

CSIMUN II



G-20 SUMMIT

Topics:

Sustainable Development and Emerging Economies

The Situation in Crimea

Chair:

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LETTER FROM THE CHAIR

**Brisbane Convention & Exhibition Centre
Brisbane, Cnr Merivale Street and Glenelg St, South Brisbane QLD 4101,
Queensland, Australia**

Brisbane, April 2014

Delegates,

It's an honor for us to welcome you to the G-20 committee of the CSIMUN.

Us, your Presidents, Lucia Velez and Pablo Peláez in the company of our Academic Advisor, Sara Jaramillo, have been working hard looking forward for this committee to be a great opportunity for you delegates to improve your skills and knowledge about worldwide concerns and to get to enjoy this committee and the topics that we have chosen for you.

This worksheet is meant for you to have an idea of what the committee will be about; however it's important that you make a deeper research about the topic and your countries' concern, so that you can have a good performance during session time.

As you are attending to an English speaking committee we expect you to prepare yourself not only in the academic branch but also in your English skills.

Hope to see you soon,

Lucía Vélez Castaño

Pablo Peláez Pérez

Sara Jaramillo Robledo



ABOUT THE G-20

The Group of Twenty, commonly called “G20”, is the premier forum for its members’ international economic cooperation and decision-making. Its membership comprises 19 countries plus the European Union. G20 leaders meet annually. Additionally, during the year, Finance Ministers and Central Bank Governors meet regularly to discuss ways to strengthen the global economy, reform international financial institutions, improve financial regulation, and discuss the key economic reforms that are needed in each of the member countries. Underpinning these meetings is a year-long program of meetings among senior officials and of working groups coordinating policy on specific issues.

The G20 continues to focus on measures to support global economic growth, with a strong emphasis on promoting job creation and open trade. Each G20 president invites a number of guest countries each year.



The G20 works closely with international organizations, including the Financial Stability Board, the International Labour Organization, the International Monetary Fund, the Organization for Economic Co-operation and Development, the United Nations, the World Bank and the World Trade Organization. These and a number of other organizations are invited to attend key G20 meetings. This year Summit will take place at the Brisbane Convention & Exhibition Centre, in the city of Brisbane, Australia.

TOPIC 1: SUSTAINABLE DEVELOPMENT AND EMERGING ECONOMIES

Introduction

In recent years, countries that are developing at a fast pace, are playing a significant role in the global economic system. In fact, the global economic growth is driven by emerging markets. Not only global economy is obtaining benefits from these markets, but also investors, who have been pouring money into these markets, are also getting good return on investments.

In the XXI century a fact that must concern every citizen in the world is how development is leading the human race towards a big dependence on natural resources which are gradually disappearing, provoking big deficits that affect not only the economical scope but also the natural process



Emerging economies take a big place in this search for sustainable development; concerned as they are for their progress, they have a double challenge to take into account; first they have to overcome different problematic issues such as inequality, political instability, corruption, among others. But the emerging economies also have to maintain their development in harmony with the nature so that the future generations can have the access to natural resources, these second challenge not only is a responsibility of emerging markets, it is a duty for all nations to implement politics that help to promote a sustainable development.

Sustainable Development

Recognizes that growth must be both inclusive and environmentally sound to reduce poverty and build shared prosperity for today's population and to continue to meet the needs of future generations. It must be efficient with resources and carefully planned to deliver immediate and long-term benefits for people, planet, and prosperity.

"Development that meets the needs of the present without compromising the ability of future generations to meet their own needs."

- World Commission on Environment and Development's.

Emerging Economies

Countries are recognized as emerging economies when they have a rapidly growing economy related with internal development and a considerable increase in the international relationships with other countries. MSCI classified these 22 countries as emerging economies: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Israel, Malaysia, Mexico, Morocco, Philippines, Peru, Poland, Russia, South Africa, Taiwan, Thailand, and Turkey.



Map of emerging economies, 2013.

External debts of emerging markets

Over the last decade, emerging markets (EMs) have made significant improvements in public debt management, reducing a number of risks associated with how they issue debt (“supply-side risks”). In particular, most EMs have extended the maturity of their debt profile, cut down issuance of floating rate debt, and reduced foreign-currency debt (Anderson et al. 2010). These improvements, along with reduced levels of public debt, have made their public sector balance sheets more resilient to shocks, including exchange rate and interest rate shocks.

Partly as a result, foreign interest in EM government debt rose sharply in recent years.



The IMF has found that about half a trillion dollars of foreign flows went into EM government debt during 2010–12, mostly coming from foreign asset managers. The IMF also noticed that foreign central banks are playing a greater role in EM debt markets, but still hold only about US\$40-80 billion of EM government debt securities as of end-2012 (out of a total of US\$1 trillion foreign holdings). Moreover, their holdings appear to be concentrated in only a few countries: Brazil, China,

Indonesia, Poland, Malaysia, Mexico, and South Africa. Third, we find that foreign flows to emerging markets were less differentiated during 2010–12.

Main problems

■ Unemployment

Two thirds of working age youth in some developing countries are either unemployed or trapped in low-quality jobs, according to the ILO Global Employment Trends for Youth 2013 report. In six of the ten countries surveyed, over 60 per cent of young people are either unemployed, working

but in low quality, irregular, low wage jobs, often in the informal economy, or neither in the labor force nor in education or training.

The school- to- work transition surveys go beyond regular labor force surveys to look at issues such as non-standard employment and labor underutilization, job quality, job satisfaction and transitions of young people to and within the labor market.

- Poverty

Based on enrollment data, about 72 million children of primary school age in the developing world were not in school in 2005; 57 per cent of them were girls. And these are regarded as optimistic numbers.

World gross domestic product (world population approximately 6.5 billion) in 2006 was \$48.2 trillion in 2006.



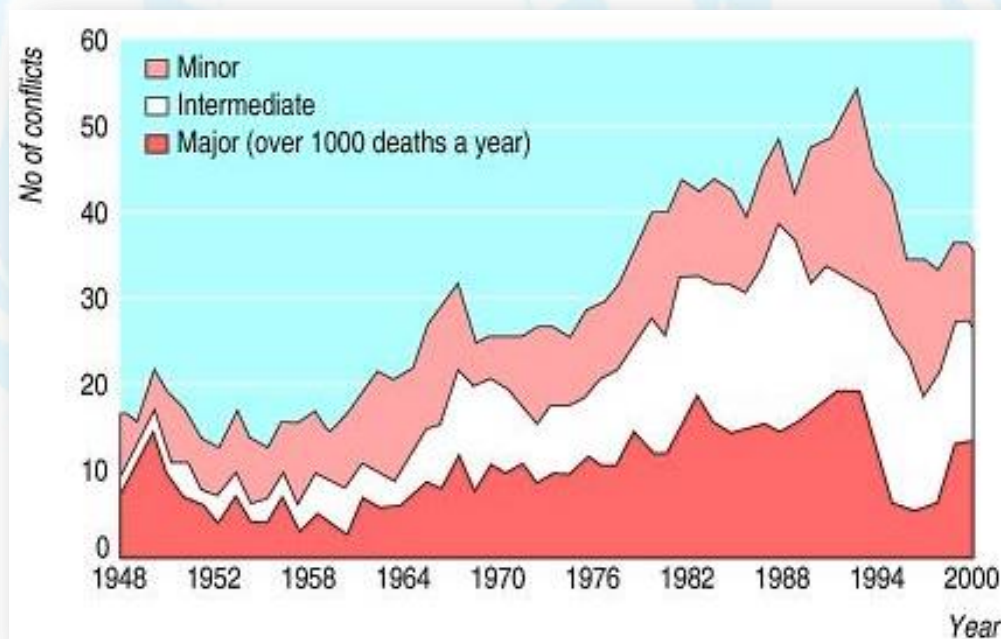
The world's wealthiest countries (approximately 1 billion people) accounted for \$36.6 trillion dollars (76%). The world's billionaires — just 497 people (approximately 0.000008% of the world's population) — were worth \$3.5 trillion (over 7% of world GDP). Low income countries (2.4 billion people) accounted for just \$1.6 trillion of GDP (3.3%). Middle income countries (3 billion people) made up the rest of GDP at just over \$10 trillion (20.7%).

- Internal conflicts

Conflict-stricken Third World countries suffer from, inter alia, poverty, refugees, civil wars, political violence and instability, food shortage, drought, AIDS, famine, as well as economic devastation. Internal crises, as manifested by ethnic conflicts, religious conflicts, riots, forceful overthrows of governments, secessionist or independence movements, or civil and political violence, may arise for a number of reasons: racial, religious, cultural, ideological, and economic factors, as well as political and social structures.

Poverty and political, social, and economic inequalities between groups predispose to conflict; policies to tackle them will reduce this risk.

Wars in developing countries have heavy human, economic, and social costs and are a major cause of poverty and underdevelopment. Latin America, Middle East and Africa have been specially affected by the wars.



Number of armed conflicts by level, 1946–2000.

- Industry development

Industrial pollution is a more complicated problem in developing countries than in developed economies. There are greater structural obstacles to preventing and cleaning up pollution. These obstacles are largely economic, because developing countries do not have the resources to control pollution to the extent that developed countries can. On the other hand, the effects of pollution may be very costly to a developing society, in terms of health, waste, environmental degradation, reduced quality of life and clean-up costs in the future. An extreme example is concern for the future of children exposed to lead in some megacities in countries where leaded gasoline is still used, or in the vicinity of smelters. Some of these children have been found to have blood lead levels high enough to impair intelligence and cognition.



- Administration of natural resources

Natural resources are a window of opportunity for economic development. In principle, revenues derived from their exploitation can help alleviate the binding constraints that governments in developing countries often face when attempting to transform their economies, boost growth, and create jobs. The experiences of resource-rich countries (especially those rich in

hydrocarbon and minerals), however, suggest that resource wealth is not always a blessing. It can, in fact, be a curse. Over the past few decades, economic growth in resource-rich countries has been lower than in resource-poor ones.



- *Lack of efficient infrastructure*

Economic growth is the most important means of raising people's incomes and reducing poverty in the developing world – it creates jobs and opportunities for poor people to support their families and build more stable futures.

Many developing countries face particular challenges that make it difficult for them to stimulate and sustain economic growth. These challenges include weak institutions, high unemployment, poor infrastructure, a lack of access to financial services and unsuitable laws and regulations. Millions of people do not own or have formal rights to the land they live and work on. This makes it difficult to plan or save for the future. The risk of losing land and property can deter people from investing, for example in irrigation for their land. It can also make it difficult for people to borrow to fund investments.

Summary points

- Wars are a major cause of poverty, underdevelopment, and ill health in poor countries
- The incidence of war has been rising since 1950, with most wars being within states
- Wars often have cultural dimensions related to ethnicity or religion, but there are invariably underlying economic causes too
- Major root causes include political, economic, and social inequalities; extreme poverty; economic stagnation; poor government services; high unemployment; environmental degradation; and individual (economic) incentives to fight
- To reduce the likelihood of wars it is essential to promote inclusive development; reduce inequalities between groups; tackle unemployment; and, via national and international control over illicit trade, reduce private incentives to fight.

Questions for the Delegate

- a. Does your country invest in growing economies?
- b. Does your country hold any FTA with any country with an emerging economy?
- c. Are there migrants in your country?
- d. Has your country held any internal conflict? How did it solve it?
- e. Have any economical agreements involved your country?
- f. What would you propose for the emerging countries and the developing economies to keep growing?
- g. How does the World Bank intervene in the growing economies?
- h. Is overpopulation a factor that affects the development of a country?

Informative links

- <http://www.g20.org>
- <http://www.worldbank.org/depweb/english/sd.html>
- <http://www.emergingmarkets.org/>
- <http://www.theguardian.com/sustainable-business/emerging-economies-lead-sustainable-innovation>
- http://treasury.worldbank.org/bdm/pdf/PDMinEM_HasThisTimeBeenDifferent_Anderson.etal.pdf

- <http://www.economist.com/news/finance-and-economics/21584993-which-emerging-markets-are-most-vulnerable-freeze-capital-inflows-stop>
- <http://www.ilo.org/>
- <http://www.globalissues.org/article/26/poverty-facts-and-stats>
- <http://www.ncbi.nlm.nih.gov>
- www.imf.org



TOPIC 2: THE SITUATION IN CRIMEA

About Crimea

The Crimean Peninsula extends into the Black Sea, all but an island except for a narrow strip of land in the north connecting it to the mainland. On its eastern shore, a finger of land reaches out almost to Russia. Russia plans to build a bridge across the strait.

With an area of 27,000 square kilometers (10,000 square miles), it is slightly smaller than Belgium. It is Ukraine's only formally autonomous region, with Simferopol as its capital. Sevastopol has a separate status within Ukraine.



Population

Around 2 million Ukraine's 2001 census showed around 58 percent were ethnic Russian, 24 percent ethnic Ukrainian and 12 percent Tatars, who support the new pro-Western government in Kiev.

Economy

Crimea's temperate climate makes it a popular tourist destination for Ukrainians and Russians, especially Yalta, where the Soviet, U.S. and British victors of World War Two met in 1945 to discuss the future shape of Europe.

It accounts for three percent of Ukraine's gross domestic product, with 60 percent of its own output made up by services. The land is intensely farmed, with wheat,

corn and sunflowers the main crops. Extra water supplies are brought by canal from Ukraine's Dnieper River.

There are chemical processing plants and iron ore is mined in Kerch. Ukraine has two grain terminals in Crimea - in Kerch and in Sevastopol. According to Ukr Agro Consult, these have exported 1.6 million tons of grain so far this season or 6.6 percent of Ukraine's total exports.

The black sea fleet

On Crimea's southern shore sits the port city of Sevastopol, home to the Russian Black Sea Fleet and its thousands of naval personnel. Russia kept its half of the Soviet fleet, but was rattled in 2009 when the pro-Western Ukrainian President Viktor Yuschenko warned that it would have to leave the key port by 2017.

Shortly after pro-Russian Viktor Yanukovich was elected president in 2010, he agreed to extend the Russian lease until 2042 in exchange for discounts on Russian gas supplies. Russia fears that Ukraine's new pro-Western government could evict it.



Russia's Black Sea base in Sevastopol gives Moscow access to the Mediterranean. Ukraine's fleet, carved out of the same Soviet fleet as Russia's, is also based there.

In early 2014 Crimea became the focus of the worst East-West crisis since the Cold War, after Ukraine's pro-Moscow president Viktor Yanukovich was driven from power by violent protests in Kiev.

Kremlin-backed forces seized control of the Crimean peninsula, and the territory, which has a Russian-speaking majority, voted to join Russia in a referendum that Ukraine and the West deem illegal.

Crimea was annexed by the Russian Empire during the reign of Catherine The Great in 1783 and remained part of Russia until 1954, when it was transferred to Ukraine under the then Soviet leader Nikita Khrushchev.



Ethnic Russians make up the majority of the population, but with significant Ukrainian and Crimean Tatar minorities.

Under Greek and Roman influence for centuries, in 1443 Crimea became the center of a Tatar Khanate, which later fell under Ottoman control.

Rival imperial ambitions in the mid-19th century led to the Crimean War when Britain and France, suspicious of Russian ambitions in the Balkans as the Ottoman Empire declined, sent troops.

Given autonomous republic status within Russia after the Bolshevik revolution, Crimea was occupied by the Nazis in the early 1940s.

Ukraine-Russia tension

The port of Sevastopol is a major naval base and has been home to the Black Sea Fleet since Soviet times. Following the collapse of the USSR, the fleet was divided up between Russia and Ukraine.

The continuing presence of the Russian fleet in Sevastopol has been a focus of tension between Russia and Ukraine. In 2008, Ukraine - then under the pro-Western President Viktor Yushchenko - demanded that Moscow not use the Black Sea Fleet during its conflict with Georgia.

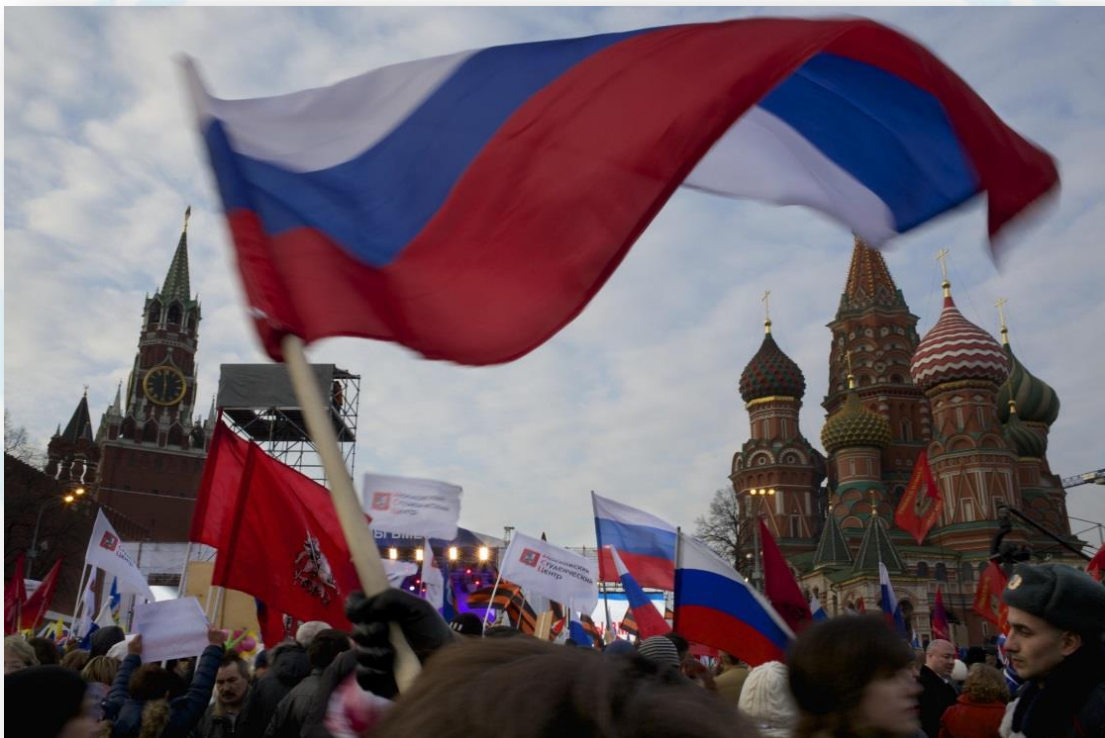


Both countries had agreed to allow the Russian fleet to stay until 2017, but after the election of the pro-Russian Viktor Yanukovych as president in 2010, Ukraine agreed to extend the lease by 25 years beyond 2017, in return for cheaper Russian gas.

What has been happening in Ukraine?

- It all started in November 2013 when the Ukrainian president Yanukovych decided to not sign a mayor partnership with the European Union.
- Big anti-government protests took place in the country's capital, Kiev. Those protests became very violent. Dozens of people lost their lives and hundreds more were injured.

- The government announced deals with Russia – which, to many looked like an even bigger move away from Europe.
- In an attempt to end the violence President Yanukovych and his government agreed to a partnership with the leaders of the opposition, and offered some new terms. But the anti-government groups instead took control of even more government buildings, and demanded that an election be held in May.
- President Yanukovych fled Kiev and because of this, the government voted to remove him from power. Oleksandr Turchynov has been named as the temporary president and a new government has been put in place until the election, which is set for 25 May.



- On 6 March, MPs in Crimea voted to join Russia, and announced they would hold a referendum to let the public decide on 16 March. The Ukrainian government said this was against the constitution.
- President Putin signed a treaty to make Crimea part of Russia on 18 March

Five keys to understanding what happens in Crimea

The region represents great interest for Russia due to its strategic location and its rich farmland.

(By Richard Allen Greene)



(CNN) - Just when it seemed that Ukraine was stabilizing after the overthrow of the pro-Russian President Viktor Yanukovych came back on tensions in Crimea, the southern part of the country where prevailing strong support for Russia.

Gunmen seized the regional government buildings in Crimea and hoisted the Russian flag this week. "Crimea is Russian," the protesters chanted, while their opponents responded to them. "Crimea is not Russia"

Collect five facts to explain why Crimean peninsula is becoming a flashpoint:

1. Crimea is not legally part of Russia, but it was.

The Russian government has been interested in Crimea for hundreds of years thanks to its rich agricultural land and access to the Black Sea. Russia gave Crimea to Ukraine in 1954, when both countries belonged to the Soviet Union. After the collapse of the Soviet Union in 1991, some people in the region wanted to separate

from Crimea and Ukraine were to become part of Russia, but lawmakers in Ukraine and Crimea decided in a vote that would remain part of Ukraine.

2. Many Russians still living in Crimea.

There are currently three main groups in Crimea: the Ukrainian ethnicity north, in the south Russian and Tatar in the center. The Tatars account for 15% to 20% of the population suffered greatly during the rule of Stalin in the Soviet era. They are the “most vocal opponents of annexation to Russia,” said Alexander Motyl of Rutgers University held a hearing last week before the Council of Foreign Relations of the United States.



3. Part of the Russian Navy has bases in Crimea.

Any discussion of the importance of Crimea for Russia soon touches on the Black Sea Fleet. The Russian Navy has a base in the city of Sevastopol, on the Black Sea, from 230 years ago. The ships and submarines that are on that base, north of Turkey, can reach the Middle East and the Balkans.

An expert from the International Institute of Strategic Studies said that you can overstate the importance of the Black Sea Fleet; the youngest of the four Russian naval fleet in the Black Sea, and Russia is expanding the port of Novorossiysk and moving military ships to instead, according to Christian Le MIERE.

However, it is clear that Sevastopol is still important for Russia. In 2010, the Russian government reached an agreement with Ukraine over natural gas in exchange for Ukraine's government prolonged the lease of the base of the Russian Navy in Ukraine.



4. Crimea has been a central player in world history.

During the Crimean War of the 1850s Florence Nightingale, the pioneer of modern nursing was known as the Lady of the lamp because taking care of wounded soldiers in the war waged Britain, France and the Ottoman Turkey against Russia.

Several generations of British students have memorized the poem The Charge of the Light Brigade (The Charge of the Light Brigade) Tennyson, dating from that era. The poem commemorates a blunder committed by the British troops, attacked the wrong Russian position and massacred. "There's not to reason why, theirs but to do and die" (They ask not their reason, is for them to obey and die alone).

5. Do not forget Yalta, of course.

When World War II neared its end in 1945, the Allied leaders, Franklin D. Roosevelt, U.S. President, Winston Churchill, Prime Minister of Great Britain, and Joseph Stalin, Soviet leader met to divide Europe. That meeting was the history of the Cold War and was held in the resort town of Yalta, in Crimea.

International Intervention

In Ukraine, the situation is critical since November 2013 the country has been facing different events that have modified the normal development of the country. The international community has not been indifferent to this.

Russian units began moving into Crimea almost immediately after the press conference of former president Yanukovich held on 28 February 2014 in Rostov-

on-Don, near the eastern border of Ukraine, where he called for Putin to "restore order" in Ukraine. During the conference Yanukovych insisted that military action was "unacceptable" and that he would not request Russian military intervention. On 4 March 2014 Russia's Permanent Representative to the United Nations, Vitaly Churkin, presented a photocopy of a letter signed by Victor Yanukovich on 1 March 2014 asking to use the Russian armed forces to "restore the rule of law, peace, order, stability and protection of the population of Ukraine". Aksyonov also appealed to Russian President Vladimir Putin to provide assistance in ensuring the peace in the Autonomous Republic of Crimea. Both houses of the Russian legislature (Federal Assembly) voted on 1 March 2014 to give Vladimir Putin the right to use Russian troops in Crimea



The US government alongside with the EU has condemned Russia for violating the international law and for interfering in internal business of Ukraine, this accusation has been denied by the Russian government. The government of Ukraine has requested international aid to be provided, mostly peace keeping troops of the United Nations were requested; the EU has approved in a meeting in Brussels a 1610 million euros aid to help settle down the budget of the ex-Soviet Nation.

The US government has assured that there will be no military intervention coming from American troops, but they will provide humanitarian and diplomatic help to the Ukrainian population. Switzerland has declared its intentions of providing diplomatic aid in the solving of the conflict.

Questions for the Delegate

- a. Which position does your country take in the crisis?
- b. Which solution your country proposes to solve the situation in Crimea?
- c. Which consequences has the crisis brought to your country and to the world in general?
- d. Which role should be taken by the International organizations, such as United Nations and G20, in this conflict?
- e. How to lower the impact that this crisis has brought in the international relationships?

Informative links

- <http://www.bbc.com/news/world-europe-26625476>
- <http://www.un.org/apps/news/search.asp>
- <http://www.bbc.com/news/world-europe-26367786>
- <http://www.russiaun.ru/en>
- <http://mfa.gov.ua/ua>

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WEBGRAPHY

- <http://www.haaretz.com/news/world/1.577286>
- <http://actualidad.rt.com/expertos/carlos-santa-maria/>
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- <http://www.voanews.com/content/putin-and-crimea-a-new-world-order/1881230.html>