

*The American University in Dubai's Model United Nations*

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**GROUP OF 77**

**Background Guide**

## *Welcome Letter*

Dear delegates,

It is an honor to welcome you to AUDMUN and human-made the essential 77 committee.

The Group of 77 was established in 1964 with the aim of providing a platform for developing nations to advance their economic goals and concerns. Seventy-seven developing countries signed an agreement to form the committee at the end of the inaugural United Nations Conference on Trade and Development in Geneva. The first meeting of the G77 took place in Algiers on October 25th, 1967 where the Charter of Algiers was ratified to create the Chapters of the Group of 77 with liaison offices in Nairobi, Rome, Paris, Geneva, Washington D.C, and Vienna. The number of member states in the G77 has increased since its inception, but the name Group of 77 holds historical significance which is why it has not changed. Member states are encouraged to cooperate, promote their economic interests, improve their standing within the system of the United Nations, and provide support to each other. Sectoral meetings in the beginning of regular G77 sessions take place with the goal of preparing for general conferences held by UNESCO and UNIDO. Special Ministerial Meetings also take place on special occasions such as the G77's 25th, 30th, and 40th anniversary.

The topics selected for the committee are important to discuss, and we hope you will enjoy debating about them at the conference. It is important to study the topics and delegate guide in order to be on the same page with other delegates. We hope that you are familiar with the procedures of the conference and are well-prepared for the topics and debates that will take place. Best of luck to all delegates, we are looking forward to meeting you.

If you have any inquiries please contact us through email and make sure to include all of our addresses for swift replies.

Best regards,

Chairs of the Group of 77 Committee

# **Topic 1: Upgrading Manufacturing Capabilities of Developing Countries to Shift from Production of Low-Income Commodities to Finished Goods**

## *Introduction*

Manufacturing in developing nations is an underrated issue that needs the attention of most nations due to its significant impacts. Most developing countries override the manufacturing issue, since more severe problems arise and the country needs to utilize the economy to more severe issues, like poverty and lack of education. Low-quality manufacturing comes with different processes to cause it, one being the lack of education which makes the coming generation unaware of the manufacturing processes. Another important aspect is poverty and the lack of certain materials can also interfere with the final goods. Developing nations need to work together and see the advantages of having excellent manufacturing systems.

## *History*

Developing nations have been suffering for a long time due to the low income that comes from defective goods within their manufacturing systems. Hence, it does not contribute to the locals living within the developing nation nor the country's economy, which causes more severe issues like poverty. In 2016, the manufacturing growth was on a downfall; it was caused by low financial support from countries (Manufacturing growth expected to remain low in 2016 – UN report | UN News, n.d.). More recently, the COVID-19 pandemic has been problematic towards the economy and contributed to its general decline. This has also taken a toll on manufacturing programs in 2020, which means countries should start figuring a way to rise back up since their economies have been directing all their priorities to the healthcare sector.

## *Analysis*

According to the Industrial Upgrading and Modernization Programme (IUMP) In developing nations, manufacturing capabilities are in the lowest possible condition due to the lack of management skills and minimal knowledge of proper manufacturing procedures. Additionally, in developing nations, updated technologies in the manufacturing sector are not always a priority since countries have severe problems to tackle other than manufacturing. Similarly, India is one of countries that suffer from both extreme poverty and lack of education and hence manufacturing capabilities are weak and no to minimal efforts are put in manufacturing systems (West & Lansang, 2018). With constrained budgets and technologies, developing countries are prone to having incomplete manufactured products. Thus, consumers would not be interested in a half-ready product; hence full price would not be given to the sellers. With that,

developing countries tend to have low income for their products. More so, understanding the developing nations' citizens' condition will further help with the manufacturing process, by selling finished goods with Reasonable prices will be the most beneficial solution for developing nations. With excellent prices and finished goods, the manufacturing businesses in the developing countries will reach a peak, and so will the economy, which will aid developing nations in different sectors. Likewise, China as a developing nation has one of the best manufacturing systems in the world, with affordable selling prices, hence assisting the country's economy to salvage other major issues found in the country systems (West & Lansang, 2018). Manufacturing businesses will have more traffic and transactions due to the improvement in quality. The financial benefits that are obtained from the improvement of product quality can be used to improve other sectors of a developing nation such as agriculture, education, infrastructure, etc.

However, updating manufacturing systems and educating managers and workers is not a simple task for developing nations to undertake. A considerable financial plan needs to be put in place to start revamping their manufacturing systems, which not all developing countries can provide, and hence limiting them for having developed manufacturing systems.

On the other hand, developed nations are using advanced technologies to help with the manufacturing process; hence the final products are always on high demand and ready to be sold. Low-income commodities are routinely hindered by tariffs while high-income commodities encounter inexpensive tariff rates. A low tariff rate gives a country's population access to goods at relatively low prices and gives the nation more opportunities for innovation.

Besides, in some of the developing nations such as China, Intelligent manufacturing is present. Although the cost of smart manufacturing is high, final goods are always advanced and sold prevalently. Smart manufacturing is the use of artificial intelligence in all the manufacturing processes, Smart manufacturing also ensures that the outcome of the manufacturing processes is seamless (Zhou et al., 2019). For developing countries to start shifting from low-income to high-income products, a solid production plan must be initiated to begin the updating process of manufacturing systems. As a nation is able to efficiently export high-quality goods. This can be a consistent source of income for the nation. For example, Bangladesh prioritized the improvement of quality for rice crops by investing in technology and infrastructure. This contributed to a boost in employment, food security, rural development, and income for former commodities and (Development Report 2017 Commodity Markets, Economic Growth, and Development, 2017). The production plan can include collaboration with other nations within the G77 Committee.

### *Questions a Resolution Must Answer*

1. Factors such as labor, capital, wages, taxing, technology, and many others play a pivotal role in a nation's manufacturing capabilities.
  - a. How can developing nations maximize their labor and capital?
  - b. How can developing countries efficiently use taxing, wages, and any other factors to their advantage?
2. How can developing nations upgrade their manufacturing capabilities?
3. What benefits will developing nations gain from upgrading their manufacturing capabilities?
4. What happens when international organizations disproportionately protect high-income commodities in relation to low-income commodities from tariffs, trade, and unfair competition sponsored by states? Is this an issue that needs to be solved?

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## **Topic 2: Limiting the Consequences of Climate Change in Developing Nations**

### *Introduction*

Currently, climate change has become a critical and defining issue that is being considered one of the most significant challenges facing humanity. Threatening food production and increasing sea levels that raise the likelihood of devastating floods, makes this issue global in scope and unparalleled in magnitude (Climate Change, n.d.).

Factors such as ecosystems and biodiversity, health, and coastal zones are also endangered in developing countries as they may experience deforestation, droughts, desertification, and increased diseases. The emergence of these negative symptoms can greatly hinder the resources of a nation (ADDRESSING CLIMATE CHANGE: THE UNITED NATIONS AND THE WORLD AT WORK, n.d.).

The Group of 77 and China emphasizes on the fact that developing nations should be supported by being granted access to affordable and efficient climate-friendly technologies. This must be considered since the financing and transfer of technology are not properly highlighted (ADDRESSING CLIMATE CHANGE: THE UNITED NATIONS AND THE WORLD AT WORK, n.d.).

### *History*

Earth's climate has evolved throughout history. In the last 650,000 years only, there have been seven cycles of glacial development and retreat, along with the sudden end of the ice age 11,700 years ago, marked the beginning of the modern climate era. Statistics have shown that in the late 19<sup>th</sup> century, the earth's average surface temperature has increased by about 1.62 degrees Fahrenheit. This change was due to the large increase in carbon dioxide and other human-made emissions, such as burning fossil fuels, land clearing, and agriculture. These activities increase greenhouse gases' concentration into the atmosphere, causing the enhanced greenhouse effect, leading to this rise in temperature. Oceans have also absorbed much of this heat, making the top 700 meters show warmth greater than 0.4 degrees Fahrenheit. Additionally, in the last century, the global sea level has risen approximately 8 inches. Regrettably, in the previous decade, this number has doubled and is slightly increasing annually, affecting many countries vulnerable to sea rise. Not taking immediate action will cause further damage such as a constant rise in temperature on the surface of the planet including its oceans which may disrupt marine wildlife, rising sea levels causing more floods, more drought and heatwaves, an increase in the strength of hurricanes, displacement, the spread of diseases and much more (Climate Change Evidence, 2020).

Some developing countries such as China, India, Mexico, Brazil, and South Africa have taken action in order to mitigate carbon dioxide emissions and the production of greenhouse gases. For instance, China has reduced its emissions growth rate by slower

population growth, fuel switching from coal to natural gas, and energy efficiency improvements. Mexico has begun to reduce deforestation rates, switch to natural gas, and save energy which has allowed them to reduce their annual emissions growth over the last decade by 5 percent. Having taken these steps, the emissions of greenhouse gases have decreased in these countries; however, climate change remains unsolved (Climate Change Mitigation in Developing Countries: Brazil, China, India, Mexico, South Africa, and Turkey, 2020).

### *Analysis*

Although climate change is an issue that affects all countries globally, developing countries are the most affected. They are the least capable of facing the consequences, as their vulnerability due to apparent factors limits their ability to respond accordingly to the issue at hand. For developing countries, trying to adapt to climate change can be very difficult for citizens and can be very costly. Moreover, climate change is probable to have a consequential impact on the economy of developing countries, and without serious adaptation, climate change will aggravate poverty, population growth, and rapid urbanization. Natural resources will be scarcer as climate change may lead to deforestation, droughts, and desertification which would limit the number of exports and crops the nations can make, and it would greatly inflate their price.

Furthermore, losses are approximated to be up to 20 percent of GDP. Developing countries will be unable to achieve the Sustainable Development Goals as food security, clean water, and agricultural production are threatened. Therefore- adaptation and mitigation are urgently needed. As well as the adaptation of developed countries, efforts should be put into reducing the emissions of greenhouse gases in the developed world. Many agreements such as the Kyoto agreement aim to decrease carbon dioxide and greenhouse gas concentrations from the atmosphere, usually focusing on industrialized and rapidly developing countries such as India and China, whose emissions will be much higher than the total emissions of the EU if not monitored (European Parliament, n.d.)

Taking the indigenous people's response to ecological and development challenges and how their cultures and knowledge systems can contribute to sustainable development is important. Indigenous populations have managed to survive and adapt in many ways to adverse climate change conditions and have managed to create sustainable livelihood systems. Their various forms of knowledge and their deeply rooted relationship with their environment due to their culture has allowed many of these communities to maintain a sustainable use and management of natural resources to protect their environment and enhance resilience. Their admirable ability to adapt, observe, and mitigate has helped them face complicated circumstances that have significantly influenced their way of life. For example, villagers in Bangladesh crafted floating vegetable gardens to shield their crops from flooding. Natives in Guyana avoid droughts by moving to forest areas from their homes and plant cassava on moist floodplains (Climate Change For Indigenous Peoples, n.d.).

Acknowledging the importance of indigenous knowledge on environmental sustainability, the UN System Task Team on the Post 2015 UN Development Agenda stated that “traditional and indigenous knowledge, adaptation and coping strategies can be major assets for local response strategies.” Therefore, it is essential to explore the linkages between indigenous knowledge and sustainable development.



### *Questions a Resolution Must Answer*

1. What challenges will the general population (especially women and girls) in developing countries encounter as a result of climate change?
2. How can developing nations achieve the Sustainable Development Goals in spite of consequences from climate change?
3. How can negative symptoms of climate change be controlled in developing nations?
4. How can climate-friendly technologies be transferred and financed for developing countries?
5. What measures should be taken to combat climate change?

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