



**ECOSOC**

Greetings Delegates,

My name is Nikol Novichkova, and I can't wait to be your Chair for the Economic and Social Council during the 22nd conference of CancunMun. I'm currently 17 years old, studying as a junior at the International American School of Cancun. I enjoy spending my free time with friends and family, reading, and cooking. After I graduate, I want to travel around the world.

This conference will mark my 5th Model UN experience. I have previously participated in CancunMUN a few times now, both as a page and a delegate, in La Salle's MUN, as well as in PlayaMUN. I am beyond excited to hold the position of Chair in a committee like ECOSOC, which is responsible for promoting higher standards of living, full employment, and economic and social progress.

I'm expecting to have respectful, well-prepared, and passionate delegates who are ready to engage in any given topic while fostering a professional yet enjoyable environment. I look forward to getting to know you all. Remember, the background guide is not your only source of information—be sure to research thoroughly and investigate well.

If you have any doubts, feel free to contact me at [nikol.novichkova@ciac.edu.mx](mailto:nikol.novichkova@ciac.edu.mx)

Wish you the best of luck and see you soon!

Nikol Novichkova, Chair  
Economic and Social Council

Hello Delegates!

My name is Dakota Estulin and it will be a pleasure to be your Co-Chair for the Economic and Social Council in CancunMUN 2025. I am 17 years old and a senior at the International American School of Cancun. In my free time, I enjoy listening to music, going on walks, and hanging out with my friends and family. In the future, I plan on getting a law degree in Madrid. That is one of the many reasons why I enjoy participating in CancunMUN.

This is my third MUN conference, and I am determined to do an amazing job as your chair. I have prior experience in conferences such as CancunMUN and CMUNCE. I chose this committee because I have always been interested in topics concerning society and economics. I always enjoy MUN conferences and I can say without a doubt that you will, too!

I'm very excited to have the opportunity to be your Co-Chair, and I'm expecting to have respectful, well put-together and enthusiastic delegates, to create not only a professional, but positive environment. I am looking forward to getting to know you all. Remember that the background guide is not your sole source of information, so do study and investigate thoroughly.

Please contact me at [dakota.estulin@ciac.edu.mx](mailto:dakota.estulin@ciac.edu.mx) if you have any questions or comments. I wish you the best.

Dakota Estulin, Co-Chair  
Economic and Social Council





## COMMITTEE MISSION

The Economic and Social Council is one of the six principal organs of the United Nations. It has the powerful mandate to promote international cooperation on economic, social, cultural, educational, health and related issues. ECOSOC's functions include the collaboration with specialized agencies, provide a platform for engagement with non-governmental organizations and pass regional economic and social commissions. Additionally, alongside the General Assembly, ECOSOC is in charge of passing the resolutions from other committees. The committee also oversees the execution of internationally agreed goals such as 2030 Agenda for sustainable development. Overall, the Economic and Social Council seeks worldwide advancements through cooperation and collaboration.





## **Topic A: Global Trade and Tariffs, Balancing Development and Dependency**

### **Introduction:**

The impact of tariffs on international trade has grown into a significant matter, affecting development and dependency across the globe, leading to geopolitical tension and economic disparities. Keeping a balance between promoting national development and avoiding overdependence on foreign economies remains a key challenge for policy creation. Even though tariffs can result in revenue and protect domestic revenue, improper or excessive implementation of trade restrictions may impede development, exacerbate inequality, and impact global supply chains. The Economic and Social Council seeks to resolve these challenges in order to ensure a just and sustainable global trade system.

The impact of tariffs varies notably across different regions. While some less advanced nations rely on open trade policies and impose lower tariffs on industrial products to attract investment and reach global markets, other more developed countries employ higher tariffs in a strategic way to protect domestic industries from foreign competition. In areas such as South Asia and sub-Saharan Africa, significant reliance on imported goods and unstable tariff policies may restrain local industries, limit technological progress, and increase economic vulnerabilities. In contrast, highly progressive nations like the United States, the European Union, and China, are involved in tariff disputes, which can impact employment, trade routes, and economic stability worldwide.

Additionally, the importance of this matter goes far beyond economic stability, since there has been an increase in emerging trade blocs as a result of tariffs. There has been a 7% drop in global trade volume over the past decade due to trade barriers, demonstrating the broad impact of restrictive policies.

The cooperation between global trade and tariffs is a crucial discussion for ECOSOC since it calls for a discussion on sustainable trade practices and impartial tariff policies; the issue directly affects economic development and dependency. The significance of this problem is emphasized by the growing numbers of trade wars, currency decline, and economic recessions. All nations worldwide should work towards new policies that provide long-term solutions for economic resilience. The ultimate goal is to end the previously mentioned problems by establishing a framework for international trade that fosters economic growth without strengthening dependence, ensuring an equitable and prosperous system for all countries.



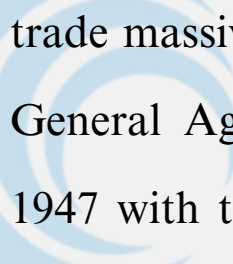


## History:

Global trade and tariffs have been a significant part in forming the current situation of international economic relations and commerce. Economic crises, shifts in politics, and industrial advances have all been a part of influencing the development of trade, resulting in different phases such as expansion and protectionism. Initially, governments implemented tariffs to shield their domestic industries; however, the excessive use of trade barriers triggered global disputes and economic downturns. Over the years, many international organizations have worked together in pursuit of a balance between national interests and global economic stability.

It all started during the 19th century when the Industrial Revolution was at its peak, generating major global trade expansion, which led some countries to impose tariffs to preserve their growing industries. In the 1930s, the most impactful economic crisis took place, known as the Great Depression. It caused widespread unemployment, poverty, and a drastic change in the economy. This disaster resulted in the creation of the Smoot-Hawley Tariff Act in the US, which worsened the situation by reducing global



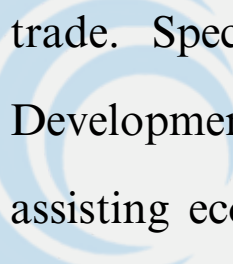


trade massively. After World War II, in response to such challenges, the General Agreement on Tariffs and Trade (GATT) was established in 1947 with the objective of promoting free trade and reducing tariffs. It played a crucial role in improving the issue and facilitating international trade by lowering tariffs. In 1995, the World Trade Organization (WTO) was established to replace GATT.

The participation of various international entities such as non-governmental organizations (NGOs), states, global organizations, and many others have been a crucial part in shaping the trade policies. Under the assistance of the WTO which remains the main body in controlling trade, many trade disputes involving major influential economies like the U.S., China, and the EU have taken place. For instance, the U.S. has been recently active in imposing tariffs under the administration of President Trump and Biden, causing retaliatory measures from other nations. The involvement of non-governmental organizations (NGOs) like International Chamber of Commerce (ICC) promotes fair trade policies, calling attention to sustainable economic development. To achieve their intention, these organizations promote just labor practices, bring down trade barriers, and direct economic inequalities. Furthermore, multinational corporations also contribute to the matter through influential efforts and collaborations with governments to mold trade regulations in a way that aligns with their interests.

The United Nations, as well as the previously mentioned global actors, plays an underlying role in addressing issues related to global






trade. Specifically, The United Nations Conference on Trade and Development (UNCTAD) works by addressing trade imbalance and assisting economic growth with the intention of integrating developing nations into the global economy. Moreover, the UN's Sustainable Development Goals (SDGs), in particular Goal 8 which aims to “Decent Work and Economic Growth” and Goal 10 whose job is to “Reduce Inequalities”, draw attention for a need for trade policies that promote sustainable and inclusive economic growth.

The success and failures of measures taken to deal with global trade and tariffs are apparent in recent development. The establishment of WTO has majorly reduced tariffs and improved global trade expansion. Additionally, with its guidance and dispute resolution system, various conflicts between nations have been mediated. Apart from that, efforts to stabilize the issue such as reducing tariffs and trade blocks have majorly contributed to economic growth, especially in emerging markets. Despite these frameworks, challenges persist. For instance, trade liberalization has led to job losses, especially in less developed nations where occupations in manufacturing have shifted to lower-cost economies. On top of that, recent trade wars like the U.S.-China trade conflict that took place in 2018 and still continues to our day, have shown that regardless of the attempts made, disagreements may surface between different countries. The incapability to avoid or solve these disputes effectively demonstrates the limitations of current international trade frameworks.

### **Current Situation:**



Global trade is a pivotal part of the global economy; however, it continues to be subjected to numerous challenges due to factors such as shifting geopolitical tensions, trade discourses, and developing economic policies. As a result of the COVID-19 pandemic, many supply chains were disrupted, leading to many countries still recovering from this crisis. Additionally, an increase in trade restrictions and protectionism over the past years had caused increasing uncertainty in global markets. At the moment, many countries are rethinking their trade strategies to balance national economic security alongside globalization.

One of the most critical issues in global trade is the occurring trade wars between major economies, especially between the U.S. and China. As of March 2025, the U.S. has implemented tariffs on import from the main trading partners which include Canada, China and Mexico. New arrangements have been already set to take action like a 25% tariff on steel and aluminium imports, alongside a 20% tariff on Chinese goods. These courses of actions have been taken with the ultimate goal of emphasizing protectionist policies aimed at boosting domestic industries. The implementation of these new rules has paved the way for immediate retaliatory actions from affected countries.

Regardless of these challenges, there are signs of minor improvements in global trade. Some projections expect the trade in goods to grow by approximately 2.5% in 2025, a consequence of growing intra-continental trade. Nonetheless, the unpredictability regarding tariffs remains a significant concern for business holders and investors; stakeholders are



actively on the lookout for new trade agreements that could reduce the impact of tariffs. Therefore, while the current state of the matter remains uncertain, the potential for strategic partnership remains the key factor in molding the future of global trade dynamics.





## Points To Consider:

- How close is your country's economic relationship with major global economies such as the United States, China, or the European Union, and how does this influence its trade policies?
- Does your country rely heavily on a particular country or region for trade? If so, how does this affect its economy and decision-making in global trade policies?
- What steps can countries take to make trade more sustainable and fair for everyone, especially for developing nations?
- How can your country balance protecting local industries while also promoting global free trade?
- Has your country advocated for or against reducing tariffs or trade barriers to promote global trade, and what has been the impact of these policies?

## Useful Links:

<https://www.un.org/es/desa/ecosoc-convenes-meeting-international-cooperation-tax-matters>

<https://unctad.org/>

<https://www.youtube.com/watch?v=0abKfEc2uRg>

<https://www.wto.org/>

<https://www.imf.org/en/Home> <https://www.worldbank.org/ext/en/home>





## COUNTRY BOX

Argentina

Australia

Bangladesh

Brazil

Canada

Chile

China

Colombia

Egypt

France

Germany

India

Indonesia

Iran

Japan

Kenya

Mexico

Nigeria

Pakistan

Russia

Saudi Arabia

South Africa

South Korea

United Kingdom

United States of  
America



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*business.cornell.edu/hub/2024/06/14/trade-titans-impact-us-china-trade-war-global-economics.*

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*Luman, Inga Fechner Ruben Dewitte, Rico. "What Lies Ahead in Global Trade: Solid Growth Despite Trump's Tariffs." ING Think, 5 Mar. 2025, think.ing.com/articles/what-lies-ahead-in-global-trade-solid-growth-despite-trump-tariffs*





## **Topic B: Regulating Cryptocurrency – Balancing Innovation with Financial Stability**

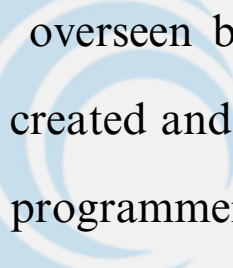
### **Introduction:**

As a modern financial asset, cryptocurrency enables completely new transaction possibilities. At the same time, its rampant expansion comes with severe dangers such as fraud, financial instability, and other forms of criminal activity including money laundering. Every nation is struggling to come up with a proper regulatory system for this new form of currency. Some countries welcomed the use of digital assets, while others came up with stringent regulations or outright bans. Coupled with the potential for cryptocurrencies to disrupt traditional financial systems, their volatility raises further concerns over sustaining them in the long run. In addition, central banks are struggling to control the economy because cryptocurrencies do not need to rely on the existing banking systems.

The argument pivots around the decision of whether to allow the use of cryptocurrencies globally or ban them due to their associated risks. Providing an innovative environment unconstrained by strict regulations while ensuring financial stability is ECOSOC's responsibility. To prevent criminal activity, ensure financial stability, and allow innovation without undermining the use of digital assets, regulation of cryptocurrency is a necessity.

### **History:**

Cryptocurrency is a medium of exchange in a digital form that is not

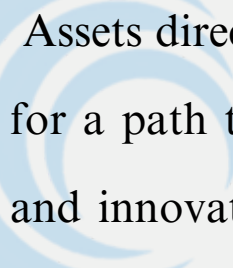


overseen by a central authority. The first cryptocurrency was Bitcoin, created and digitized by an anonymous computer programmer or group of programmers in 2009. Bitcoin relies on its users which have a public key that is available for everyone to see and a private key known only to their computers.

Transactions are put together in groups called blocks. The blocks are organized in a chronological order called the blockchain. Blocks are added to the chain using a process that makes it virtually impossible for individuals or groups to hack or hijack the blockchain. The technology that corroborates Bitcoin has amassed substantial attention. Even though it's just skeptics, bitcoin has assumed a reputation for being untraceable, safe and having no central authority or moderation.

From the years 2018- 2020, the FATF introduced anti embezzling contingencies and regulations for digital currency, for example, a mandatory Customer Due Diligence policy in order to handle business transactions. In 2021, Bitcoin became legal tender in El Salvador, one of the first countries to make this legal, while places like China banned almost all cryptocurrency arrangements and advanced its own Bank Digital Currency. The necessity for higher oversight acquired traction in 2022 due to the fall of several cryptocurrencies, which revealed substantial faults in the crypto market.

The events not only caused panic but also anger. Criticism grew, and the U.S. and the then-European Union drew up tougher and stricter regulations. In 2023, the European Union passed its Markets in Crypto-



Assets directive, while the U.S. is continuing to shape and define its laws for a path to regulatory oversight. The UN welcomes financial creation and innovation but needs to ensure that no illegal activity is occurring. As the International Monetary Fund expresses concerns about potential crypto harm on global security, the World Bank encourages the adoption of blockchain technologies.

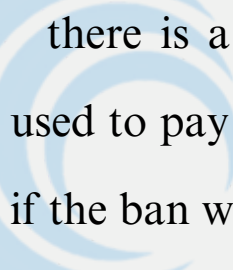
The Financial Action Task Force is introducing anti-money laundering (AML) policies to increase transparency in cryptocurrency business transactions. The United States, specifically the SEC, wants strict oversight and authorization, but the EU is leading the way with its MiCA policies. Nations still face the choice of crypto-manageable rules and heavy regulation.

### **Current Situation:**

Some countries are very up to date with the general logistics of managing cryptocurrency; however, there are others that don't share the same views. For example, countries such as Canada, United States and Spain all consider the trading and transactions using crypto legal. However, there are other nations that have either a ban or a partial ban on several cryptocurrencies.

Furthermore, cryptocurrencies in Canada are regulated and recognized as legal tender. There are, however, certain rules and regulations that have to be followed in order to function well in this system. For example, one has to register with FINTRAC and comply with all consumer protection laws. Nonetheless, in nations such as Russia or Saudi Arabia,





there is a general ban. Cryptocurrencies are legal but they cannot be used to pay for goods or services. The authorities are very concerned that if the ban was lifted it could be used as a tool to circumvent sanctions and payment system challenges.

Unrestricted actions have caused the global cryptocurrency market to suffer by the year 2025, with major concerns centered around financial instability and foul play stemming from the financial world. Different countries have their own ways of categorizing cryptocurrencies, to some it is a security, to others it's a commodity or even money. There needs to be a stronger emphasis on consumer protection in light of crypto-based Ponzi schemes and the collapse of FTX. Technological Developments: Traditional banking structures are being challenged by innovations like Stablecoins, which tend to offer less financial volatility, providing a sense of relief for abstracting banks. International Political Discussion: United Nations agencies and chairs of G20 discuss the implementation of general rules which set limitations on the blurring out borders.





## Points to consider:

- How can governments regulate cryptocurrencies without stifling innovation?
- Should cryptocurrency regulations be handled at a national or international level?
- How can regulations prevent crypto-related financial instability and fraud?
- Should crypto exchanges be required to register with national governments?
- Should decentralized finance platforms be subject to traditional financial regulations?
- What role should central banks play in overseeing cryptocurrency markets?
- Should stablecoins be regulated differently than other cryptocurrencies?
- How can governments prevent crimes being committed that involve cryptocurrency?





## Useful links:

<https://www.britannica.com/money/cryptocurrency-regulation>

<https://www.investopedia.com/cryptocurrency-regulations-around-the-world-5202122>

<https://www.imf.org/en/Publications/fandd/issues/2022/09/Regulating-crypto-Narain-Moretti>

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**The Economic and Social Council  
has the purpose of encouraging  
higher living standards along with  
full employment, and economic  
and social progress.**

