ITSMUN

ITSMUN'22
ECOFIN
STUDY GUIDE

Guide by the Under Secretary General:
Alara Karabağ

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Welcome Letter from the Secretary General:

Dear Delegates,

It is my pleasure to welcome you all to ITSMUN'22, the fifth annual session of Izmir TAKEV Schools Model United Nations Conference. We are more than thrilled to meet you at our conference between the 10th and 12th of April, 2022.

Our theme for this year's ITSMUN is ''Future Awaits'', representing the notion of hope in a chaotic world. We chose ''Future Awaits'' because we sincerely believe that our world is waiting for its young leaders, pioneers, and collaborators like you to find solutions to the most crucial global problems.

ITSMUN'22 will draw attention to creating new and applicable solutions for current and past world issues and work on creating better solutions for the past, present, and future. The delegates at ITSMUN'22 will be representing various countries and debating on solutions as they are in the committees and councils of the United Nations.

At ITSMUN'22, we are sure that you will be meeting a future version of yourself, someone full of enthusiasm and joy and eager to learn from others. We are looking forward to meeting young ideas and great debates this April.

We aim to create the conference experience we all have missed over the last two years and hope to exceed your expectations doing so. We hope that ITSMUN'22 becomes an unforgettable experience for all.

Yours Sincerely,
Idil Secil
Secretary-General of ITSMUN'22

Letter from the Under Secretary General:

Dear Delegates,

I am beyond pleased to welcome you all to the Economic and Financial Committee, ITSMUN 2022.

With Model United Nations conferences, students all around the world, striving to make a change, are given the opportunity to learn about underrepresented ethnic groups and nations, crises all over the world, and various countries' points of view, by also adding their own interpretations and opinions while debating on major conflicts surrounding our world. MUN, allows people to innovate authentic and rational resolutions that can be implemented in real life, sparking a hope for the future, helping us to take a small step on the path to sustainable change and development. I thank all the delegates gathered in this committee for their courage and dedication to make this world a better place. From the bottom of my heart, thank you all for playing a part in keeping diplomacy alive and contributing to today's society with your ideas. I encourage all of you to boldly use your voice to state your opinions and concerns, and debate with a passion to collaborate with others for the betterment of our world. Diplomacy is made for sharing, saving and influencing. Influence someone today; make an impact. The future is in your hands.

Respectfully,

Alara Karabağ
Under-Secretary-General of the Economic and Financial Committee

Introduction to the Topic:

The United Nations is a leading international organization formed in 1945 by 51 countries to maintain international peace and security, develop cordial relations among nations, and promote social progress and sustainable economic growth.

With the Covid-19 pandemic, the world, including international organizations such as the United Nations, was left face to face with an unprecedented test. Economies were left in a turmoil, ensuring no economic stability for the majority of the United Nations Member States.

Although the effect Covid-19 has left on the world economy is hard to recover from, it is not impossible. Due to the pandemic, United Nations Member States were able to raise questions about the sustainability of their economies and detect loopholes. The pandemic has stopped global trade and decreased aggregate demand and consumption. These effects are due to lockdowns and problems with global trade affecting international supply chains. Furthermore, the lockdowns in countries has caused consumption to decrease and unemployment rates to skyrocket, therefore threatening a global recession, forcing governments to reform labor markets. Companies have had to be bailed out by governments with low interest loans and tax cuts, and governments had to stimulate the economy by giving stimulus checks to increase consumption.

The United Nations has emphasized that the magnitude of the response to this economic downfall must match the scale of the crisis, further requesting all Member States to be cooperative in order to tackle its profound consequences.

Even though the world’s both economically and politically strongest countries were hit hard by the crisis, LDC’S (Least Developed Countries) and LLDC’s (Landlocked Developing Countries) have suffered the most. The aforementioned categories both consist of low-income countries confronting severe structural impediments to sustainable development. They are highly vulnerable to economic and environmental shocks and have low levels of human assets.

Though, the distinguishing factor between the two categories is that LLDC's, or DC's (Developing Countries) in general, publish their "development plans".

These are medium-term plans, often lasting five years. The goal is to choose a time frame that is long enough to accommodate initiatives that span several budget years but not so long that periodic evaluation of the development effort across multiple plans is delayed. In four primary methods, the development plan aims to enhance economic development: 1) by assessing the current state of the economy and providing information on it; 2) by increasing the overall rate of investment; 3) by carrying out special types of investment designed to break production bottlenecks in key sectors of the economy; and 4) by attempting to improve coordination between different parts of the economy.

The delegates should leave this conference having truly comprehended and understood the key factors that determine a nation's economic state, allowing their economies to either thrive or plummet.

Introduction to the Committee

In the Economic and Financial Committee, each Member State is represented by one delegate. Delegates should be well-versed and knowledgeable in where their nation stands politically and economically, their views and opinions on the agenda items, and should generate resolution ideas and write working papers/draft resolutions accordingly. The draft resolutions and working papers should only consist of recommendations and requests of action, since the General Assembly's Powers are constrained and is unable to enforce and mandate its resolutions. The Economic and Financial Committee is strictly unable to create new organizations (Neither governmental or non-governmental) and committees.

The Economic and Financial Committee approaches issues with a statistical perspective, allowing delegates of member nations to support and reinforce their resolutions and working papers by frequently using statistics. Statistics and objective data also allow member states to determine and distinguish issues from one another, further helping them to prioritize more prominent problems by acknowledging which ones affect the world on a larger scale.

The active committee sessions will revolve around the two following agenda items through a statistical perspective:
- Covid 19’s impacts on the global economy
- Future plans of developing countries

A delegate’s research should prepare them for the upcoming committee debates and discussions on the aforementioned agenda items, and should also help them answer any questions on the committee agenda items that may arise during committee sessions. The usage of pre-prepared working papers and/or draft resolutions is strictly prohibited. Any working paper and/or draft resolution should be prepared during committee sessions, in order to encourage collaboration and diplomacy between the delegates.

This committee requires strong, fact-based, statistical evidence to support your draft resolutions and working papers. Economy is a field dominated by data and statistics, and therefore any issues regarding the economy can only be resolved through concrete facts.

History of The Committee

On April 25th, 1945, it convened for the first time in San Francisco. ECOFIN is exceptional in that it focuses on the worldwide economy and provides financial assistance to countries. As one of the General Assemblies of the United Nations, it is open to all UN member states and follows the same legislative procedures as any other UN main organ. In total, 193 countries are represented in ECOFIN. Every year in early October, the Second Committee meets and aims to complete its work by the end of November. The UN's 193 member states are welcome to attend. Global finance and other economic issues are dealt with by the Economic and Financial Committee. The Committee is made up of five primary bodies, each of which reports to the General Assembly. The United Nations Environment Program and the United Nations Human Settlements Programme, as well as the governing bodies of the three Rio conventions: the Convention on Biological Diversity (CBD), the Convention to Combat Desertification (UNCCD), and the Framework Convention on Climate Change, were all in attendance (UNFCCC). The Committee's work typically begins in early October and finishes in late November, though extensions are frequently granted to allow the Committee to continue working until early to mid-December.

Its activities are separated into two stages: general debate and action on specific issues. The first stage is the general debate, which can take up to a week and begins with a keynote speech by an invited speaker. Negotiations on draft proposals are discussed in the second stage, which usually lasts four weeks. Once a year, the Committee holds a combined meeting with the Economic and Social Council.

The committee's remit includes macroeconomic policy questions as well as issues related to development financing, human settlements, interdependence and globalization, poverty eradication, food security, and development communications and information technology. It also addresses the critical concerns that countries in special conditions face, such as the Least Developed Countries (LDCs) or Landlocked Developing Countries (LLDCs).

Agenda Item I: COVID-19's Impacts on the Global Economy

Statement of the Problem

COVID-19 was first proclaimed a worldwide health emergency by the World Health Organization (WHO) in January 2020; on March 11, the virus was formally labeled a pandemic, the highest category of health emergency. Since then, the emergency has grown into a global health and socio - economic crisis that has wreaked havoc on the world's $90 trillion economy in ways that haven't been seen in over a century. As the number of infected cases began to rise dramatically in late February 2020, nations adopted extraordinary measures in March 2020 to restrict social activities in order to control and prevent the pandemic's spread, thereby causing a worldwide economic recession. The speed with which governments responded in March 2020, the range of the fiscal and monetary measures they enacted, and the number of countries involved, often without a formal, coordinated plan, were all unprecedented. Governments first introduced financial policies aimed at regulating financial markets and maintaining credit flow. Governments introduced quarantines and social distancing measures in the second phase, concentrating policy activities on fiscal measures crucial for sustaining economic growth. Government strategies turned to producing, funding, and providing vaccinations in the third phase. The phases of government operations have become less distinct as the health and economic advantages have progressed and persisted: attempts to vaccinate people have coincided with further fiscal measures to maintain household income.

Global economic growth plummeted to an estimated rate of roughly -3.2 % in 2020, according to the International Monetary Fund's (IMF) October 2021 World Economic Outlook, with a rebound of 5.9 % expected for 2021 and 4.9 % for 2022.

The IMF also determined that supply shortages would continue to pose economic issues for rich economies through 2022, while prospects for low-income developing nations "had darkened considerably" due to discrepancies in vaccination access and fiscal policy assistance.

As a result of its repercussions on developing economies, the pandemic-related recession is considered to be more international in scope than the global financial crisis of 2009-2010. Most recently, the IMF predicted that various geographical sections of the world economy would recover at varying rates, due to variances in vaccination rates, policy support, and structural factors like tourism's impact in the economy. The World Trade Organization (WTO) assessed that global trade volumes declined by 5.3 percent in 2020, about half as much as the 9.2 percent drop (predicted by the WTO in October 2020), according to a projection update released on October 4, 2021. According to WTO data, worldwide product export and import levels grew by 13% during the first half of 2021 compared to the same period the previous year. Meanwhile, world trade increased by 20% and 5.7 percent, respectively, over the same period the previous year. While vaccination rates in Western economies, especially the United States, improved, underdeveloped and developing economies failed to purchase the necessary vaccines for their citizens' vaccinations, and therefore to return their economies back to pre-pandemic levels. Disruption of the labor force could cause significant problems in the long run, putting a large portion of the workforce unable or unwilling to return to pre-pandemic jobs in several areas. Workers who were laid off during the crisis have allegedly hesitated returning to their prior positions and are looking into other choices, which might slow down the economic recovery. According to reports, employment in the U.S. child-care industry fell by more than 137,000 employees in August 2021 compared to March 2020 levels, preventing 1.6 million women, who are mothers of children under the age of 17, from returning to work. Nations may bear long-term losses as a result of children missing out on in-person schooling for more than a year, which might lead to worse academic success and education quality, as well as a postponement in entering the workforce.

On March 31, 2021, Kristalina Georgieva, Managing Director of the International Monetary Fund (IMF), stated that as the global economy recovers and interest rates increase, a market debt crisis might arise, triggering a capital outflow from developing nations.

History of The Problem

While the economic impacts continued into the spring and summer of 2020, it expanded to an ever-widening group of nations, enterprises, and families via trade and financial ties. As corporations stockpiled funds, these expanding economic consequences may have worsened liquidity limitations and credit market tightening in global financial markets, with adverse repercussions for economic development. Simultaneously , stock markets predicted a rise in government issuing bonds in the US, Europe, and abroad as government debt levels grew to cover expenditure commitments during a projected global recession, increasing government spending to combat the impact COVID-19 has left on their nations' economy. Unlike the 2008-2009 financial crisis, company credit troubles and probable bankruptcies were caused by lower consumer demand, labor market concerns, and a lower activity level within firms, rather than reckless trading by global banks. Policymakers faced a distinct set of obstacles when dealing with liquidity and credit market issues than when dealing with supply-side restrictions. As a result, the government's attention shifted from a health catastrophe to macroeconomic and financial market difficulties, which were handled with a mix of monetary, fiscal, and other regulations, such as border closures, quarantines, and social contact limitations. Unlike the 2008-2009 financial crisis, company credit troubles and probable bankruptcies were caused by lower consumer demand, labor market concerns, and a lower activity level within firms, rather than reckless trading by global banks. Policymakers faced a distinct set of obstacles when dealing with liquidity and credit market issues than when dealing with supply-side restrictions. As a result, the government's attention shifted from a health catastrophe to macroeconomic and financial market difficulties, which were handled with a mix of monetary, fiscal, and other regulations, such as border closures, quarantines, and social contact limitations. However, housing costs in the United States and Europe soared as supply constraints increased the cost of construction supplies and equipment. Demand for homes surging due to cheap lending rates is among other factors.

Furthermore, increased unemployment and job losses fueled worries that mortgage defaults and rent delinquencies would rise, necessitating loan forbearance or other financial help from some financial institutions. To prevent a rise in homelessness, several central banks launched particular initiatives to prevent mortgage foreclosures and rent assistance. Mortgage failures were projected to have a detrimental impact on the market for mortgage-backed securities, the availability of funding for mortgages, and the average rate of economic development in the early stages of the recession. Household wealth, particularly that of senior citizens living on a fixed income and others who own shares, was expected to be affected by losses in the value of most stock markets in the United States, Asia, and Europe at the time.

Relevant United Nations and Other Bodies Action

The World Bank, which sponsors economic programmes and initiatives in middle- and low-income states, is collecting resources to assist developing countries during the COVID-19 pandemic. The World Bank has authorized or was in the midst of authorizing 150 COVID-19 projects worth $15 billion in 99 countries as of June 1, 2020. 290 For instance, $47 million has been approved for the Democratic Republic of Congo to support containment strategies, train medical staff, and provide medical testing equipment to ensure rapid case detection; $11.3 million has been sanctioned for Tajikistan to expand intensive care capacity; $20 million has been sanctioned for Haiti to support medical tests, rapid response teams, and infection control; and $1 billion has been approved for India to support testing, contract tracing, and lab tests. The World Bank Group has stated that it is willing to spend up to 160 billion dollars to combat the COVID-19 pandemic.

The IMF temporarily increased access to its Rapid Credit Facility (RCF) and Rapid Financing Instrument (RFI) to help developing nations in need to get through the Covid-19 Pandemic, contributing nearly US$100 billion to member countries in addition to the more than US$200 billion supplied by MDBs. In addition, the G20 Finance Ministers supported the Debt Service Suspension Initiative (DSSI) in April 2020 to help IDA-eligible nations deal with their debt problems. On request, the DSSI dismisses debt service payments to international official creditors for nations eligible for IDA loans, including Angola.

In the same circumstances, the G20 urged private creditors to suspend debt servicing for DSSI members. By early March 2021, 46 of the 73 qualifying nations had benefited from a debt service suspension of roughly $5 billion, with the savings going toward the pandemic response. The lack of involvement of private creditors, to whom DSSI qualifying nations together owe nearly one-third of their overall debt service commitments in 2021, has softened the financial effect of the DSSI. Debtors who took part in the DSSI were hesitant to ask private creditors to join the initiative for fear of having their sovereign credit ratings lowered and their borrowing costs increased. Moreover, several G20 hybrid (semi-public) lenders have chosen to withdraw from the DSSI. As a result, significant gaps exist in the DSSI. Another flaw in the DSSI is that it excludes nine of the 34 nations with a significant risk of debt default, including some of the most vulnerable Small Island Developing States (SIDS). Furthermore, middle-income countries that are not qualified for the DSSI have bilateral debt payment due in 2021 totaling US$31 billion, compared to US$16.6 billion for eligible countries, and while some of them have appropriate market access to restructure their obligations, many do not. Without foreign assistance, these nations will be forced to reduce their fiscal spending in order to pay their external debts, limiting their ability to respond and recover.

The United Nations has strongly encouraged the G20 to;

Extend the DSSI at least until the end of June 2022;
> Include middle-income countries in the DSSI, in particular SIDS, conflict-affected and other vulnerable countries that have been seriously affected by the crisis; bilateral and multilateral creditors should consider offering DSSI terms to these countries on a case-by-case basis;
> Ensure that debt relief is additional to existing concessional aid; and
> Bilateral G20 creditors, including hybrid lenders, should consider mechanisms to include private sector participation in the DSSI and in future debt standstills.

Country Policy Responses

I. The United States

The Federal Reserve (Fed) adopted a variety of initiatives to promote economic and financial stability after recognizing the pandemic's rising impact on financial markets and economic development. Some of these steps were designed to boost economic activity by lowering interest rates, while others were designed to give liquidity to financial markets so that businesses could get the money they needed. The Biden administration declared on May 5, 2021 that it will support international talks to lift intellectual property constraints on COVID-19 vaccine manufacturing for developing countries. Prior to this declaration, wealthier economies such as the United Kingdom, Switzerland, the European Union, and the United States have vetoed a proposal by over 80 developing countries to suspend intellectual property rights limits on COVID-19 vaccine manufacture at the World Trade Organization. The United States and the other G7 leaders announced on June 11, 2021 at the G-7 summit in England that they would provide 1 billion doses of the COVID-19 vaccine, as well as lifesaving medical supplies, oxygen, diagnostics, therapeutics, and personal protective equipment (PPE) to low and middle income developing countries.

II. Europe

During the early phases of the pandemic, European nations did not implement a coordinated fiscal policy response like they did during the global financial crisis of 2008-2009. To deal with the economic impact of the epidemic, EU nations mostly utilized a combination of national fiscal measures and ECB (European Central Bank) bond purchases. Quarantines, company closures, travel and border restrictions, tax holidays for enterprises, extensions of some payments and credit guarantees, and worker and business subsidies were all implemented by individual governments. To deal with the economic impact from the epidemic, the European Commission pushed for stronger coordination among EU states in devising and executing monetary and fiscal policies. On July 21, 2020, European leaders agreed to a €750 billion (about $859 billion) pandemic economic aid plan to help European economies. The EU countries ratified the agreement on December 11, 2020, and it went into force in February 2021.

The package includes a Recovery and Resilience Facility (RRF), which will give up to €312.5 billion in grants and €360 billion in loans, as well as cash for current budget objectives to help Europe recover from the pandemic's economic effect.

III. Japan

In March 2020, the Bank of Japan pumped $4.6 billion in liquidity into Japanese banks to offer short-term loans for corporate bond and commercial paper purchases, as well as double that amount into exchange traded funds to help Japanese firms. In addition, the Japanese government has promised to give pay subsidies to parents who are forced to take time off due to school closings.

III. China

In June 2020, China became the first major country to proclaim a return to economic development after the COVID-19 epidemic broke out. In the second quarter of 2020, the government announced 3.2 percent GDP growth and 4.9 percent GDP growth in the third quarter of 2020. The economic impacts of the COVID-19 epidemic are still being felt in China, with sluggish domestic consumption, a gradual recovery in its key export markets, and a dependence on government expenditure and exports to bolster early growth. China is also experiencing increasing constraints on its international commercial activity and access to foreign technology, as well as pressure on businesses to diversify their supply networks headquartered in China.

Questions to Ponder

The fact that the COVID-19 Pandemic will reshape the global economic landscape is the inevitable truth. What all the delegates must question here is the outcome. Will the pandemic reshape the entire global economy for good? Or the only member states that can benefit from this outcome are developed countries? During a particular debate in which this question is raised, delegates are encouraged to mention any past crises/events that could be presented as evidence to support their case. Another question that would create action in the committee is: “How will member states be able to tackle public debt pile-ups post-pandemic?”

A prime example to this case would be the United States of America, since public debt in the US has hit a peak not reached since WWII during the pandemic.

The debt load in the US has only continued to rise, far exceeding the size of the country's economy as measures are enacted to cushion the impact of COVID-19. The US is not alone – governments around the world have been borrowing heavily as they seek to counter the pandemic.

Suggestions for Further Research

The Critical State of Current Taxation Systems

Fiscal deficits have risen to historic highs as a result of the pandemic, prompting issues about how present taxation structures may need to adapt. Governments are expected to enact capital gains or property taxes to refill their budgets, which might help address the rising issue of inequality. Another alternative is to tax polluting sectors; this might help governments meet their objective of lowering carbon emissions while also improving their political popularity ratings.

Global Supply Chains

The COVID-19 pandemic has wreaked havoc on a variety of sectors throughout the world. A wide range of raw materials, intermediate items, and completed products have been severely affected in terms of availability and supply. While researching, you must aim to investigate the COVID-19 impacts on the effectiveness and responsiveness of GSCs.

Post-Pandemic Debt Sustainability

A country's public debt can be deemed sustainable if it can cover all of its present and future payment commitments without requiring special financial help or defaulting. Debt sustainability in developed economies will increasingly be debated in terms of service costs rather than debt stock.

Agenda Item II: Future Plans of Developing Countries

Statement of the Problem

Developing countries are in the midst of an unparalleled health and economic crisis, with potentially severe economic, social, and sustainable development repercussions that might halt decades of development progress and imperil attempts to meet the 2030 Agenda for Sustainable Development. A major surge in infections might quickly overwhelm health systems that are already under stress. In many impoverished nations, the epidemic arrives in addition to pre-existing food or security concerns. Containment efforts in poor nations will have a greater impact on companies and people, disrupting supply networks, causing a food shortage, and increasing the prevalence of gender-based violence. Existing development issues will be amplified by the crisis, and while governments have begun to respond, their ability is severely limited. Many developing nations have been dealing with structural vulnerabilities such as persisting social and economic inequality, violence and forced displacement, diminishing public trust, climate change consequences, and environmental fragility. Most importantly, many lack the financial and human resources to scale up health treatments and the economic flexibility to deploy support measures and avoid disruptions.

The international community must quickly assist developing countries. They are coming into this crisis with less budgetary buffers than in 2008-09. In the early aftermath of the global financial crisis in 2008, twice as many nations asked the IMF for short-term emergency assistance. To avoid the loss of life, limit the danger of aftershocks, and invest in long-term rehabilitation, UN Member States must give ambitious help to developing nations.

A worldwide health crisis aggravated by a massive economic and financial catastrophe would put a substantial burden on already fragile countries and threaten to reverse improvements in living standards. Because a big portion of the population lives on the edge of poverty, the COVID-19 problem might not only halt progress toward poverty eradication, but also force a huge number of people back into poverty. According to preliminary projections, worldwide poverty might rise by half a billion people, or 8% of the entire human population.

This would be the first time in thirty years, since 1990, that worldwide poverty has risen. Furthermore, the World Food Programme estimates that COVID-19's economic effect will cause 130 million additional people to endure acute food insecurity. Growth, international trade, global value chains, and investment activities will all suffer as a result. For developing nations, the combination of these external variables and the necessary internal actions to limit the virus will have significant and long-term socioeconomic consequences. Global value chains are estimated to lose roughly USD 50 billion in exports as a result of the crisis, as well as a 30-40% drop in foreign direct investment (FDI). The pandemic might result in the loss of up to 195 million jobs worldwide. As migrants' salaries in host nations diminish, remittances may also decline. Supply chains have been disrupted, tourism has broken down, and demand for regionally produced textiles has collapsed, causing commodity exporters in Africa and Latin America to bear the brunt of falling oil and metal prices, and economies in Southeast Asia may experience their worst economic performance in 40 years.

The pandemic's incoming shock will have three prongs in the short term: first, the disease's direct consequences might be overpowering in contexts where health systems are already failing, like in numerous African nations where the rate of documented cases is quickly growing and may be underestimated. Second, adopting governmental steps to decrease health risks – such as shutting schools or lowering work hours – will be more difficult than in advanced nations, as well as more expensive, as seen by lower educational attainment and increased poverty. Third, the halting of financial and trade movements will have a direct impact on exports and economic activity. Developing economies do not have enough fiscal space to absorb the effects of either. Countries in the Sahel, for example, that are dealing with numerous crises, would be the most impacted.

The reshaping of investment, production, and trade in the medium and long term may have long-term consequences for both developed and developing nations. The epidemic and the reaction to the crisis may result in significant changes in global supply chains, including the reshoring of some operations. This might jeopardize the economy of developing nations that rely heavily on foreign direct investment (FDI) and special economic zones.

By building regional and continental value networks, as well as local industrial capacities, these economies would be able to actively minimize the impact of the pandemic and combat the hazards of premature deindustrialization.

Strategies are needed to guarantee that the crisis response is coordinated with stimulus measures to achieve a long-term recovery.

History of The Problem

Since the end of World War II, developing-country governments have made it a standard practice to publish their "development plans." These are medium-term plans, often lasting five years. The goal is to choose a time frame that is long enough to encompass initiatives that span many budget years but not so lengthy that periodic evaluation of the development effort over multiple plans is delayed. Information on the economy is sparse in most developing countries, thus planning has provided the push to collect and evaluate the essential data in order to gain a better knowledge of how the economy works. To increase coordination, credible economic information on the government's economic intents and activities must be widely disseminated so that those affected, both in the public and private sectors, may create suitable plans of their own to bring them in line with the government's plan. Indeed, this may be seen as the primary rationale for the publication of development plans, despite the fact that governments issuing them are not usually aware of this.

Few developing countries have demonstrated the fiscal discipline required to carry out an integrated public investment program. This hasn't stopped them from making the leap from a simple development plan to "comprehensive" economic planning, which encompasses both the public and private sectors and regulates both the aggregate amount of economic activity as well as its specific composition.

The desire for comprehensive planning comes from a number of factors, including a mistrust of the market mechanism's automatic functioning and ability to promote economic development; a desire to assert national economic independence through government control of foreign trade and investment; and economic development theories that highlight the need for a "big push" to resolve technical indivisibilities and the need for the concurrent establishment of a number of institutions. However, the disruption of comprehensive planning was inevitable, even in the post-pandemic world. With the Covid-19 pandemic, nearly all guidelines that were established for the future socioeconomic growth of

developing countries were disposed of, leaving LLDC’s and LDC’S overall in a state of desperation.

Relevant UN and Other Bodies Action

UNCTAD, the United Nations Conference on Trade and Development, has aided poor nations in negotiating trade agreements and obtaining preferential treatment for their products. It has negotiated international commodities accords to guarantee that developing nations receive fair pricing, enhanced the efficiency of their trade infrastructure, and assisted them in diversifying their economies and integrating into the global economy.
The International Monetary Fund (IMF) and the World Bank have aided numerous nations in improving their economic management, providing temporary financial support to countries experiencing balance-of-payment problems, and providing training to government finance personnel.
UNCTAD’s current work on landlocked developing countries (LLDCs) includes:

- Identifying growth opportunities and supporting measures to help LLDCs to harness the potential of their natural resources for economic diversification, including by facilitating their participation in regional and global commodity value chains.

- Identifying indicators to measure and benchmark productive capacities in LLDCs to help them to formulate policies that place productive capacities at the center.

- Undertaking policy-focused studies at the request of LLDCs to seek alternative approaches to trade and development.

- Providing advisory services on policies and strategies aimed at fostering productive capacities and structural economic transformation.

Questions to Ponder

In order to resolve the various socio economic crises developing countries are currently trying to endure, delegates must take all Member States', relevant Governmental and Non-Governmental Organization's total funds and economic conditions into consideration.

One of the most crucial points delegates must debate on is: "Can more economically stable and developed states help stimulate Developing Countries' economies and set better future development plans? How can the sustainability of the aid be enforced?" Developing Countries are known to have very unstable economies and little to no power over markets, putting them in a position of national poverty. The second question that must play a great role during the committee debate is "Is it undeniably fair to pressure developed and financially stable countries into helping developing countries, by using diplomacy as a mediator?" No governmental organization, including the United Nations is allowed to interfere with any Member State's internal affairs. Despite that, as an international organization, they still have the power to apply political pressure on nations by encouraging and urging them to take action. All delegates should consider the costs and benefits of the possibility of Developing Countries receiving financial help/funding from powerful nations and international organizations.

These questions will help delegates select their allies and form blocs, by stating their opinions boldly during discussions and debates.

Suggestions for Further Research

Special Trade and Development Challenges for LLDC's
Due to their lack of territorial access to the sea and geographic isolation from international markets, landlocked developing countries (LLDCs) have unique trade and economic obstacles. LLDC exports and imports must pass via at least one adjacent state, and they must regularly change modes of transportation. This raises the cost of trade for LLDCs significantly and is a major impediment to their effective integration into the global trading system.

LLDCs' geographical constraints are frequently exacerbated by a lack of transit-transport infrastructure, ineffective customs processes, and an over-reliance on primary commodity expertise.

Vienna Programme of Action

Thirty-two of the world's landlocked developing countries suffer plenty of issues, the most of which are related to their lack of direct territorial access to the sea and isolation from global markets. Landlocked developing countries (LLDCs) have additional hurdles as a result of their reliance on other countries for international commerce and transit. The

Vienna Programme of Action is focused on tackling the issues that LLDCs confront, and it intends to contribute to the reduction of poverty caused by their landlocked status by implementing particular initiatives in the following priority areas:

- **Priority 1:** Fundamental transit policy issues
-
- **Priority 2:** Infrastructure development and maintenance

  (a) Transport infrastructure
  (b) Energy and information and communications technology infrastructure

- **Priority 3:** International trade and trade facilitation

  (a) International trade
  (b)Trade facilitation

- **Priority 4:** Regional integration and cooperation
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- **Priority 5:** Structural economic transformation
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- **Priority 6:** Means of implementation

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