng.pdf> *The Kyoto Protocol is based on Article 12 of the UNFCCC and set up legally binding greenhouse gas emission reductions for Annex I countries as a reaction to the lack of progress made under the UNFCCC. Developing countries under the Kyoto Protocol are not required to control or reduce their emissions. The protocol went into force in 2005 following Russia’s ratification fulfilling the threshold of at least 55 states that represent at least 55% of global greenhouse gas emissions.*

United Nations. Framework Convention on Climate Change. *Kyoto Protocol Status of Ratification*. Retrieved August 4, 2008 from http://unfccc.int/files/kyoto_protocol/status_of_ratification/application/pdf/kp_ratification.pdf *The document presents an overview on signatures and ratification of the Kyoto Protocol including their dates. It further contains the Annex I parties’ shares of carbon dioxide emissions, as used in the protocol. Delegates can access further information on the individual parties to the protocol at: <http://maindb.unfccc.int/public/country.pl?group=kyoto>.*

United Nations. General Assembly. 43rd Session (1988, December 6). *Protection of Global Climate for Present and Future Generations of Mankind (A/RES/43/53)*. Retrieved August 30, 2008 from <http://daccess-ods.un.org/TMP/7500199.html> *This is the first resolution passed by the 2nd Committee and adopted by the General Assembly on Climate Change. The resolution places an emphasis on the need for cooperation in a global framework, in which timely action should be taken to prevent the growth of GHG emissions that, as it was already at that time projected, could lead to a “rise in sea levels, the effects of which could be disastrous for mankind.” The GA also endorsed the establishment of the IPCC and underscored the need for a strengthening of the international legal infrastructure.*

United Nations. General Assembly. 55th Session (2000, September 8).. *United Nations Millennium Declaration (A/RES/43/53)*. Retrieved August 30, 2008 from <http://www.un.org/millennium/declaration/ares552e.htm> *The Millennium Declaration is one of the central policy documents adopted in the UN’s history. Respect for nature is declared one of the fundamental values of the organization. Therefore the Millennium Declaration underlines the importance of the Kyoto Protocol and calls for its universal ratification and the need for Member States to pursue the emission reductions necessary.*

United Nations. General Assembly. 62nd Session (2008, January 31). *Protection of Global Climate for Present and Future Generations of Mankind (A/RES/62/86)*. Retrieved July 16, 2008 from <http://daccess-ods.un.org/access.nsf/Get?OpenAgent&DS=A/C.2/62/L.12&Lang=E> *The General Assembly underscores the international community’s view that climate change is a problem common to all States, which carry differentiated responsibilities in accordance with their capabilities, and calls upon Member States’ governments “to make every effort to ensure the entry into force of the Kyoto Protocol and to embark on the required reduction in emissions of greenhouse gases.” It draws further attention to the situation of developing countries, which will have to carry the largest part of the costs of*

climatic changes and calls for “financial and technical resources, as well as capacity building and access to and transfer of technology, to assist those developing countries adversely affected by Climate Change.

World Bank (2008). *Climate Change*. Retrieved August 30, 2008 from <http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/ENVIRONMENT/EXTCC/0,,menuPK:407870~pagePK:149018~piPK:149093~theSitePK:407864,00.html>

This Web site presents the World Bank’s activities in the field of climate change, ranging from financing emission reduction projects through its carbon finance unit to workshops on deforestation-related emission reductions. The page also contains country-specific information on projects that will help delegates get an understanding of their country’s role. One of the high-level events hosted on deforestation in 2008 are the ‘Global Leadership on Deforestation and Climate Change’ workshop, September 16-17 and the workshop on ‘The Costs of Reducing Carbon Emissions from Deforestation and Forest Degradation’ in May 2008.

Additional Sources

Anger, N., & Sathaye, J. (2007). *Reducing Deforestation and Trading Emissions: Economic Implications for the Post-Kyoto Carbon Market*. Retrieved August 29, 2008 from http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1114044

The integration of avoided deforestation credits into the carbon market both significantly reduce the costs of international strategies to reduce GHG emissions but also benefit tropical regions that would economically benefit from the associated transfer of income from countries with binding reduction commitments under international law. Baselines for deforestation and transaction costs are identified as crucial elements in scaling up the use of forests for climate mitigation.

Canadell, J. G., & Raupach, M. R. (2008). Managing Forests for Climate Change Mitigation. *Science*, 320, 1456-57. *The growth of forests takes up to a third of global carbon dioxide emissions from fossil fuel burning and net deforestation – with an economic value of hundreds of billions of dollars. Four options are presented through which reforestation can reduce atmospheric carbon dioxide by 40 to 70 parts per million by 2100. The authors also emphasize that the reduction of deforestation is the most cost-effective strategy available. However, increased reforestation causes feedbacks from other ecosystems that have to be monitored for their net effects, so that in effect reforestation would be a very useful strategy for tropical forests, but not in northern regions with snow cover.*

Organization of American States. (2006). National Payment for Environmental Services Program. Retrieved August 30th, 2008 from <http://www.oas.org/dsd/PES/Programs.htm>

Within Latin America, a number of States have introduced PES programs to reduce environmental destruction and to help farmers generate income. This Web site describes a wide range of programs from Costa Rica and Mexico, implemented by the national governments in cooperation with other State governments or international organizations, such as the Global Environmental Facility. The kinds of policies applied range from carbon taxes, access to finance, subsidies for farmers, to payments for environmental services.

World Bank (2008). *Climate Change – The Costs of Reducing Carbon Emissions from Deforestation and Forest Degradation*. Retrieved August 30, 2008 from <http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/ENVIRONMENT/EXTCC/0,,contentMDK:21799130~pagePK:210058~piPK:210062~theSitePK:407864,00.html>

The Web site covers a workshop on the economics of deforestation organized by the World Bank in May 2008. As deforestation is responsible for 20% of GHG emitted worldwide, the consideration of deforestation in the follow-up to the Kyoto protocol is essential. Delegates will find a range of material covering different aspects of deforestation and climate change that will help them refine their positions.

II. Economic and Trade Policies to Address Food Price Volatility

Ariel, David. (2008, June 6). Leaders at UN Summit Pledge to Ease Food Crisis. *Fox News*. Retrieved August 4, 2008, from http://news.findlaw.com/ap_stories/i/1103/06-06-2008/20080606042005_30.html

A quick overview of what was talked about at the FAO conference. Delegates should find it useful, because the other works that deal with the meeting are very long and time consuming to read. A short article which will let delegates have a quick understanding of what happened at the most important food meeting this summer.

Balmer, Crispian. (2008, April 23). Years of Poor Decisions Created Food Crisis – FAO. Reuters. Retrieved September 16, 2008, from <http://in.reuters.com/article/companyNews/idINL2393249620080423>
General Jaques Diouf is director of the FAO (UN Food and Agricultural Organisaion). He attributes the current food crisis to bad policy decisions over the last twenty years. According to Diouf, the FAO has been warning of an impending food crisis which is now upon us. The food crisis we are in should not be seen as something unforeseen because by merely looking at the policy decisions of the recent past one can see that our current state was inevitable.

Downie, A. (2008, August 27). As Food Prices Soar, Brazil and Argentina React in Opposite Ways. The New York Times. Retrieved August 27, 2008, from <http://www.nytimes.com/2008/08/28/business/worldbusiness/28farm.html>
Used as a basis for the case study. The governmental actions of Brazil and Argentina are studied side by side. Within the few words, a good comparison is made which looks at two of the policy prescriptions available to governments during the food price spike.

Food and Agriculture Organization of the United Nations and OECD. (2007). *OECD – FAO agricultural outlook 2008 - 2017*. Retrieved from http://www.oecd.org/document/32/0,3343,en_36774715_36775671_40444896_1_1_1_1,00.html
A yearly report which looks at what the next decade will have in store for agricultural markets. Looking at what led to the food price spike leads one to see what will happen in the future, such as farmers planting more crops in times of high prices which will lead to an overall decline in prices. Yet, this factor will be limited because of increased use of biofuels and growing global demand. Delegates will be learn how many different factor pull and tug at good prices and get a feeling for how hard it is to accurately predict food prices.

Food and Agriculture Organization of the United Nations. (2008, April). *Soaring food prices: facts, perspectives, impacts, and actions required*. Retrieved from http://www.fao.org/fileadmin/user_upload/foodclimate/HLCdocs/HLC08-inf-1-E.pdf
Report from what is probably the most important conference on the current food crisis to date, the high-level conference on world food security: the challenges of climate change and bioenergy. Delegates will be able to read what the major actors on the world stage are thinking and read the same statistics that they have access to. The report gives a background on the topic with lots of information and what the impacts are likely to be and policy prescriptions to alleviate the problem.

General Assembly Second Committee. (2007, December 7). *Second committee approves text expressing serious concern over lack of progress in Doha trade negotiations [Brochure]*. New York, New York: United Nations. Retrieved from <http://www.un.org/News/Press/docs/2007/gaef3206.doc.htm>
The GA 2nd committee acknowledges the importance that the Doha Round of trade negotiations will have on policy moving forward into the future and they are expressing their discontent at the lack of progress made so far. Delegates will have the opportunity to see what the actual committee has worked on, and get an understanding of the overall feelings that most member states hold on topics we will be addressing.

General Assembly Second Committee. (2008, November 1). *Second committee delegates cite reform of global financial system, anti-corruption action, bridging technological gap as vital to integration into world economy. [Brochure]*. New York, New York: United Nations. Retrieved from <http://www.un.org/News/Press/docs/2007/gaef3192.doc.htm>
The member states of the GA 2nd committee take turns addressing what are the most vital changes that need to be made to the world economic system so that all states may enjoy in the prosperity. Numerous states with many different views will allow the delegates to see that there is no one golden solution which will solve all the problems of the world's financial system. While some states have disdain for globalization entirely many other see some minor problems with globalization and offer ways in which the process of

globalization can be tweaked so that developing state have the same opportunities as developed states. Many member states have problems with subsidies in developed nations that harm their developing industries.

Interagency Task Force on Commodity Markets. (2008, July). Interm Report on Crude Oil. Retrieved <http://www.cftc.gov/stellent/groups/public/@newsroom/documents/file/itfinterimreportoncrudeoil0708.pdf>

A report issued by the Commodities Future Trading Commission which looks at the causes of volatility in the commodities markets. The report is a non-biased government report, meant to be used by lawmakers when deciding how to deal with the commodities price spike. While this report mainly focuses on the oil market, it's lessons can be translated to the agricultural sphere as well. Later this year a more comprehensive report will be published that will more specifically address the issues of high food prices.

Junqueira, M. (2004, June). Civil Society Forum. Message posted to

http://www.unctadxi.org/templates/Calendar_59.aspx

A brief post which will give delegates a quick and cursory knowledge of the Civil Society Forum. Explaining the who, what, why, and how of the Civil Society Forum will allow delegates to understand more about the group. While the post itself, does not contain much information, it serves as a good starting point for further in depth research

Mèrorés, L., United Nations. General Assembly. Economic and Social Council. (2008, May 28).

The President of the Economic and Social Council outlines issues related to the global food crisis, but also important ways for the food crisis to be addressed. He specifically addresses the topics of trade liberalization, its importance and the importance of assisting those who are injured by it in the short term, and land tenure. He notes that he is pleased with the way the discussions on the food crisis are going. He also points out the importance of partnering with businesses throughout the world for philanthropic assistance and technical advice in order to stop the food crisis as quickly and effectively as possible.

OECD. (2008). Agricultural Policy Design and Implementations. Retrieved from

http://www.oecd.org/document/37/0,3343,en_2649_33773_40476197_1_1_1_37401,00.html

Since many claim world agricultural policy is failing the OECD takes a look at how to improve such policies. First, policies should be based on measurable goals. Then do the current policies meet those goals and if not how can new policies be designed that do meet the aforementioned goals. The goal of the OECD paper is to create a best practices document that will allow for a domestic agricultural policy which doesn't distort international trade.

OECD, (2008, July 16). Biofuel policies in OECD countries costly and ineffective, says report [Brochure]. OECD.

Retrieved from http://www.oecd.org/document/28/0,3343,en_2649_33717_41013916_1_1_1_1,00.html

A press release for a report that also talks about biofuels. OECD countries, a group which is made up of the most developed states, are currently supporting biofuels with government aid. However, this has drawbacks and unintended consequences.

OECD. (December 2005). Decoupling – Policy implications Retrieved from

http://www.oecd.org/document/47/0,3343,en_2649_33777_25110575_1_1_1_1,00.html

As a synthesis of numerous papers on the topic of agricultural decoupling this paper is a great resource for delegates to begin their search for information on the topic. Decoupling is the notion that agricultural policies should not influence production decisions. If policies are created which have do influence these decisions then trade distortion is more likely. Statistics and historical lessons learned are included as well as what can be done in the future to make agricultural policy decisions better.

OECD. (2008). Economic Assessment of Biofuel Support Policies. Retrieved from

http://www.oecd.org/document/30/0,3343,en_2649_33785_41211998_1_1_1_37401,00.html

An unbiased source looking at biofuel support and gives a fair and honest critique. It is tough for delegates to find such a source on a topic so divisive, and having the authority of the OECD behind a paper gives its findings a lot of credence. Delegates will be able to use the report to find out ample amount of information on biofuels, and what effect government support has on them.

- OECD. (2008). Rising food prices: Causes and consequences. Retrieved from <http://www.oecd.org/dataoecd/54/42/40847088.pdf>
The reasons for food price volatility and the recent run up in prices are examined. It also outlines some options to help alleviate the problems associated with high food prices. Delegates will have the opportunity to examine some the secondary and tertiary effects of high food prices such as high inflation in developing states and how if not done correctly foreign aid can undermine domestic markets in developing states.
- OECD. (November 2001). Towards more liberal agricultural trade. Retrieved from <http://www.oecd.org/dataoecd/39/16/2674624.pdf>
Looks how developed states support their own agricultural industries at the detriment to the developing world. Delegates will get quick overviews of the major ways that developed states distort trade for their benefit which hurts developing states. Methods covered are market access limitations, export subsidies and domestic support.
- Oxfam International, (June 2008). The time is now: how world leaders should respond to the food price crisis. Economic Assessment of Biofuel Support Policies. Retrieved from <http://www.oxfam.ca/news-and-publications/publications-and-reports/the-time-is-now-how-world-leaders-should-respond-to-the-food-price-crisis>
Delegates will be able to make the connection between how high food prices lead to a food crisis. Also, ideas are outlined to try and help alleviate the problems associated both with high food prices and a food crisis. Options that are outlined are encouraging more open and free trade on the part of developed states so that developing states can share in the global prosperity and also encouraging a closer look at supporting biofuels through government actions.
- Saavedra, D. O. (2008, May 15). Letter dated 2008/05/14 from the Permanent Representative of Nicaragua to the United Nations addressed to the Secretary-General. Address presented at United Nations, Dag Hammarskjold Library.
The president of Nicaragua had a letter presented at the summit where he outlined his thoughts on the world food crisis. Delegates will be able to read a first-hand account of how a leader from a developing nation feels about developed nations' subsidies to agricultural products. The problems that developing nations have with the WTO and trade agreements with developed nations stem from the problems that Mr. Saavedra addresses in his speech and offers a back ground to why this issue is so pertinent to our topic.
- The Associated Press. (2008, May 5). Asian Bank Warns Food Crisis Could Erode Progress in Fight Against Poverty. *International Herald Tribune*. Retrieved August 4, 2008, from <http://www.iht.com/articles/ap/2008/05/05/business/EU-FIN-Asian-Development-Bank-Food-Crisis.php>
This article discusses the Asian Development Bank (ADB) Annual Meeting and its plans for combating the pending food crisis. It also discusses how the food crisis is threatening to create more poverty in the Asian region. This article may be useful for understanding the role of the ADB in the region, and in order to find more information about the food crisis, its impact, and strategies for combating it which are already in place.
- UN Chief to Focus on Global Food Crisis at G8 Summit. (2008, June 25). *Xinhua News Agency*. Retrieved August 4, 2008, from http://www.china.org.cn/international/world/2008-06/25/content_15885089.htm
Secretary General Ban Ki-moon has a lot to say on the topic of high food prices, and specially on how government intervention feeds into higher prices for all. Delegates will hear what the leader o the UN thinks but also see what people outside of national governments think about protectionism
- United Nations Conference on Trade and Development. (2008, June). Tackling the Global Food Crisis [Brochure]. United Nations. Retrieved July, 2008, from http://www.unctad.org/en/docs/presspb20081_en.pdf
UNCTAD acknowledges the problems associated with the food price spike and looks for the root causes. Some causes listed are increased demand for food, global financial volatility, and declining agricultural production. It also highlights the pitfalls of biofuels when supported by government programs that are not fully thought out. Lastly, policy prescriptions are laid out to

address the food price spikes.

United Nations. (2007). *The Millennium development Goals Report 2007*. Retrieved August 4, 2008, from <http://www.un.org/millenniumgoals/pdf/mdg2007.pdf>

The Millennium Development Goals are one of the largest undertakings the United Nations has done. At this point along the roadmap, the UN is far from on track. Delegates will be able to read this progress report issued by the UN half-way through the planned MDG timetable. Many of the MDGS rely on topics that food price volatility affects and therefore the work the GA 2nd will accomplish will have a large effect on whether or not the MDGs are accomplished.

United Nations. Economic and Social Council. Committee on Economic, Social and Cultural Rights. 40th Session. (2008, May 20). *The World Food Crisis: Statement (E/C.12/2008/1)*. Retrieved June 18, 2008, from <http://www2.ohchr.org/english/bodies/cescr/cescrs40.htm>

ECOSOC is the other major UN branch that covers the same topics of GA 2nd. A statement from them allows delegates to hear what their counterparts think about the crisis, and also find some useful statistics. Looking at the issues GA 2nd addresses from the perspective of ECOSOC will let allow delegates to have a more holistic view on the food crisis.

United Nations. General Assembly. 55th Session. (2000, September 18). *United Nations Millennium Declaration (A/Res/55/2)*. Retrieved August 4, 2008, from <http://www.un.org/millennium/declaration/ares552e.htm>

The Millennium Declaration was a great undertaking by the United Nations. Currently the world is not accomplishing as much as was hoped would be in 2000 when the Millennium Declaration was passed. Delegates will be able to read the paper that led to this massive undertaking which has such great aspirations for the future, and see what the framers had in mind eight years ago when the proposals were made. Many of the hopes outlined in the document are not possible to achieve if food prices stay as volatile as they have recently been.

United Nations General Assembly Second Committee. (2007, December). Reports of the Second Committee on agenda items 41, 51, 52 (a-c), 53 (a-b), 54 (a-i), 55, 56 (a-c), 57 (a-b), 58 (a-c), 59 (a-c), 60, 61, 121 and 129.

Delegates can see what issues the GA second committee addressed during their last session. They will be able to quickly scan topics which were covered and see topics and their supporting documentation which the committee covered that they may want to do further research on. One topic which is referenced in the background guide is the committee declaring the upcoming decade a decade for eradicating poverty.

Saavedera, D.O. United Nations. General Assembly. 62nd Session. (2008, May 14). *Letter Dated 14 May 2008 from the Permanent Representative of Nicaragua to the United Nations Addressed to the Secretary General (A/62/740)*. Retrieved August 4, 2008, from <http://unbisnet.un.org:8080/ipac.jsp?session=N2139854173HC.87919&profile=bib&uri=full=3100001~!863351~!9&ri=1&aspect=alpha&menu=search&source=~!horizon#focus>

United Nations addressed to the Secretary-General. Address presented at United Nations, Dag Hammarskjold Library. The president of Nicaragua had a letter presented at the summit where he outlined his thoughts on the world food crisis. Delegates will be able to read a firsthand account of how a ruler from a developing nation feels about developed nations' subsidies to agricultural products.

United Nations. General Assembly. Human Rights Council. 7th Special Session. (2008, May 28). *Draft Resolution A/HRC/S-7/L.1/Rev.1*. Retrieved June 18, 2008, from <http://www.globalpolicy.org/soecon/hunger/general/2008/0521hrc.pdf>

The Human Rights council sees a right to food for all persons in the world. Delegates will be able to better see the personal side of the food crisis which they are dealing with. Also, the HRC, outlines how the food crisis relates back to the MDGs in a concise and easy to understand manner.

United Nations. United Nations Conference on Trade and Development. 12th Session. (2008, April 21). *Civil Society Forum Declaration to UNCTAD XII*. Retrieved August 4, 2008, from

http://www.unctad.org/en/docs/td437_en.pdf

Delegates will be able to hear the voices of the smaller countries in the world. It can be difficult to imagine that the most developed nations in the world would have policies that almost ensure those in poverty throughout the world will remain that way. The Civil Society Forum also has a lot of facts and ideas about the problem of developed states domestic agriculture policies and possible ways to rectify the situation.

UN Sets Up Food Crisis Task Force. (2008, April 29). *BBC News*. Retrieved August 4, 2008, from

<http://news.bbc.co.uk/2/hi/europe/7372393.stm>

Ban Ki-moon is very insightful and he understands the longer term aspect of the crisis. He addresses how the poor are affected from the crisis, and what can be done to help them. Again, delegates should find it useful to quote the secretary general in their own papers aell.

Von Braun, J. (2008, May). *High food prices: The what, who and how of proposed policy actions*.

Retrieved from International Food Policy Research Institute Web site:

<http://www.ifpri.org/pubs/ib/foodprices.asp>

Different ways to deal with the food crisis are examined and a best action policy is proposed. Methods looked at are both short and long term solutions. Such solutions range from eliminating export bans and changing biofuel policies to increasing investment in sustainable agricultural growth.

Von Braun, J. (2007, December). *The World Food Situation: New Driving Forces and Required Actions*.

Retrieved August 4, 2008, from International Food Policy Research Institute Web site:

<http://www.ifpri.org/pubs/fpr/pr18.asp>

Braun looks at the crisis from a mathematical point of view. He has hard facts and data to back up his views on what the current problem is and what it means, and how to fix it. Delegates should appreciate seeing how the statistics that are quoted are found, and will also get a ton of information on the crises in an easy to read format.

Von Braun, J., & Torero, M. (2008, June). *Physical and Virtual Global Food Reserves to Protect the Poor and Prevent Market Failure* (Policy Brief No. 004). Retrieved August 4, 2008, from

<http://www.ifpri.org/PUBS/bp/bp004.asp>

Braun looks at the crisis from a mathematical point of view. He has hard facts and data to back up his views on what the current problem is and what it means, and how to fix it. Delegates should appreciate seeing how the statistics that are quoted are found, and will also get a ton of information on the crises in an easy to read format.

World Bank Opens \$1.3b Food Crisis Fund. (2008, May 30). Retrieved August 4, 2008, from

http://news.sbs.com.au/worldnewsaustralia/world_bank_opens_13b_food_crisis_fund_548053

The World Bank has set up a fund to help weather the food crisis. The author goes into depth about the fund, so delegates will be able to see its inner workings. Also, delegates will be able to see how intergovernmental agencies work, and specifically the World Bank. As one of the major intergovernmental agencies what the World Bank does has a huge impact on the entire world economy.

World Food Programme. (2008). WFP Crisis Page: High Food Prices [FAQ about high food prices].

Retrieved August 11, 2008, from <http://www.wfp.org/?ModuleID=137&Key=2853>

Will allow delegates to see how high food prices affect the World Food Programme in the WFP's own words. One of many aid agencies which is struggling with the rising cost of food, the WFP is one of the most visible agencies. Since the WFP offer assistance in so many places throughout the world, as it struggles one can see how the poor throughout the whole world will struggle to find food as well.

Young, J. (2008). *Speculation and World Food Markets*. Retrieved June 18, 2008, from

<http://www.ifpri.org/PUBS/nesletters/IFPRIForum/if200807.asp>

IFPRI looks for not so publicized ways that food prices are being pushed higher. Delegates will be able to examine how multifaceted the problem is, and see that there is no one easy solution. A lot of attention is paid to the role speculators have in the current food price crisis and how to react to speculation in the

market if it

III. External Trade and Microfinancial Assistance to Developing Countries

ACCION International (n.d.). *Investing in Microfinance*. Retrieved August 7, 2008, from

<http://www.accion.org/NETCOMMUNITY/Page.aspx?pid=493&srcid=191>

This Web site provides information on micro-financial investments and the role that ACCION International plays in development assistance. A background on investments is presented along with basic information about micro-financial Investments. Information on investing in microfinance is also available.

Aga Khan Agency for Microfinance (n.d.). *Aga Khan Agency for Microfinance – An Agency of the Aga Khan Development Network*. Retrieved October 3, 2008, from <http://www.akdn.org/akam>

The Aga Khan Agency for Microfinance (AKAM) works to reduce poverty, diminish the vulnerability of poor populations, and alleviate economic and social exclusion. AKAM's microfinance programs, institutions, and banks aim to achieve a level of long-term sustainability that covers both operational costs and contributes to expansion in the future. AKAM's role in Pakistan is prevalent and case studies are provided on the Web site.

Ahmed, A. S. (n.d.). *Agriculture in Pakistan and Microfinance*. Retrieved August 22, 2008, from

<http://www.pakissan.com/english/agri.overview/agriculture.of.pakistan.shtml>

Agricultural income is substantial in Pakistan. Through means of microfinance, Pakistan has served as a gateway for poverty reduction. The launching of microbanks within Pakistani communities has helped in promoting microbusinesses with the intention to meet specific needs of disadvantaged populations.

Alim, A. (2007, November 6). *Statement by Abdul Alim, First Secretary on agenda item 58 (a) Implementation of the First United Nations Decade for the Eradication of Poverty (19972006) at the Second Committee of the UNGA*. Retrieved September 18, 2008, from United Nations Web site:

http://www.un.int/bangladesh/statements/62/c2_eradication_poverty.htm

This statement by Secretary Alim addresses the United Nations General Assembly Second Committee. The statement recognizes the efforts of the international body and requests for further support to achieving closure on the eradication of poverty. The statement also recognizes that, although there have been many successes with previous efforts, poverty problems are still prevalent the world over.

Barr, M. S. (2005). *Microfinance and Financial Development*. Retrieved August 6, 2008,

from <http://law.bepress.com/cgi/viewcontent.cgi?article=1046&context=umichlwps>

This paper discusses the basics of microfinance and financial development. It provides background on the relationship between countries and the WTO and discusses the Millennium Development Goals (MDGs). The paper also focuses on the financial sector development as an essential determinant for achieving the MDGs.

Bangladesh Rural Advancement Committee, *History*. (n.d.). Retrieved August 5, 2008, from

<http://www.brac.net/history.htm>

This Web site is the home of the development organization, BRAC, which was founded by Fazle Hasan Abed in February 1972, after the independence of Bangladesh. BRAC is an organization whose mission is to alleviate poverty and empower the poor. This organization has served as both an initiator and catalyst for similar financial innovations in eradicating poverty.

Buckrell, J., Carrere, R., Caruso, E., Colchester, M., Counsell, S., Chidley, L., et al. (n.d.). *Broken Promises: How World Bank Group Policies Fail to Protect Forests and Forest Peoples' Rights*. Retrieved August 7, 2008, from <http://www.globalpolicy.org/soecon/bwi-wto/wbank/2005/04brokenpromises.pdf>

In this publication, delegates will find a discussion on the attempts and failures of the World Bank in developing areas. This paper provides information on specific countries that have been affected by failed loans policies. The paper also discusses the previous policies of the World Bank and the extended efforts for the future.

Chen, S., & Ravallion, M. (2004, June). *How have the world's poorest fared since the early 1980s?* Retrieved August 5, 2008, from http://www-wds.worldbank.org/external/default/WDSContentServer/IW3P/IB/2004/07/22/000112742_20040722172047/Rendered/PDF/wps3341.pdf

This paper provides data of progress in poverty reduction from 1981-2001. It analyzes previous estimates to draw on nationally representative surveys as much as feasible. The paper reviews past methods of measuring poverty from former surveys and presents new estimates, which have been recalculated and incorporate new data.

European Commission. (n.d.). *The EU and the WTO*. Retrieved August 6, 2008, from http://ec.europa.eu/trade/issues/newround/index_en.htm

This article gives a brief overview of the World Trade Organization (WTO) and its relationship with the European Union (EU). It also provides information about the Doha Development Agenda (DDA) in its previous state. There is also a section on the policy of the European Commission with regard to the WTO.

European Commission. (2008, July 30). *Mandelson Regrets Loss of Doha "Insurance Policy"*. Retrieved August 8, 2008, from http://ec.europa.eu/commission_barroso/mandelson/speeches_articles/sppm215_en.htm

This is an article on the failed Doha Development Round at the WTO in Geneva. EU Commission Mandelson discusses reasons for the failure and hope for future discussion. This statement also briefly discusses future policy.

FINCA, (n.d.). *What is Microfinance? What is Village Banking*. Retrieved August 5, 2008, from http://www.villagebanking.org/site/c.erKPI2PCIoE/b.2604299/k.FFD9/What_is_Microfinance_What_is_Village_Banking.htm

This Web site answers questions regarding village banking and its association with microfinance. It also discusses ways in which village banking helps to meet the Millennium Development Goals (MDGs) for 2015. There is a section on microfinance programs and how these programs work to meet the MDGs.

Global Development Research Center. (n.d.). *Microfinance Programme: What Works*. Retrieved August 7, 2008, from <http://www.gdrc.org/icm/inspire/what-works.html>

The role of microfinance in removing environmental problems is outlined. This article discusses the elements that work in microfinance and provides a guide for microfinance institutions in assisting developing countries. A discussion on macrofinance and its relation with microfinance is available.

Government of Alberta. (2008). *Negotiations Update - Doha Development Agenda*. Retrieved August 24, 2008, from [http://www1.agric.gov.ab.ca/\\$department/deptdocs.nsf/all/psc10330](http://www1.agric.gov.ab.ca/$department/deptdocs.nsf/all/psc10330)

This publication provides background information on the Doha Development Agenda (DDA) to date. Negotiations among countries have gone on for seven years. A timeline on the most recent negotiations in July 2008 is outlined.

Hassan, M. (n.d.). *Statement By Mr. Muhammad Hassan, Delegate of Pakistan to the Second Committee on agenda Item 98: Implementation of the First United Nations Decade for the Eradication of Poverty (1997-2006) and draft Programme of Action for the International Year of Microcredit*. Retrieved October 4, 2003, from http://www.pakun.org/statements/Second_Committee/2003/10092003-01.php

Mr. Hassan, the delegate of Pakistan, addresses Pakistan's use of microfinance as a tool to alleviate poverty. The use of microfinance sector development programs help to provide a regulatory framework for microfinance policy. The country's support for non-governmental organizations (NGOs) is considered an integral part of the country's attempt to achieve the MDGs.

International Year of Microcredit. (2005). *Why a Year? About Microfinance and Microcredit*. (2005). Retrieved August 5, 2008, from http://www.yearofmicrocredit.org/pages/whyayear/whyayear_aboutmicrofinance.asp

This Web site provides information regarding the International Year of Microcredit in 2005. It gives an overview of what this event was about and those involved in the project. A section on why specifically a year on microcredit is included.

Ishaque, S. (n.d.). *Microcredit at the Grassroots: A Case Study of a Microfinance Program in Pakistan*. Retrieved

August 9, 2008, from http://www.worldhungeryear.org/why_speaks/ws_load.asp?file=67&style=ws_table
This article discusses the successes of microcredits among the Aga Khan Rural Support Programme. The empowerment of women plays an important role in the community. The article provides a brief background on the organization as well as the operations of the organization.

Ledgerwood, J. (1999). *Microfinance Handbook: An Institutional and Financial Perspective*. Washington, D.C.: The World Bank.

A non-technical macroeconomic perspective toward general microfinance issues is provided in this handbook. It is separated into three parts and begins by addressing the broader considerations of microfinance activities. Parts II and III provide more detailed discussions and, specifically, a focus on provision of financial services.

Rural Support Programmes Network. (n.d.). *Aga Khan Rural Support Programme (AKRSP)*. Retrieved October 12, 2008, from: <http://www.rspn.org/files/mo/akrsp.htm>

The Rural Support Programmes Network gives a short description of the Aga Khan Rural Support Programme. It explains how the Programme was founded and what its main objectives are. The Web site also gives a short overview over the Programme's funding arrangements.

Turner, T. (2008, April 1). *MDGs by 2015: Recognizing the Achievements, Addressing the Challenges, and Getting Back on Track*. Retrieved October 5, 2008, from

<http://www.un.org/ga/president/62/ThematicDebates/MDGsStatements/TurnerSpeech.shtml>

Mr. Turner addresses the problems the international community has been facing in its attempts at achieving the Millennium Development Goals (MDGs). The empowerment of women and girls is one of the highlights of the speech and the attempts to provide for women and girls is inherent. Turner also discusses the strategies and partnerships that have been formed in the attempts to achieve the MDGs.

United Nations. Capital Development Fund. (n.d.). *About UNCDF*. Retrieved August 22, 2008, from

http://www.uncdf.org/english/about_uncdf/least_developed_countries.php

The United Nations Capital Development Fund (UNCDF) has been having a significant impact on Least Developed Countries (LDCs). UNCDF works through multiple outlets in achieving a financial sector development. This page provides a brief history on the UNCDF as well as its involvement in the international community.

United Nations. Conference on Trade and Development. (n.d.). *Trade Practice Meets Trade Policy*. Retrieved

August 10, 2008, from <http://www.unctad.org/Templates/Page.asp?intItemID=3493&lang=1>

This Web site discusses the role of trade practice and trade policy. It stresses the need for greater effective transport and trade facilitation through technology. Links to Least Developed Countries (LDCs) and their role in trade can also be found on the site.

United Nations Development Program. (2003). *Pakistan HDI Rank*. Retrieved August 5, 2008, from

http://hdrstats.undp.org/countries/data_sheets/cty_ds_PAK.html

This site provides data by country on the United Nations Development Programme's Human Development Report. To fully understand the case study, knowing the statistics of Pakistan and other countries with similar economies will prove useful. Brief descriptions are included along with the statistics.

United Nations. General Assembly. 28th Session. (1973, December 17). *Special Measures in Favor of the Least*

Developed Countries (A/RES/3174). Retrieved October 4, 2008, from United Nations Web site

<http://daccess-ods.un.org/TMP/8321889.html>

General Assembly Resolution 3174 recalls Resolution 62, which recommended developed countries to give urgent consideration to assist Least Developed Countries (LDCs). The resolution requests developed countries to rejuvenate the United Nations Capital Development Fund (UNCDF). It also suggests a review of the special measures in favor of LDCs to carry out the provisions from Resolution 62.

United Nations General Assembly. (2007). *Report of the Secretary-General: Follow-up to and Implementation of*

the International Conference on Financing Development. Retrieved November 13, 2008 from <http://www.un.org/esa/ffd/>

Four years after the Conference on Financing for Development, the Secretary-General authored this report. It provides an update on the status of the implementation of the Monterrey Consensus, which was the main document to come out of the Conference. Delegates should familiarize themselves with all the aspects of the Conference and its documents as it was important to the international financial and development scene.

United Nations. General Assembly. 55th Session. (2000, September 8). *United Nations Millennium Declaration (A/RES/55/2)*. Retrieved October 10, 2008 from <http://daccess-ods.un.org/TMP/5342080.html>
The Millennium Declaration is one of the central declarations passed by the General Assembly. The declaration emphasizes that poverty reduction is a central goal of the organization and therefore all States resolve to create conditions that are conducive to this goal. Member States further agreed that in order to achieve the goal of halving global poverty by 2015, special attention has to be paid to the situation of the least developed countries that lack access to (micro-) finance or face special hurdles inhibiting their struggle against poverty.

United Nations. General Assembly. 62nd Session. (2007, August 10). *Report of the Secretary-General: Follow-up to and Implementation of the Outcome of the International Conference on Financing for Development*. Retrieved August 9, 2008, from <http://www.globalpolicy.org/socecon/ffd/conference/doha/2007/0810followup.pdf>
This report provides analytical assessment of the implementation of agreements reached at the International Conference on Financing for Development in 2002. It covers all the six core areas of the Monterrey Consensus. In addition, the report reviews key intergovernmental and multi-stakeholder activities carried out in implementing the commitment to staying engaged.

United Nations, *The Millennium Goals Report: 2005*. (2005). Retrieved August 8, 2008, from <http://unstats.un.org/unsd/mi/pdf/MDG%20Book.pdf>
This is a progress report on the UN Millennium Development Goals for 2015. It is the most comprehensive account to date and reflects a collaborative effort among a large number of agencies and organizations within and outside the United Nations system. Participating countries have provided concise reports on their region for the assimilation of this report.

United Nations, *The UN Millennium Development Goals*. (2000, September). Retrieved August 5, 2008, from <http://www.un.org/millenniumgoals/>
This Web site provides the list of the UN Millennium Development Goals for 2015. It gives brief information on each goal and includes links to relevant sites. A special event for the goals is planned for September 25, 2008 in New York.

World Trade Organization. (n.d.). *What is the WTO?*. Retrieved August 26, 2008, from http://www.wto.org/english/thewto_e/whatis_e/whatis_e.htm
Questions regarding what the World Trade Organization (WTO) is, how it functions, and what its purpose is, are answered in this brief history. A section on understanding the WTO and benefits of the WTO are also presented. There is also a section on misconceptions about the WTO.

Additional Sources

Aga Khan Rural Support Programme (n.d.). *Objectives*. Retrieved August 8, 2008, from <http://www.akrsplessons.org/conference.php?goto=objectives>
This article provides a background history and objectives of the Aga Khan Rural Support Programme. The goals and objectives of the program are also outlined. Like the other sources from Aga Khan, understanding the basis of the organization will help to grasp intentions of the program

Council of Microfinance Equity Funds (n.d.). *Council of Microfinance Equity Funds*. Retrieved August 9, 2008, from <http://cmef.com/>
This Web site provides a discussion on the Council's purpose, activities, and achievements. There is also a

list of members and partners of the Council. Guidelines and principles for effective investments in MFIs are helpful for a broader understanding of microfinance.

The Economist (2008, July 25). *Doing Good By Doing Very Nicely Indeed*. Retrieved August 10, 2008, from http://www.economist.com/opinion/displaystory.cfm?story_id=11622469

This short article on microfinance features Muhammed Yunus, the creator of the Grameen Bank and Compartamos Banco. It provides information on the differences between two organizations with similar principles in mind, on non-profit, one clearly profit-oriented. While this is a useful article for a quick understanding on microfinance, the official sites of both organizations should be viewed for complete information.

European Commission. (n.d.). *Trade and Development*. Retrieved July 16, 2008, from

http://ec.europa.eu/trade/issues/global/development/index_en.htm

This Web site provides information on the importance of trade as a factor for development and growth. It asserts that trade policies can provide opportunities for promoting economic development and tackling poverty reduction. Its objective is to portray fundamental information regarding the EU trade strategy which aims to support the gradual integration of developing countries in the world economy and the multilateral trading system.

European Commission. (2003, February). *Making Trade Work for Development: Putting Theory into Practice - Case Reports of European Union Trade Development Projects Around the World*. Retrieved July 16, 2008, from http://ec.europa.eu/trade/centre/publications/Trade_Dev_Interieur_EN_14-04-03%20final.pdf

This document confers the central importance of trade related assistance (TRA) and capacity building (CB) as a means of helping developing countries integrate into the world economy. It identifies concrete proposals of action taken by the Council of the European Union. It ensures that trade issues get a higher priority in the dialogue on development strategies and development assistance programs.

FINCA. (n.d.). *Village Banking: A Key Strategy for Meeting the Millennium Development Goals*. Retrieved August 5, 2008, from <http://www.villagebanking.org/site/c.erKPI2PCIoE/b.2630609/k.489B/>

[Village Banking A Key Strategy for Meeting the Millennium Development Goals.htm#MDG](http://www.villagebanking.org/site/c.erKPI2PCIoE/b.2630609/k.489B/Village_Banking_A_Key_Strategy_for_Meeting_the_Millennium_Development_Goals.htm#MDG).

This article discusses how village banking serves as a strategy to meeting the Millennium Development Goals. The page serves to answer questions regarding village banking. It ties the notion of village banking with microfinance to help alleviate the poor.

Global Progress: Are We On Track to Meet the MDGs by 2015?. (n.d.). Retrieved August 5, 2008, from http://www.undp.org/mdg/basics_ontrack.shtml

This Web site discusses the goals, strategies and progress made for the Millennium Development Goals. It focuses on the current state of each goal. Acknowledging the challenges met in achieving these goals, the site provides the progress each goal has made.

Gloekler, A., & Seeley, J. (n.d.). *Gender and AKRSP: Mainstreamed or Sidelined*. Retrieved August 9, 2008, from <http://www.akrsplessons.org/themes.php?goto=gender&page=2>

This is a short paper on the gender views within the AKRSP organization. It specifically looks at the relationship between the women in the community among village organizations. The paper focuses on the reasons for tension between women and patriarchally influenced community and provides reasons for the creation of a separate women's organization.

Indonesia's Rural Financial System: The Role of the State and Private Institutions. (n.d.). Retrieved July 16, 2008, from World Bank Web Site: http://siteresources.worldbank.org/INTPGI/Resources/342674-1206111890151/Microfinance_Indonesia.pdf

This document provides a micro-finance case study on Indonesia's financial system. The study analyzes how effective organizations have performed their role as agents of Indonesia's economic growth. It discusses two main issues to further expand and broaden Indonesia's financial system.

Journal of Microfinance. (2006). Retrieved August 6, 2008, from <http://www.lib.byu.edu/dlib/spc/microfinance/>
A scholarly periodical resource of journal of microfinance. This site provides a search engine for easy

research on topics related to finance and microfinance. The Journal's purpose is to present articles on innovative approaches and provide studies and essays to represent the broad spectrum of the economic community.

- Kiva. (n.d.). *About Microfinance*. Retrieved July 16, 2008 from <http://www.kiva.org/about/microfinance/>
Kiva is an organization which lends money to people through the internet. This Web site contains general information on microfinance and microcredits gathered from many sources including other microfinance organizations. The site serves as a transparent outlet for entrepreneurs in international countries and other organizations.
- Levine, R. (1997, June). *Financial Development and Economic Growth: Views and Agenda*. Retrieved August 5, 2008, from <http://web.nps.navy.mil/~relooney/levine.pdf>
This paper uses existing theory to analyze conflicting view to provide a basic framework of the finance-growth nexus, and then assesses the quantitative importance of the financial system in economic growth. It looks at a body of empirical analyses, including firm-level studies, industry-level studies, individual country-studies, and broad cross country comparisons, to understand the connection of financial development and economic growth.
- Murinde, V., & Ryan, C. (2000, December). *The Implications of WTO and GATS for the Banking Sector in Africa*. Retrieved August 8, 2008, from http://www.microfinancegateway.com/files/2669_file_02669.pdf
This paper assesses the implications of the World Trade Organization (WTO) and the General Agreement on Trade in Services (GATS) for the banking sector in African countries that are signatories to the WTO and GATS protocols. It reviews the relevant provisions of the GATS for banking services and the main exemption held by African countries.
- Puglielli, D. (n.d.). *The World Bank and Microfinance: An Elephant Trying to Build a Bird Nest*. Retrieved August 8, 2008, from <http://www.gdrc.org/icm/puglielli-paper.html>
This paper talks about the World Bank and its involvement in microfinance. It describes the harm in direct involvement with the informal sector. It also gives a brief background on the context in which the World Bank exists and was created and how it interacts with the informal market.
- Rutherford, S. (2000). *The Poor And Their Money*. New Delhi: Oxford University Press.
This source is about how poor people in developing countries manage their money. It describes how they handle their savings and illustrates the variety of moneylenders and deposit collectors who serve the poor, including the new microfinance institutions (MFIs). MFIs are semi-formal or formal banks that specialize in working with poor clients.
- Schneider, H. (Ed.). (1997). *Microfinance For The Poor?*. Paris: Development Centre of the Organisation for Economic Co-operation and Development.
Supporting microfinance strategies for the poor is a necessary ingredient in poverty alleviation. Drawing from a wide base of experience and data, this book analyzes major issues and approaches in microfinance aimed at the poor. It does not promote a single model of microfinance but rather offers guidance for reconciling outreach and sustainability of financial institutions.
- Smith, P., & Thurman, E. (2007). *A Billion Bootstraps: Microcredit, Barefoot Banking, and the Business Solution for Ending Poverty*. New York: McGraw-Hill.
Phil Smith and Eric Thurman discuss some failures of traditional poverty reduction approaches and the successes of the growing microcredit movement from their perspectives as successful entrepreneurs. Many texts on microcredit are highly technical and intended for microcredit professionals. This book offers an overview of microcredit in order for the reader to quickly grasp how it works.
- United Nations. Capital Development Fund. (2005, August). *Microfinance matters – Update on the International Year of Microcredit 2005*. Retrieved October 10, 2008 from http://www.uncdf.org/english/microfinance/pubs/newsletter/pages/2005_08/year_update.php#a1
The lack of indicators to measure and assess the progress made on and with microcredit affects especially Africa. The G8 leaders therefore have agreed at their 2005 Gleneagles summit that the low access to

finance in Africa inhibits progress on poverty reduction and have called on international institutions and African governments “to increase access to financial services through increased partnerships between commercial banks and micro-finance institutions, including through support of diversification of financial services available to the poor and effective use of remittances.”

United Nations Development Program. (n.d.). *Strategies for the MDGs*. Retrieved August 6, 2008, from <http://www.undp.org/mdg/strategy.shtml>

This article discusses the challenges and the plans on attaining the Millennium Development Goals (MDG). Three areas of focus are presented in the effort to support these MDG-based national development strategies. The strategies are outlined in detail in the following section.

United Nations. Economic and Social Commission for Western Asia. (2007, November 15). *Inter-Regional Forum: Trade Facilitation and Regional Trade Agreements*. Retrieved July 16, 2008, from <http://www.escwa.un.org/tfforum/maine.asp?id=1&lang=e>

This document focuses on the compatibility between regional and international trade facilitation patterns to promote trade. It provides background and purpose of the organization as well as prescriptive outcomes. Trade facilitation mechanisms are one of the central aspects this site uses.

United Nations. General Assembly. 61st Session. (2006, December 20). *Role of Microcredit and Microfinance in the Eradication of Poverty (A/RES/61/214)*. Retrieved October 10, 2008 from <http://daccess-ods.un.org/TMP/2433086.html>

The General Assembly emphasizes in this resolution subsequent to the 2005 International Year of Microcredit that although there is a lack of data in many countries, microcredits have proved an ‘effective tool’ in poverty eradication and especially in empowering women. Nevertheless, also due to a lack of data, the financial sector is still failing to serve a large number of poor people in the world. The General Assembly called on both Member States as well as the international financial institutions to scale up their efforts in facilitating the growth of microfinance services that are accessible to those that have been left out so far.

Rules of Procedure

General Assembly Economic and Financial Committee (GA 2nd)

Introduction

1. These rules shall be the only rules which apply to the General Assembly Economic and Financial Committee (hereinafter referred to as “the Assembly”) and shall be considered adopted by the Assembly prior to its first meeting.
2. For purposes of these rules, the Plenary Director, the Assistant Director(s), the Under-Secretaries-General, and the Assistant Secretaries-General, are designates and agents of the Secretary-General and Director-General, and are collectively referred to as the “Secretariat.”
3. Interpretation of the rules shall be reserved exclusively to the Director-General or her or his designate. Such interpretation shall be in accordance with the philosophy and principles of the National Model United Nations and in furtherance of the educational mission of that organization.
4. For the purposes of these rules, “President” shall refer to the chairperson or acting chairperson of the Assembly.

I. SESSIONS

Rule 1 - Dates of convening and adjournment

The Assembly shall meet every year in regular session, commencing and closing on the dates designated by the Secretary-General.

Rule 2 - Place of sessions

The Assembly shall meet at a location designated by the Secretary-General.

II. AGENDA

Rule 3 - Provisional agenda

The provisional agenda shall be drawn up by the Secretary-General and communicated to the Members of the United Nations at least sixty days before the opening of the session.

Rule 4 - Adoption of the agenda

The agenda provided by the Secretary-General shall be considered adopted as of the beginning of the session. The order of the agenda items shall be determined by a majority vote of those present and voting. Items on the agenda may be amended or deleted by the Assembly by a two-thirds majority of the members present and voting.

The vote described in this rule is a procedural vote and, as such, observers are permitted to cast a vote. For purposes of this rule, “those present and voting” means those delegates, including observers, in attendance at the meeting during which this motion comes to a vote.

Rule 5 - Revision of the agenda

During a session, the Assembly may revise the agenda by adding, deleting, deferring or amending items. Only important and urgent items shall be added to the agenda during a session. Permission to speak on a motion to revise the agenda shall be accorded only to three representatives in favor of, and three opposed to, the revision. Additional items of an important and urgent character, proposed for inclusion in the agenda less than thirty days before the opening of a session, may be placed on the agenda if the Assembly so decides by a two-thirds majority of the members present and voting. No additional item may, unless the General Assembly decides otherwise by a two-thirds majority of the members present and voting, be considered until a committee has reported on the question concerned.

As the General Assembly Plenary determines the agenda for its Committees, this rule is applicable only to the Plenary body. Items cannot be amended or added to the agenda by any of the Committees of the Assembly. For purposes of this rule, the determination of an item of an “important and urgent character” is subject to the discretion of the Secretariat, and any such determination is final. If an item

is determined to be of such a character, then it requires a two-thirds vote of the Assembly to be placed on the agenda. It will, however, not be considered by the Assembly until a committee has reported on the question, or a second two-thirds vote is successful to keep the Plenary body seized of the matter. The votes described in this rule are substantive vote, and, as such, observers are not permitted to cast a vote. For purposes of this rule, "the members present and voting" means those members (not including observers) in attendance at the session during which this motion comes to vote.

Rule 6 - Explanatory memorandum

Any item proposed for inclusion in the agenda shall be accompanied by an explanatory memorandum and, if possible, by basic documents.

III. SECRETARIAT

Rule 7 - Duties of the Secretary-General

1. The Secretary-General or her/his designate shall act in this capacity in all meetings of the Assembly.
2. The Secretary-General shall provide and direct the staff required by the Assembly and be responsible for all the arrangements that may be necessary for its meetings.

Rule 8 - Duties of the Secretariat

The Secretariat shall receive, print, and distribute documents, reports, and resolutions of the Assembly, and shall distribute documents of the Assembly to the Members of the United Nations, and generally perform all other work which the Assembly may require.

Rule 9 - Statements by the Secretariat

The Secretary-General, or her/his representative, may make oral as well as written statements to the Assembly concerning any question under consideration.

Rule 10 - Selection of the President

The Secretary-General or her/his designate shall appoint, from applications received by the Secretariat, a President who shall hold office and, *inter alia*, chair the Assembly for the duration of the session, unless otherwise decided by the Secretary-General. The Assembly shall have twenty-one Vice-Presidents, based on the same apportionment as the Vice-Presidents recognized in the Assembly.

Rule 11 - Replacement of the President

If the President is unable to perform her/his functions, a new President shall be appointed for the unexpired term at the discretion of the Secretary-General.

IV. LANGUAGE

Rule 12 - Official and working language

English shall be the official and working language of the Assembly.

Rule 13 - Interpretation (oral) or translation (written)

Any representative wishing to address any United Nations organ or submit a document in a language other than English shall provide interpretation or translation into English.

This rule does not affect the total speaking time allotted to those representatives wishing to address the body in a language other than English. As such, both the speech and the interpretation must be within the set time limit.

V. CONDUCT OF BUSINESS

Rule 14 - Quorum

The President may declare a meeting open and permit debate to proceed when representatives of at least one third of the members of the Assembly are present. The presence of representatives of a majority of the members of the

Assembly shall be required for any decision to be taken.

For purposes of this rule, “members of the Assembly” means the total number of members (not including observers) in attendance at the first night’s meeting.

Rule 15 - General powers of the President

In addition to exercising the powers conferred upon him or her elsewhere by these rules, the President shall declare the opening and closing of each meeting of the Assembly, direct the discussions, ensure observance of these rules, accord the right to speak, put questions to the vote and announce decisions. The President, subject to these rules, shall have complete control of the proceedings of the Assembly and over the maintenance of order at its meetings. He or she shall rule on points of order. He or she may propose to the Assembly the closure of the list of speakers, a limitation on the time to be allowed to speakers and on the number of times the representative of each member may speak on an item, the adjournment or closure of the debate, and the suspension or adjournment of a meeting.

Included in these enumerated powers is the President’s power to assign speaking times for all speeches incidental to motions and amendment. Further, the President is to use her/his discretion, upon the advice and at the consent of the Secretariat, to determine whether to entertain a particular motion based on the philosophy and principles of the NMUN. Such discretion should be used on a limited basis and only under circumstances where it is necessary to advance the educational mission of the Conference. For purposes of this rule, the President’s power to “propose to the Assembly” entails her/his power to “entertain” motions, and not to move the body on his or her own motion.

Rule 16

The President, in the exercise of her or his functions, remains under the authority of the Assembly.

Rule 17 - Points of order

During the discussion of any matter, a representative may rise to a point of order, which shall be decided immediately by the President. Any appeal of the decision of the President shall be immediately put to a vote, and the ruling of the President shall stand unless overruled by a majority of the members present and voting.

Such points of order should not under any circumstances interrupt the speech of a fellow representative. Any questions on order arising during a speech made by a representative should be raised at the conclusion of the speech, or can be addressed by the President, sua sponte, during the speech. For purposes of this rule, “the members present and voting” mean those members (not including observers) in attendance at the meeting during which this motion comes to vote.

Rule 18

A representative may not, in rising to a point of order, speak on the substance of the matter under discussion.

Rule 19 - Speeches

1. No one may address the Assembly without having previously obtained the permission of the President. The President shall call upon speakers in the order in which they signify their desire to speak.
2. Debate shall be confined to the question before the Assembly, and the President may call a speaker to order if her/his remarks are not relevant to the subject under discussion.
3. The Assembly may limit the time allowed to speakers and all representatives may speak on any question. Permission to speak on a motion to set such limits shall be accorded only to two representatives favoring and two opposing such limits, after which the motion shall be put to the vote immediately. When debate is limited and a speaker exceeds the allotted time, the President shall call her or him to order without delay.

In line with the philosophy and principles of the NMUN, in furtherance of its educational mission, and for the purpose of facilitating debate, if the President determines that the Assembly in large part does not want to deviate from the limits to the speaker’s time as it is then set, and that any additional motions will not be well received by the body, the President, in her/his discretion, and on the advice and consent of the Secretariat, may rule as dilatory any additional motions to change the limits of the speaker’s time.

Rule 20 - Closing of list of speakers

Members may only be on the list of speakers once but may be added again after having spoken. During the course of a debate the President may announce the list of speakers and, with the consent of the Assembly, declare the list closed. When there are no more speakers, the President shall declare the debate closed. Such closure shall have the same effect as closure by decision of the Assembly.

The decision to announce the list of speakers is within the discretion of the President and should not be the subject of a motion by the Assembly. A motion to close the speakers list is within the purview of the Assembly and the President should not act on her/his own motion.

Rule 21 - Right of reply

If a remark impugns the integrity of a representative's State, the President may permit that representative to exercise her/his right of reply following the conclusion of the controversial speech, and shall determine an appropriate time limit for the reply. No ruling on this question shall be subject to appeal.

For purposes of this rule, a remark that "impugns the integrity of a representative's State" is one directed at the governing authority of that State and/or one that puts into question that State's sovereignty or a portion thereof. All interventions in the exercise of the right of reply shall be addressed in writing to the Secretariat and shall not be raised as a point of order or motion. The reply shall be read to the Assembly by the representative only upon approval of the Secretariat, and in no case after voting has concluded on all matters relating to the agenda topic, during the discussion of which, the right arose.

Rule 22 - Suspension of the meeting

During the discussion of any matter, a representative may move the suspension of the meeting, specifying a time for reconvening. Such motions shall not be debated but shall be put to a vote immediately, requiring the support of a majority of the members present and voting to pass.

Rule 23 - Adjournment of the meeting

During the discussion of any matter, a representative may move the adjournment of the meeting. Such motions shall not be debated but shall be put to the vote immediately, requiring the support of a majority of the members present and voting to pass. After adjournment, the Assembly shall reconvene at its next regularly scheduled meeting time.

As this motion, if successful, would end the meeting until the Assembly's next regularly scheduled session the following year, and in accordance with the philosophy and principles of the NMUN and in furtherance of its educational mission, the President will not entertain such a motion until the end of the last meeting of the Assembly.

Rule 24 - Adjournment of debate

A representative may at any time move the adjournment of debate on the topic under discussion. Permission to speak on the motion shall be accorded to two representatives favoring and two opposing adjournment, after which the motion shall be put to a vote immediately, requiring the support of a majority of the members present and voting to pass. If a motion for adjournment passes, the topic is considered dismissed and no action will be taken on it.

Rule 25 - Closure of debate

A representative may at any time move the closure of debate on the item under discussion, whether or not any other representative has signified her/his wish to speak. Permission to speak on the motion shall be accorded only to two representatives opposing the closure, after which the motion shall be put to the vote immediately. Closure of debate shall require a two-thirds majority of the members present and voting. If the Assembly favors the closure of debate, the Assembly shall immediately move to vote on all proposals introduced under that agenda item.

Rule 26 - Order of motions

Subject to rule 23, the motions indicated below shall have precedence in the following order over all proposals or other motions before the meeting:

- a) To suspend the meeting;

- b) To adjourn the meeting;
- c) To adjourn the debate on the item under discussion;
- d) To close the debate on the item under discussion.

Rule 27 - Proposals and amendments

Proposals and substantive amendments shall normally be submitted in writing to the Secretariat, with the names of twenty percent of the members of the Assembly would like the Assembly to consider the proposal or amendment. The Secretariat may, at its discretion, approve the proposal or amendment for circulation among the delegations. As a general rule, no proposal shall be put to the vote at any meeting of the Assembly unless copies of it have been circulated to all delegations. The President may, however, permit the discussion and consideration of amendments or of motions as to procedure, even though such amendments and motions have not been circulated. If the sponsors agree to the adoption of a proposed amendment, the proposal shall be modified accordingly and no vote shall be taken on the proposed amendment. A document modified in this manner shall be considered as the proposal pending before the Assembly for all purposes, including subsequent amendments.

For purposes of this rule, all "proposals" shall be in the form of working papers prior to their approval by the Secretariat. Working papers will not be copied, or in any other way distributed, to the Assembly by the Secretariat. The distribution of such working papers is solely the responsibility of the sponsors of the working papers. Along these lines, and in furtherance of the philosophy and principles of the NMUN and for the purpose of advancing its educational mission, representatives should not directly refer to the substance of a working paper that has not yet been accepted as a draft resolution. After approval of a working paper, the proposal becomes a draft resolution and will be copied by the Secretariat for distribution to the Assembly. These draft resolutions are the collective property of the Assembly and, as such, the names of the original sponsors will be removed. The copying and distribution of amendments is at the discretion of the Secretariat, but the substance of all such amendments will be made available to all representatives in some form.

Rule 28 - Withdrawal of motions

A proposal or a motion may be withdrawn by its sponsor at any time before voting has commenced, provided that it has not been amended. A motion thus withdrawn may be reintroduced by any representative.

Rule 29 - Reconsideration of a topic

When a topic has been adjourned, it may not be reconsidered at the same session unless the Assembly, by a two-thirds majority of those present and voting, so decides. Reconsideration can only be moved by a representative who voted on the prevailing side of the original motion to adjourn. Permission to speak on a motion to reconsider shall be accorded only to two speakers opposing the motion, after which it shall be put to the vote immediately.

For purposes of this rule, "those present and voting" means those representatives, including observers, in attendance at the meeting during which this motion is voted upon by the body.

VI. VOTING

Rule 30 - Voting rights

Each member of the Assembly shall have one vote.

This rule applies to substantive voting on amendments, draft resolutions, and portions of draft resolutions divided out by motion. As such, all references to "member(s)" do not include observers, who are not permitted to cast votes on substantive matters.

Rule 31 - Request for a vote

A proposal or motion before the Assembly for decision shall be voted upon if any member so requests. Where no member requests a vote, the Assembly may adopt proposals or motions without a vote.

For purposes of this rule, "proposal" means any draft resolution, an amendment thereto, or a portion of a draft resolution divided out by motion. Just prior to a vote on a particular proposal or motion, the President may ask if there are any objections to passing the proposal or motion by acclamation, or a

member may move to accept the proposal or motion by acclamation. If there are no objections to the proposal or motion, then it is adopted without a vote.

Rule 32 - Majority required

1. Unless specified otherwise in these rules, decisions of the Assembly shall be made by a majority of the members present and voting.
2. For the purpose of tabulation, the phrase “members present and voting” means members casting an affirmative or negative vote. Members which abstain from voting are considered as not voting.

All members declaring their representative States as “present and voting” during the attendance roll call for the meeting during which the substantive voting occurs, must cast an affirmative or negative vote, and cannot abstain.

Rule 33 - Omitted

Rule 34 - Method of voting

1. The Assembly shall normally vote by a show of placards, except that a representative may request a roll call, which shall be taken in the English alphabetical order of the names of the members, beginning with the member whose name is randomly selected by the President. The name of each present member shall be called in any roll call, and one of its representatives shall reply “yes,” “no,” “abstention,” or “pass.”

Only those members who designate themselves as “present” or “present and voting” during the attendance roll call, or in some other manner communicate their attendance to the President and/or Secretariat, are permitted to vote and, as such, no others will be called during a roll-call vote. Any representatives replying “pass,” must, on the second time through, respond with either “yes” or “no.” A “pass” cannot be followed by a second “pass” for the same proposal or amendment, nor can it be followed by an abstention on that same proposal or amendment.

2. When the Assembly votes by mechanical means, a non-recorded vote shall replace a vote by show of placards and a recorded vote shall replace a roll-call vote. A representative may request a recorded vote. In the case of a recorded vote, the Assembly shall dispense with the procedure of calling out the names of the members.
3. The vote of each member participating in a roll call or a recorded vote shall be inserted in the record.

Rule 35 - Explanations of vote

Representatives may make brief statements consisting solely of explanation of their votes after the voting has been completed. The representatives of a member sponsoring a proposal or motion shall not speak in explanation of vote thereon, except if it has been amended, and the member has voted against the proposal or motion.

All explanations of vote must be submitted to the President in writing before debate on the topic is closed, except where the representative is of a member sponsoring the proposal, as described in the second clause, in which case the explanation of vote must be submitted to the President in writing immediately after voting on the topic ends.

Rule 36 - Conduct during voting

After the President has announced the commencement of voting, no representatives shall interrupt the voting except on a point of order in connection with the actual process of voting.

Rule 37 - Division of proposals and amendments

Immediately before a proposal or amendment comes to a vote, a representative may move that parts of a proposal or of an amendment should be voted on separately. If there are calls for multiple divisions, those shall be voted upon in an order to be set by the President where the most radical division will be voted upon first. If objection is made to the motion for division, the request for division shall be voted upon, requiring the support of a majority of those present and voting to pass. Permission to speak on the motion for division shall be given only to two speakers in favor and two speakers against. If the motion for division is carried, those parts of the proposal or of the amendment which are involved shall then be put to a vote. If all operative parts of the proposal or of the amendment have been

rejected, the proposal or the amendment shall be considered to have been rejected as a whole.

For purposes of this rule, “most radical division” means the division that will remove the greatest substance from the draft resolution, but not necessarily the one that will remove the most words or clauses. The determination of which division is “most radical” is subject to the discretion of the Secretariat, and any such determination is final.

Rule 38 - Amendments

An amendment is a proposal that does no more than add to, delete from, or revise part of another proposal.

An amendment can add, amend, or delete operative clauses, but cannot in any manner add, amend, delete, or otherwise affect perambulatory clauses.

Rule 39 - Order of voting on amendments

When an amendment is moved to a proposal, the amendment shall be voted on first. When two or more amendments are moved to a proposal, the amendment furthest removed in substance from the original proposal shall be voted on first and then the amendment next furthest removed there from, and so on until all the amendments have been put to the vote. Where, however, the adoption of one amendment necessarily implies the rejection of another amendment, the latter shall not be put to the vote. If one or more amendments are adopted, the amended proposal shall then be voted on.

For purposes of this rule, “furthest removed in substance” means the amendment that will have the most significant impact on the draft resolution. The determination of which amendment is “furthest removed in substance” is subject to the discretion of the Secretariat, and any such determination is final.

Rule 40 - Order of voting on proposals

If two or more proposals, other than amendments, relate to the same question, they shall, unless the Assembly decides otherwise, be voted on in the order in which they were submitted.

Rule 41 - The President shall not vote

The President shall not vote but may designate another member of her/his delegation to vote in her/his place.

VII. CREDENTIALS

Rule 42 - Submission of credentials

The credentials of representatives and the names of members of a delegation shall be submitted to the Secretary-General prior to the opening of a session.

Rule 43 - Credentials Committee

A Credentials Committee, consisting of nine members, shall be appointed by the Secretary-General at the beginning of each session. It shall examine the credentials of representatives and report without delay. The Main Committees shall be bound by the actions of the Plenary in all matters relating to credentials and shall take no action regarding the credentials of any Member State.

Rule 44 - Provisional admission to a session

Any representative to whose admission a member has made objection shall be seated provisionally with the same rights as other representatives until the Credentials Committee has reported and the Assembly has given its decision.

VIII. GENERAL COMMITTEE

Rule 45 - Composition

The General Committee shall comprise the President of the Assembly, who shall preside, the twenty-one Vice Presidents and the Chairpersons of the six Main Committees.

Rule 46 - Functions

In considering matters relating to the agenda of the Assembly, the General Committee shall not discuss the substance of any item except in so far as this bears upon the question whether the General Committee should recommend the inclusion of the item in the agenda and what priority should be accorded to an item the inclusion of which has been recommended.

Rule 47

The General Committee shall assist the President and the Assembly in drawing up the agenda for each plenary meeting, in determining the priority of its items, and in coordinating the proceedings of all committees of the Assembly. It shall assist the President in the general conduct of the work of the General Assembly which falls within the competence of the President. It shall not, however, decide any political question.

Rule 48 - Participation by members requesting the inclusion of items in the agenda

A member of the Assembly which has no representative on the General Committee and which has requested the inclusion of an item in the agenda shall be entitled to attend any meeting of the General Committee at which its request is discussed and may participate, without a vote, in the discussion of that item.

IX. MINUTE OF SILENT PRAYER OR MEDITATION

Rule 49 - Invitation to silent prayer or meditation

Immediately after the opening of the first plenary meeting of the Assembly, representatives may request to observe one minute of silence dedicated to prayer or meditation. This is the only time this motion will be entertained and its approval is at the discretion of the Secretariat.

X. COMMITTEES

Rule 50 - Establishment of committees

The Assembly may establish such committees as it deems necessary for the performance of its functions.

Rule 51 - Categories of subjects

Items relating to the same category of subjects shall be referred to the committee or committees dealing with that category of subjects. Committees shall not introduce new items on their own initiative.

Rule 52 - Main Committees

The Main Committees of the Assembly are the following:

- a) Political and Security Committee (First Committee)
- b) Economic and Financial Committee (Second Committee)
- c) Social, Humanitarian and Cultural Committee (Third Committee)
- d) Special Political and Decolonization Committee (Fourth Committee)
- e) Administrative and Budgetary Committee (Fifth Committee)
- f) Legal Committee (Sixth Committee)

Rule 53 - Organization of work

Each committee, taking into account the closing date of the session, shall adopt its own priorities and meet as may be necessary to complete consideration of the items referred to it.

Rule 54 - Discussion of reports of Main Committees

Discussion of a report of a Main Committee in a plenary meeting of the Assembly shall take place if at least one third of the members present and voting at the plenary meeting consider such a discussion to be necessary. Any proposal to this effect shall not be debated but shall be immediately put to a vote.

XI. ADMISSION OF NEW MEMBERS

Rule 55 - Applications

Any State which desires to become a Member of the United Nations shall submit an application to the Secretary-General. Such application shall contain a declaration, made in formal instrument that the State in question accepts

the obligations contained in the Charter.

Rule 56 - Notification of applications

The Secretary-General shall, for information, send a copy of the application to the General Assembly, or to the Members of the United Nations if the Assembly is not in session.

Rule 57 - Consideration of applications and decisions thereon

If the Security Council recommends the applicant State for membership, the Assembly shall consider whether the applicant is a peace-loving State and is able and willing to carry out the obligations contained in the Charter and shall decide, by a two-thirds majority of the members present and voting, upon its application for membership.

Rule 58

If the Security Council does not recommend the applicant State for membership or postpones the consideration of the application, the General Assembly may, after full consideration of a special report of the Security Council, send the application back to the Council, together with a full record of the discussion in the Assembly, for further consideration and recommendation or report.

Rule 59 - Notification of decision and effective date of membership

The Secretary-General shall inform the applicant State of the decision of the Assembly. If the applicant is approved, membership shall become effective on the date on which the Assembly takes its decision on the application.