Dear Honorable Delegates,

Summer is over, classes have started and work has begun for this year's exciting Southern Regional Model United Nations XVI. This year, the SRMUN staff has worked diligently to prepare a challenging conference for you. As the Economic and Social Commission for Western Asia (ESCWA), we will explore several of Commission's most important and profound issues November 17th-19th, 2005.

My name is Arezoo Jamshidi and I will be serving as the Director for the Economic and Social Commission for Western Asia. This is my 6th year with SRMUN and my second year as a staff member. Last year I was honored to serve as the Assistant Directory for General Assembly Plenary. I graduated from Berry College in 2004 with a degree in International Relations and Spanish. Currently I am employed at a law firm and have plans to attend law school. The Assistant Director is Elizabeth Kayed. Elizabeth is a graduating senior at the University of North Carolina at Charlotte and is majoring in Political Science and Mass Media Communications with a minor in Journalism. This will be Elizabeth's fourth year at SRMUN and her first year on staff.

The theme for SRMUN XVI is *Humanity: Recommitting to the United Nations Mission*, and your three topics for this year's conference reflect this theme. Elizabeth and I have worked very hard to give you a strong foundation in preparing this background guide to ensure that you have a successful experience at SRMUN. The topics that you will discuss as the Economic and Social Commission for Western Asia are as follows:

- I. Improving Educational Institutions
- II. Developing the Iraqi Task Force
- III. Liberalization of Trade in the Middle East Region

Attached, you will find the guides for each of the three topics for the Economic and Social Commission for Western Asia. The purpose of these guides is to serve as supplements to your research and should not replace the research that you conduct individually. The successful delegate understands each topic and related issues thoroughly, in addition to understanding the country's relevant policies. Keeping yourself updated with news regarding the topics will also help you better understand the issues and how they relate to your country.

Each delegation is required to write a position paper to demonstrate your country's position and recommendations on all three of the topics. The paper should be correctly formatted, single spaced, and no longer than two pages in length. All papers must be emailed to Laura Merrell, Deputy Director General (<u>ddg@srmun.org</u>) no later than 11:59 pm October 29, 2005.

We wish you good luck in your research, and ask that you contact any of us if you have any questions. We will help you to the best of our abilities. Elizabeth and I, in addition to the rest of SRMUN staff, look forward to working with you in November.

Arezoo Jamshidi Director <u>escwa@srmun.org</u> Elizabeth Kayed Assistant Director escwa@srmun.org

Laura Merrell Deputy Director General <u>ddg@srmun.org</u>

History of the Economic and Social Commission for Western Asia

The United Nations Charter established the Economic and Social Council as the fundamental organ to coordinate the economic, social and related work of the UN.¹ The Council was created to serve as the central forum for discussing international economic and social issues and for developing policy recommendations addressed to member states and the United Nations System.² The Council has taken a lead role in key policy areas and is responsible for "promoting higher standards of living, full employment, and economic and social progress; identifying solutions to international economic, social and health problems; facilitating international cultural and educational cooperation; and encouraging universal respect for human rights and fundamental freedoms."³

The Economic and Social Council established the Economic Commission for Western Asia (ECWA) in *Resolution* 1818 (LV).⁴ The Commission was established as the successor to the United Nations Economic and Social Office in Beirut (UNESOB).⁵ The Commission was re-designated the Economic and Social Commission for Western Asia (ESCWA) on July 26, 1985, in accordance with Economic and Social Council *Resolution* 1985/69.⁶ The Commission was renamed in order to acknowledge more fully the social aspect of the Commission's activities.⁷

ESCWA is one of the five regional commissions which report to the Economic and Social Council.⁸ The Commission's purpose is to promote economic and social development through regional and sub-regional cooperation and integration. ESCWA serves as the main general economic and social development forum within the United Nations system for the Western Asia region. The first regional meeting of ESCWA was held at the United Nations House in Beirut on March 1999 in accordance with the Secretary General's recommendation. The United Nations Regional Coordination Group (RCG) for the ESCWA region was established in order to facilitate communication, ensure transparency and enable users from within and outside the United Nations System to make the best use of the various capabilities it commands in the region.⁹ ESCWA coordinates its activities with those of the major departments and offices of the United Nations at Headquarters and of specialized agencies and intergovernmental organizations, such as the League of Arab States, the Gulf Cooperation Council and the Organization of the Islamic Conference. The Commission emphasizes a strategy to avoid duplication and ensure synergy and exchange of information.¹⁰

The activities of ESCWA center on the preparation of economic and social studies and reports, convening meetings and conducting training workshops as well as a number of field projects. The Commission implements its activities through the following divisions: The Globalization and Regional Integration (GRID); Center for Women (ECW); Social Development; Sustainable Development and Productivity; Information and Communication Technology; and Economic Analysis.¹¹ Under the regular program of work, the majority of activities are regional in dimension. However, there are a limited number of activities that are country-specific, but have an impact on a regional level.¹² The Commission formulates and promotes development assistance activities and projects corresponding with the needs and priorities of the region and acts as an executing agency for relevant operational projects.

There are several advisory bodies that have been established by ESCWA in order to assist the Commission in formulating its work program. The Program Planning and Technical Cooperation by the United Nations aims to

¹ Charter of the United Nations. The United Nations. June 26, 1945.

² Ibid.

³ "Background." UN Economic and Social Council. <u>http://www.un.org/docs/ecosoc/ecosoc_background.html</u>

^{4 4} "About ESCWA: What We Do." The Economic and Social Commission for Western Asia. <u>http://www.escwa.org.lb/about/main.htm</u>

⁵ Ibid.

⁶ Ibid.

⁷ Ibid.

⁸ Ibid.

⁹ "Regional Coordination Group." The Economic and Social Commission for Western Asia. <u>http://www.escwa.org.lb/about/rcg/main.htm</u>

¹⁰ "About ESCWA: What We Do." The Economic and Social Commission for Western Asia. http://www.escwa.org.lb/about/main.htm

¹¹ "Substantive Divisions." The Economic and Social Commission of Western Asia. <u>http://www.escwa.lb/divisions/main.htm</u>

plan, monitor and evaluate the regular work program and is responsible for providing technical assistance activities to member countries through a pool of highly qualified experts.¹³ The Regional Advisory Committee was established to strengthen the role and performance of the Commission. The Regional Advisory Committee makes available the professional knowledge and expertise of a number of ESCWA regional advisors to member countries at the request of the countries.¹⁴ Regional advisors support the member countries in their development efforts; recommend measures and policies to help them overcome specific problems; undertake capacity-building; and disseminate up-to-date knowledge and information in their field of specialty through lectures, papers and participation in national, international and ESCWA meetings.¹⁵ The Committee also provides training and assistance in the preparation and formulation of project proposals.¹⁶ The Consultative Committee on Scientific and Technological Development and Technological Innovation is composed of experts from public institutions, private sectors, civil society and research centers. The Committee held its first meeting in Beirut, July 16-18 2002, and shall convene at least once every two years thereafter.¹⁷

The Ministerial Session of ESCWA is the governing body of the Commission, which is held every two years. There are six specialized sub-committees that meet once every two years and report to the Ministerial Session of the Commission.¹⁸ The committees are: Statistics Committee; Committee on Social Development; Committee on Energy; Committee on Water Resources; Committee on Transport; and Committee on Liberalization of Foreign Trade and Economic Globalization.¹⁹

ESCWA cooperates with numerous international, regional, sub-regional organizations, and civil society institutions. ESCWA organized the Regional Workshop on Effective Micro-organisms Uses and Agricultural Waste Recycling (Cairo, 27-28 March 2002), in cooperation with the Effective Micro-organisms Research Organization of Japan, the Ministry of State for Environmental Affairs and Ministry of Agriculture and Land Reclamation of the Government of Egypt. ESCWA and WTO, in collaboration with the World Bank, jointly organized a Trade in Services Training Workshop (Beirut, 17-19 December 2002). The workshop assisted the Arab countries with regard to reviewing the major provisions under the General Agreement on Trade in Services and participating in negotiations on trade in services prior to the next WTO ministerial conference.²⁰ In the regional context, ESCWA and the League of Arab States co-organized the Arab Regional Preparatory Meeting for the Second World Assembly on Ageing (Beirut 5-8 February 2002). The main purpose of the meeting was to harmonize the various positions of the Arab countries in regard to contentious issues.²¹ In 2002, joint activities with Fares Institute of Lebanon, a civil society institution, included the provision of training for local community workers, one component of which was the Training of Local Community Development Workers Workshop (Tripoli, Lebanon, September 23, - October 1, 2002).²²

The members of the Commission shall consist of the States Members of the United Nations situated in Western Asia. Future applications for membership by Member States shall be decided on by the Council upon the recommendation of the Commission.

The current Member States of the Economic and Social Commission for Western Asia are:

BAHRAIN, EGYPT, IRAQ, JORDAN, KUWAIT, LEBANON, OMAN, PALESTINE, QATAR, SAUDI ARABIA, SYRIA, UNITED ARAB EMIRATES, YEMEN

¹⁶ "Program Planning and Technical Cooperation." The Economic and Social Commission for Western Asia. <u>http://www.escwa.org.lb/about/pptc/main.htm</u>

¹³ Ibid.

¹⁴ Ibid.

¹⁵ Ibid.

¹⁷ Ibid.

¹⁸ "Governing Body." The Economic and Social Commission for Western Asia.

http://www.escwa.org.lb/about/gov/main.htm

¹⁹ Ibid.

²⁰ "International Organizations." The Economic and Social Commission for Western Asia. <u>http://www.escwa.org.lb/affiliations/international/main.htm</u>

²¹ "Regional and Sub-regional Agencies." The Economic and Social Commission for Western Asia. <u>http://www.escwa.org.lb/affiliations/subregional/main.htm</u>

²² "Civil Society Institutions." The Economic and Social Commission for Western Asia. <u>http://www.escwa.org.lb/affiliations/civil/main.htm</u>

I. Improving Educational Institutions

"Education is empowerment. It is the key to establishing and reinforcing democracy, to development which is both sustainable and humane and to peace founded upon mutual respect and social justice. Indeed, in a work in which creativity and knowledge play an ever greater role, the right to education is nothing less than the right to participate in the life of the modern world." -Amman Affirmation, 1996

Introduction to the Issue

Over 50 years ago, member states of the United Nations came together to produce the *Universal Declaration of Human Rights* as one of the elements of the foundation for addressing human rights issues. One of the fundamental rights that the nations of the globe asserted was that "everyone has a right to education."²³ The concerted efforts during the past several decades by member states to guarantee the right to education for all have been an enduring process. Current reports demonstrate the ongoing need to improve education policies around the globe. As of 2000,

more than 100 million children, including at least 60 million girls, have no access to primary education; more than 960 adults, two-thirds of whom are women, are illiterate, and functional illiteracy is a significant problem in all countries, industrialized and developing; more than one-third of the world's adults have no access to the printed knowledge, new skills and technologies that could improve the quality of their lives and help them shape and adapt to social and cultural change; and more than 100 million children and countless adults fail to complete basic education programs.²⁴

Promoting a culture that encompasses the acquisition of knowledge for the sake of upgrading skills and productivity will not only increase social development but economic development as well. In the 1950s, the ESCWA region had the lowest educational attainment in the world, with the average years of schooling at less than one year.²⁵ By the year 2000, the regional average had increased to more than five years, but that average is comparable to the least developed countries of Southeast Asia and sub-Saharan Africa.²⁶

Recent developments have made positive quantitative achievements with regard to literacy. In total, illiteracy rates among youth decreased from 45 percent in 1980 to 11 percent or below in all countries of the region with the exception of Egypt and Yemen.²⁷ These achievements are the result of government efforts in member states which include improved access to education and increases in the average number of years of schooling per person.²⁸ The increased number of schools, colleges and universities in all ESCWA member counties improved the level of literacy for a large segment of the population over the past 30 years.²⁹

Structure of Educational Systems in the Region

Primary education is a priority for the countries of this region, all of which have subscribed to the goal of Universal Primary Education by 2015 proclaimed at Dakar in 2000.³⁰ Primary education is generally one component of basic

²⁹ "Unemployment in the ESCWA Region" Survey of Economic and Social Developments in the ESCWA Region. New York and Geneva: United Nations. 2004, p. 7

²³ World Declaration on Education for All. The World Education Forum. Dakar, Senegal: United Nations. 2000.

²⁴ Ibid.

²⁵ "Unemployment in the ESCWA Region." Survey of Economic and Social Developments in the ESCWA Region. New York and Geneva: United Nations. 2004, p. 7

²⁶ Ibid.

²⁷ "Education, Illiteracy and Social Vulnerability: Economic and Social Dimensions." Survey of Economic and Social Developments in the ESCWA Region. New York and Geneva: United Nations. 2004, p. 90.

²⁸ Ibid.

³⁰ Arab States Regional Report. United Nations Educational, Scientific and Cultural Organization Institute for Statistics. New York and Geneva: United Nations. 2002.

http://www.uis.unesco.org/file_download.php?URL_ID=5371&filename=10535763001Etats_arabesEN%28single%29.pdf&filetype=application%2Fpdf&filesize=629920&name=Etats_arabesEN%28single%29.pdf&location=user-S/

school education, which in a great many countries corresponds to compulsory education. The official age of entry into primary education is six years old in all the countries in the region and the duration is from four to six years.³¹ Secondary education is composed of two cycles, and its duration varies from five to eight years.³² The first stage typically lasts three years, and the second stage also lasts three years. The educational content of the first stage of secondary education is designed to complete the basic education begun in primary school.³³ It requires more specialized teachers, each taking responsibility for a particular subject. It is at the end of this level that students can first make decisions in regard to general or technical studies. The second stage begins at the end of compulsory schooling or after approximately nine years of full-time education from the start of primary school.³⁴ Completion of this stage opens access to higher education or entry into the labor market with further general, technical or vocational training.³⁵ In almost all countries, students may follow a general, technical or a vocational program.³⁶

Vulnerability in the Region

Although reports indicate the considerable increases in literacy rates in the region, there has been a substantial decrease in the employability of the labor force. Education policies in the region are not meeting the demands of the labor market and are failing to produce employable graduates.³⁷ Employability is a key outcome of education and higher levels of training. It encompasses the skills, knowledge and competencies that enhance a worker's ability to secure and retain a job, cope with change and enter the labor market more easily at different periods of the employment cycle.³⁸ Low economic growth and sluggish employment creation combined with high population and labor force growth raised the overall ESCWA unemployment rate to 16 percent.³⁹ In addition, due to a high concentration of youth in the population, the youth (15-24 years old) unemployment rate stands at approximately 30 percent.⁴⁰ Moreover, regional averages mask significant variation in unemployment rates in different ESCWA economics (notably between oil producers and non-oil producers). National unemployment rates in the GCC (oil producer states) economies are about half the average of non-GCC (non-oil producer states) economies because initially, during the oil boom, the public sector absorbed many nationals in permanent employment positions.⁴¹ Job creation through the expansion of government employment may have enhanced welfare in the ESCWA region by acting as a semi-automatic stabilizer. Currently, the expansion of public employment is not sufficient enough to curb the high rate of new entrants into the labor market. This is currently the situation in Saudi Arabia, where unemployment rates amongst educated citizens are on the rise.⁴²

The unemployment rates of the more educated are high due to the fact that the quality and type of education are not matching the needs of the labor market.⁴³ The quality of education in the ESCWA region began to recede in the early 1980s.⁴⁴ This in turn led to a dilution of education over the number of educated and, consequently, a steady dilution in the human capital stock.⁴⁵ The vulnerability of the youth in the region remains unchanged. In Egypt, unemployment among those with an intermediate education or higher is at 18%, compared to 5% among the functionally literate.⁴⁶ The same is apparent among graduates of technical education, where the aim has been to enhance the skills required by the public sector regardless of the requirements of economic development.⁴⁷ The education policies in the region have had little emphasis on creativity and the technical application of theories,

- ³¹ Ibid.
- ³² Ibid.
- ³³ Ibid.
- ³⁴ Ibid.
- ³⁵ Ibid.
- ³⁶ Ibid.

³⁷ "Unemployment in the ESCWA Region." *Survey of Economic and Social Developments in the ESCWA Region*. New York and Geneva: United Nations. 2004, p. 7

³⁸ Ibid.

³⁹ Ibid.

⁴⁰ Ibid.

⁴¹ Ibid.

⁴² Ibid.

⁴³ "Education, Illiteracy and Social Vulnerability: Economic and Social Dimensions." Survey of Economic and Social Developments in the ESCWA Region. New York and Geneva: United Nations. 2004, p. 90.

⁴⁴ Ibid.

⁴⁵ Ibid.

⁴⁶ Ibid.

⁴⁷ Ibid.

which has had the following effects: 1) High unemployment and underemployment rates, particularly among graduates and new entrant to the labor market; 2) Lack of the skills necessary for employability in the global labor force; and 3) An overall decline in productivity.⁴⁸

The quality of education in the region is being compromised due to the fact that the institutions that govern the educational system are failing to maintain and improve the standards of teaching staff, the infrastructure for learning and curriculums.⁴⁹ Even the motivation and quality of teaching staff have deteriorated, in part because of inflation, falling wages and the lack of incentive to invest in training. Teachers are often ill-prepared, particularly in the field of primary education. In addition, quality is being affected by the deterioration of the physical infrastructure of establishments.⁵⁰ According to regional studies, regional educational systems lack innovative capacity-building structures and do not have access to new educational techniques.⁵¹ The educational systems also are heavily reliant on state funding and lack the ability to link education outputs to the needs of the labor market. This situation also has been manifested due to a lack of coherent education policies. Existing education systems in the region are not designed to impart higher-order cognitive skills, and non-traditional teaching methods are needed to ensure the instillation of skills at an early stage of the learning process.⁵² A reform in the instillation of skills is particularly needed because labor productivity has been declining, regardless of the increases in the average years of schooling per person over the past several decades have been higher than in any other region in the world, with the exception of South Asia.⁵³ There is also a general shortage of applied technology and multidisciplinary programs of study.⁵⁴ Moreover, there is a lack of coordination between universities, community colleges, technical education and training establishments and general education systems.

Past Initiatives: International and Regional

Over 155 nations gathered in Jomtien, Thailand, in March of 1990, at the Jomtien Conference. The Jomtien Conference set several goals to be reached by the end of the decade, including universalizing primary education and massively reducing illiteracy. The Conference produced the World Declaration on Education for All and the Framework for Action to Meet Basic Learning Needs. Some of the main issues that the conference addressed were: meeting basic learning needs – every person shall be able to benefit from educational opportunities designed to meet their basic learning needs; an expanded vision – universalizing access and promoting equity, focusing on learning, broadening the means and scope of basic education, enhancing the environment for learning; strengthening partnerships; developing supportive policies in the social, cultural and economic sector in order to realize the full provision and utilization of basic education for individual and societal improvement; mobilizing existing and new financial and human resources; and strengthening international solidarity in order to redress existing economic disparities. The Jomtien Conference has proved to be a foundation for addressing issues of education in future conferences.⁵⁵

The United Nations International Conference on Population and Development (ICPD) was held in September 1994 in Cairo, Egypt. During this two-week period, world leaders, high-ranking officials, representatives of non-governmental organizations and United Nations agencies gathered to discuss a program of action. The ESCWA region produced the Cairo Declaration (1994), which emphasized the role of education in achieving sustainable development.⁵⁶ The Declaration expressed its determination to frame educational programs that would bring the

⁴⁸ Ibid.

⁴⁹ Ibid., p. 91.

⁵⁰ Ibid.

⁵¹ "International Conference on Enhancing the Links between Education and Labor Markets in Arab Countries." Arab Planning Institute. <u>http://www.arab-api.org/myndx9.htm</u>

⁵² Ibid.

⁵³ Arab Human Development Report 2002: Creating Opportunities for Future Generations. United Nations Development Program and Arab Fund for Economic and Social Development. New York and Geneva: United Nation. 2002.

 ⁵⁴ World Declaration on Education for All. The World Education Forum. Dakar, Senegal: United Nations. 2000.
⁵⁵ Ibid.

⁵⁶ "The United Nations International Conference on Population and Development." The United Nations Population Fund. <u>http://www.unfpa.org/icpd/summary.htm</u>

region into a position of world prominence in the next century. The Conference concluded that two major areas were set as high priorities that required concerted action: the problem of illiteracy and the quality of education.⁵⁷

The Mid-Decade Meeting of the International Consultative Forum on Education for All was held in June of 1996 in Amman, Jordan. This Conference was held to assess what was achieved in the five years that followed the Jomtien Conference. The meeting discussed various new challenges and the continued challenges that needed to be addressed.⁵⁸ The Amman Affirmation recommended "stressing the forms of learning and critical thinking that enable individuals to understand changing environments, create new knowledge and shape their own destinies."⁵⁹ The Affirmation also called upon member states in the region to "assume the responsibility for accelerating progress towards EFA [Education for All], setting firm targets and timetables for achieving them."⁶⁰ The Conference placed emphasis on the role of international agencies and donors, requesting their participation as a partner especially in response to country priorities. The Conference also stressed that all member states should mobilize new resources as well as review efficiency issues with existing resources.⁶¹

The Arab Regional Conference on Education for All, held in Cairo, Egypt, in January 2000 was one of the six regional conferences of the World Education Forum: Education for All Conference. Each country in the region assessed its progress towards the goals of Jomtien and reported its finding at the conference.⁶² The regional conference built upon the Jomtien Declaration and the present needs of the Arab States and created the new objectives and targets for the years 2000-2010 in achieving the goal of education for all.⁶³ There were seven specific objectives laid out: 1) improved early childhood development, especially in the areas of cognitive, creative and psycho-social abilities; 2) extending basic education and improving on achieving high quality education, which includes requiring compulsory basic education; 3) creating more opportunities for basic education and training programs to acquire vocational skills for all youth and adults; 4) universalizing literacy and decreasing illiteracy rates amount adults; 5) improving the quality of education in all aspects including teachers' qualification, teaching and assessment methods and the learning environment; 6) full equality and effective participation in basic education; and 7) improving educational governance.⁶⁴

The World Education Forum: Education for All (EFA) was held in Dakar on April 26-28, 2002. The Conference adopted the Dakar Framework for Action, Education for All: Meeting our Collective Commitments, which reaffirmed the vision of the World Declaration on Education for All adopted at Jomtien in 1990.⁶⁵ The Dakar Framework is based "on the most extensive evaluation of education ever undertaken."⁶⁶ The Framework places a strong emphasis on the national level in achieving education for all and states that "no countries seriously committed to education for all will be thwarted in their achievement of this goal by a lack of resources."⁶⁷ Stress is also placed on agencies, inter-governmental organizations, non-governmental organizations, broad based civil society organizations and private sector to assisting with efforts to promote education in Member States.⁶⁸

The Impact of Globalization

⁵⁷ Ibid.

⁵⁸ "The Amman Affirmation: Mid-Decade Meeting of the International Consultative Forum on Education for All: Education for all: Achieving the Goal." The United Nations Educational, Scientific and Cultural Organization. <u>http://www.unesco.org/education/efa/ed_for_all/background/amman_affirmation.shtml</u>

⁵⁹ Ibid.

⁶⁰ Ibid.

⁶¹ Ibid.

⁶² "Education for All in the Arab States: Renewing the Commitment. The Arab Framework for Action to Ensure Basic Learning Needs in the Arab States in the Years 2000-2010." The United Nations Educational, Scientific and Cultural Organization. <u>http://www.unesco.org/education/efa/wef_2000/regional_frameworks/frame_arab_states.shtml</u>

⁶³ Ibid.

⁶⁴ Ibid.

⁶⁵ World Declaration on Education for All. The World Education Forum. Dakar, Senegal: United Nations. 2000.

⁶⁶ Ibid.

⁶⁷ *The Dakar Framework for Action, Education for All: Meeting our Collective Commitments.* The World Education Forum. Dakar, Senegal: United Nations. 2000.

⁶⁸ Ibid.

The vulnerability of educational systems outputs is expected to increase with globalization because participation in the global economy requires a new set of human skills.⁶⁹ Those who wish to benefit from the new economy must be well educated and capable of greater intellectual independence and must be able to continue to learn beyond the traditional boundaries. The demand for advanced skills is outpacing supply because recent technological advances are skills based, placing a premium on highly trained and skilled labor. This is alarming to ESCWA member states, "where the average level of schooling of the labor force is far lower than that of an 'uneducated' worker in the industrialized States."⁷⁰ Moreover, new entrants to the labor force that do not possess the necessary skills to find productive and well paid jobs have become a burden to society, only contributing to higher unemployment and poverty rates. There is an urgent need to make serious structural changes to the educational system in the region, placing a special emphasis on vocational training, in order to avoid the consequences of long-term youth unemployment and the increasing vulnerability of youth caused by integration into globalized labor and product markets.⁷¹

With each day, education and training will have a greater economic significance, and their roles will have to be reevaluated if the youth in the ESCWA region are to be properly equipped to enter the labor force. With the quality of education declining and the output of education not corresponding with the new requirements, vulnerability amount young graduates has increased. In addition, existing higher education curriculums have not been updated or amended in order to meet new skill requirements.⁷² In order to be successful, higher education institutions must prepare for the needs of the changing labor market. Currently, school graduates, who represent the majority of youth in the region (eighty-five percent of the population aged 18-21), are ill-equipped to join the labor force.⁷³ Consequently, the education system in the ESCWA region contributes to two major issues: the high rates of unemployment among school graduates and the shortage of the skilled manpower required for economic growth.⁷⁴

The most critical issues that must be addressed in order to upgrade the labor markets in the region include: a reconsideration of education, with an emphasis on labor market requirements; the promotion of vocational training; coordination between member states and the private sector, with the former assuming responsibility for regulation and the latter responsible for upgrading the quality of education; and improving training programs.⁷⁵ The competitiveness and rapid technological innovation of the global economy requires significant, rapid changes in labor training. In a globalized economy, sectoral growth is uneven, and sectors that are unable to increase productivity suffer the most. Member states that continue to ignore the relevance of quality education will become increasingly marginalized in the global economy, and therefore suffer from slow social progress.⁷⁶

Technical and Vocational Education

Technical and Vocational Education and Training (TVET) is recognized by the United Nations Educational, Scientific and Cultural Organization (UNESCO) as a priority area within UNESCO's range of program activities.⁷⁷ UNESCO has been active in vocational training for more than thirty years. UNESCO defined TVET as "a comprehensive term referring to those aspects of the educational process involving, in addition to general education, the study of technologies and related sciences, and the acquisition of practical skills, attitudes, understanding and knowledge relating to occupations in various sectors of economic and social life."⁷⁸ Overwhelming evidence has demonstrated that TVET can play an essential role in promoting economic growth and the socio-economic

⁶⁹ Survey of Economic and Social Developments in the ESCWA Region 2004 Summary. Economic and Social Commission for Western Asian. New York and Geneva: United Nations. 2004, p. 90.

http://www.escwa.org.lb/information/publications/edit/upload/ead-05-5-rev1.pdf

⁷⁰ Ibid.

⁷¹ Ibid.

⁷² Ibid, 95.

⁷³ Ibid, 95.

⁷⁴ Ibid, 95.

⁷⁵ Ibid.

⁷⁶ Ibid, 96.

⁷⁷ Studies in Technical and Vocational Education in the Arab States. United Nations Educational, Scientific and Cultural Organization International Centre for Technical and Vocational Education and Training. http://www.unevoc.unesco.org/publications/studies/Studies_AR-04e.pdf

http://www.unevoc.unesco.org/publications/studies/Studies-AR-04e.pdf

⁷⁸ Ibid.

development of countries, with benefits for individuals, their families, local communities and society in general. It has also helped achieve the goals of the World Education Forum: Education for All by providing programs of learning and life-skills for young people and adults worldwide. In 1987, the idea to launch a comprehensive project in technical and vocational education was first discussed at the First International Congress for the Development and Improvement of Technical and Vocational Education.⁷⁹ By 1989, the General Conference of UNESCO adopted the Convention on Technical and Vocational Education, which has been a standard-setting instrument for the development of TVET in Member States.⁸⁰ In 1999, with TVET's increasingly important role in educational Systems, UNESCO created the UNESCO-UNEVOC (International Project on Technical and Vocational Education) International Centre to promote the development of TVET. The UNESCO-UNEVOC International Center was inaugurated in April 2002 and assists member states to achieve high quality, relevant, lifelong and cost effective technical and vocational education for all. The Centre's main objective is to maximize learners' prospects in the labor market, and therefore works with policy-makers, education managers, teachers and learners of member states.⁸¹ Although the Centre's main objective is focused around TVET, its also is part of the worldwide effort to achieve Education for All, including the promotion of functional literary and effective education to the 1000 million out of school youth throughout the world.⁸²

The development of an effective TVET system has to be addressed through the heart of education reform efforts. Establishing an effective framework for vocational training within an educational system is essential to both access to and quality of TVET. Vocational training systems have many different facets. Some of the parameters that distinguish each system are that TVET can be the prime responsibility of Ministries of Education or Ministries of Labor, and theoretical and practical learning can be important components of vocational training centers and in the workplace. TVET can be part of secondary, post-secondary and higher education. It may involve initial training for beginners as well as further, career-long training for the workforce. Vocational training can also open the doors to post-secondary and higher education. It can also be part of a formal education system, but it is often learned informally in the workplace and through non-formal means. The UNESCO-UNEVOC International Centre and its networks help member states develop TVET systems that best suit their particular needs and requirements.⁸⁴

Although TVET has been proven to be an effective component in educational systems around the world, in many countries, and particularly in developing countries, individuals who would like to acquire competencies and skills are excluded from TVET. In December 2002, UNESCO organized a joint meeting of regional experts held in Beirut and a number of areas were identified for further work.⁸⁵ Women often find it difficult to enter TVET programs because they are either denied access or because they are not expected to enter certain male-dominated occupations.⁸⁶ Learners from low-income backgrounds are confronted with difficulties entering TVET programs because training providers may demand tuition fees.⁸⁷ In rural areas, there are generally restricted training opportunities available since the best vocational schools are located in capital or major cities. Further, people beyond a certain age may find it difficult to gain access to TVET since it is catered to the younger population, and in many cases, living costs during training periods are not available. Additionally, in many countries, stereotypes are

- 82 Ibid.
- ⁸³ "Some Key Issues Addressed by the Centre: Developing TVET Systems." United Nations Educational, Scientific and Cultural Organization International Centre for Technical and Vocational Education and Training. http://portal.unesco.org/education/en/ev.php-URL ID=24046&URL DO=DO TOPIC&URL SECTION=201.html
- ⁸⁴ Ibid.
- ⁸⁵ "Establishment of the UNESCO-UNEVOC International Centre." United Nations Educational, Scientific and Cultural Organization International Centre for Technical and Vocational Education and Training. <u>http://portal.unesco.org/education/en/ev.php-URL ID=9909&URL DO=DO TOPIC&URL SECTION=201.html</u>
- ⁸⁶ "Some Key Issues Addressed by the Centre: Developing TVET Systems." United Nations Educational, Scientific and Cultural Organization International Centre for Technical and Vocational Education and Training.
- http://portal.unesco.org/education/en/ev.php-URL_ID=24046&URL_DO=DO_TOPIC&URL_SECTION=201.html ⁸⁷ "Some Key Issues Addressed by the Centre: Improving Access to TVET." United Nations Educational, Scientific and Cultural Organization International Centre for Technical and Vocational Education and Training. http://portal.unesco.org/education/en/ev.php-URL_ID=24049&URL_DO=DO_TOPIC&URL_SECTION=201.html

⁷⁹ Ibid.

⁸⁰ Ibid.

⁸¹ "Establishment of the UNESCO-UNEVOC International Centre." United Nations Educational, Scientific and Cultural Organization International Centre for Technical and Vocational Education and Training. <u>http://portal.unesco.org/education/en/ev.php-URL_ID=9909&URL_DO=DO_TOPIC&URL_SECTION=201.html</u>

predominant that make TVET undesirable for individuals to acquire vocational qualifications.⁸⁸ Stereotypes among TVET programs can originate from lack of quality and the fact that TVET does not necessarily prepare individuals for the world of work since the curriculum does not mesh well with the requirements of the workplace.⁸⁹

In 2004, UNESCO organized the International Experts Meeting on Learning for Work, Citizenship and Sustainability, held in Bonn, Germany, in order to review and follow-up on progress with TVET reform. During this Meeting, the UNESCO Regional Office for Education in the Arab States developed an initiative, "Promoting Regional Cooperation in Technical and Vocational Education and Training in the Arab States."⁹⁰ The initiative was first launched in 2002 at a workshop held in Beirut, Lebanon, where professionals and experts in the region interested in TVET submitted project ideas, working paper s and reports on how to achieve regional cooperation in selected areas of TVET based on nationals and regional needs.⁹¹ More than 40 TVET experts and 15 Arab States contributed to the preparation of the workshop by submitting discussion papers.⁹² Some of the main issues that the initiative addressed were: to activate regional cooperation among Member States and UNEVOC partner institutions in the area of TVET development; to identify priority areas in TVET development and cooperation for the Arab States; and to prepare project documents on joint TVET projects required for the mobilization of funding.⁹³ An Experts Meeting was held in August 2005 in Amman, Jordan, that will take into account the considerable amount of progress achieved in many countries in the region and will focus on program development for 2006-2007.⁹⁴

Conclusion

The Economic and Social Commission of Western Asia (ESCWA) is responsible for promoting economic and social development through regional and sub regional cooperation and integration.⁹⁵ Currently, social policies in the ESCWA Member States are characterized by a lack of integration and coordination which leads to inefficient use of human resources, the exacerbation of poverty and rising unemployment rates. There is a dire need to adopt an integrated approach to social policy, taking into the consideration the impact of globalization and highlighting the need to plan social policy objectives bearing in mind the economic and social constraints with the contemporary challenges of globalization. It is paramount to understand the needs of all actors, including, but not limited to, governmental and non-governmental organizations and the involvement of the different sectors in building a comprehensive, integrated social vision establishment. In addition, the establishment of coordination mechanisms between actors at all levels of the process is critical to the development of social policies.⁹⁶

Although progress has been made in improving literacy rates in the region, the quality of education in the region is declining because educational systems are failing to maintain and improve the standards of teaching and curriculums. The decline in the quality of education will result in fewer students who are prepared for labor market demands. The decrease in employability will only continue to worsen with globalization.

The ESCWA region is in dire need of revamping educational systems and focusing on preparing students to enter the labor market. The demands of the labor market are ever changing with the impact of globalization. Thus, the curriculums at educational institutions need to be continuously updated to meet the needs of the market. Technical and Vocational Training has become an increasingly important aspect in educational systems around the globe. A well executed TVE T system can prove to be beneficial to the ESCWA region in producing employees for the labor market.

Committee Directive

⁸⁸ Ibid.

⁸⁹ Ibid.

⁹⁰ "Education " United Nations Educational, Scientific and Cultural Organization. <u>http://portal.unesco.org/en/ev.php-</u> URL ID=5559&URL DO=DO TOPIC&URL SECTION=201.html

⁹¹ Ibid.

⁹² Ibid. 93 Ibid.

⁹⁴ Ibid.

^{95 &}quot;About ESCWA: What We Do." Economic and Social Commission for Western Asia. http://www.escwa.org.lb/about/main.htm

⁹⁶ "Social Development Division: Social Policies." Economic and Social Commission for Western Asia. http://www.escwa.org.lb/divisions/sdd/more/social.html

The most critical issues that must be addressed in order to upgrade the labor markets in the region include: a reconsideration of education, with an emphasis on labor market requirements; the promotion of vocational training; coordination between member states and the private sector, with the former assuming responsibility for regulation and the latter responsible for upgrading the quality of education and improving training programs.

Research your country's educational system, especially higher education. Are higher educational institutions available to those in rural areas, and are they cost efficient? A good education begins early; what type of programs does your country offer students at the secondary level? What is your country's unemployment rate, especially among the more educated population? This is a good indicator as to where your country stands in preparing students for the labor force. What strides and commitments has your country made with regards to the World Education Forum: Education for All? What types of policies have been adopted to improve the quality of education in your country? What types of institutions have they cooperated with to improve educational systems? Have these policies been effective? Does your country have a TVET system in place, and if so, how effective has it been in preparing students to enter the labor force?

II: Developing the Iraqi Task Force

History

The birthplace of civilization lies within Iraq's ancient rivers, the Tigris and the Euphrates. Ancient Mesopotamia, where modern day Iraq now lies, is known to be the first civilization where written word and law were conceived and implemented.⁹⁷ While the world's population may only remember an Iraq overshadowed by the personality and actions of Saddam Hussein, it is truly a place rich in both history and potential for a successful future.

Modern Iraq's history begins during the reign of the Ottoman Empire. After the rule of the Ottoman Turks, which ruled from 1281 to 1923, the British Empire took control, creating the British League of Nations Trust Territory of Iraq.⁹⁸ Iraq remained under British control until 1932 when it was granted Independence by the League of Nations.⁹⁹ After independence, the Hashemite monarchy maintained power until 1958 when it was overthrown by a leftist government in what became known as the July 14th Revolution.¹⁰⁰ During this time, a young Saddam Hussein became politically involved with the opposition to the new government. In 1959, Hussein made a failed attempt to assassinate Prime Minister, which led to him fleeing to Syria and then Egypt.¹⁰¹ Saddam returned to Iraq in 1963 when his political party, the Ba'ath party, overthrew the government.¹⁰² After several political intrigues and grabs for power, Saddam Hussein took control over the country, succeeding his uncle in 1979.¹⁰³

After his rise to power, Saddam Hussein began to solidify his influence and power through control and intimidation of the citizens of Iraq. He began to increase military spending rapidly. Hussein entered into a war with neighbor Iran from 1980-1988.¹⁰⁴ With military and battlefield intelligence provided by the United States, Iraq was at an obvious advantage over Iran. Hussein's military expansion did not end with the war. He continued to acquire new technologies and strategies. This military increase not only threatened his neighbors, but due to investments in nuclear, chemical and biological weapons, Hussein caught the attention of the western world The United States, once a friend to Hussein during the Iran-Iraq war, started to disassociate with Iraq.¹⁰⁵

The Gulf War

 ⁹⁷ "Iraq: Ancient Mesopotamia." Library of Congress Country Studies. May 1988. <u>http://lcweb2.loc.gov/frd/cs/iqtoc.html</u>
⁹⁸ "The 20th Century." University of Southern California. <u>http://www.usc.edu/dept/MSA/history/chronology/century20.html</u>
⁹⁹ Ibid

¹⁰⁰ Richard Becker. "Counter Revolution and Resistance in Iraq." <u>www.iacenter.org/iraq_resist4.htm</u>

¹⁰¹ Stephen M. Shalom. "The United States and the Iran-Iraq War." Z Magazine. February 1990.

¹⁰² Ibid.

¹⁰³ Ibid.

¹⁰⁴ Ibid.

¹⁰⁵ Raymond W. Duncan, et al.. World Politics in the 21st Century. New York: Addison Wesley Longman, Inc. 2002, pp. 394-395.

After enlarging the military during the war with Iran, Iraq had accrued a \$70 billion debt.¹⁰⁶ In a possible response to this large debt, Hussein invaded Kuwait, one of Iraq's wealthiest neighbors. Hussein was all too aware of the large amount of assets that were housed within the country's treasury.¹⁰⁷ It is believed that Hussein knew that by invading Kuwait he would relieve Iraq of its money problems and gain access to Kuwait's rich oil fields.¹⁰⁸ Another possible reason for the war was that Kuwait was regularly producing more than its of the Petroleum Exporting Countries (OPEC) mandated quota and lowering the price of crude oil, Iraq's leading export.¹⁰⁹

After the disaster and disappointment of the Vietnam War, Hussein was confident that the United States would not want to enter into another war. What Hussein did not realize was the huge stake the United States had in the events that took place once Hussein made formal plans to invade Kuwait. If he was successful in taking over Kuwait, Hussein would control over 40 percent of the world's oil, controlling the largest amount of oil reserves in the world, making it possible to dictate the price and supply of oil.¹¹⁰

Iraq's invasion began with a take-over of Kuwait City in August 1990, but by January 1991 the United States and fellow allies had launched Operation Desert Storm, and within in two months Iraqi troops were driven out of Kuwait. The swift recovery of Kuwait and dismantling of Hussein's plan was considered a great success for the United States, but their desire to remove Hussein from power proved to be futile.¹¹¹ The United Nations ordered Iraq completely out of Kuwait, but Hussein refused to comply. Hussein fought to stay inside Kuwait, and through Security *Resolutions 660, 661,* and *662,* the United Nations worked to remove him. In 1990, these United Nations resolution created a series of sanctions on Iraq, as well as established no-fly zones in an attempt to control Iraq's military.¹¹² These sanctions, which only allowed food and medical supplies to be imported to Iraq, continued throughout the 1990's and led to increased tension between the United Nations and Iraq. In 2003, US President George W. Bush made the decision to invade Iraq with the support of the United Kingdom. The successful invasion of Iraq resulted in the elimination of Hussein's government and the capture of Saddam Hussein. Next, the United States and international authorities began the long process of reconstructing Iraq. Insurgent attacks continue to take a toll on not only American and other international forces, but also on the Iraqi people. More importantly, while reconstruction efforts have begun, basic needs and infrastructure have not fully recovered, even more than 2 years after the invasion of Iraq.

A New Iraq

The Office for Reconstruction and Humanitarian Assistance (ORHA) was established by the government of the United States to head up and assist in the administration of Iraq until the creation of a stable democratic government.¹¹³ It was the ORHA that initially took control over Iraq after the fall of Hussein, until a more permanent post could be created. In January of 2003 retired United States Army Lieutenant General Jay Garner was appointed as the Director of ORHA.¹¹⁴

The ORHA was responsible for communication about Iraq to the United Nations.¹¹⁵ Since it was created as a temporary agency, the United States needed a more permanent bureau. The Coalition Provisional Authority (CPA) was created as a transition government for the people of Iraq.¹¹⁶ The CPA was endowed with full and complete

¹⁰⁶ Ibid.

¹⁰⁷ W.J. Rayment. "Factors that Lead to the Iraqi Invasion of Kuwait." In-depth Info. 1999 – 2005. <u>http://www.indepthinfo.com/iraq/iraq.shtml</u>

¹⁰⁸ Raymond W. Duncan et al.. World Politics in the 21st Century. New York: Addison Wesley Longman, Inc. 2002, pp. 394-395.

¹⁰⁹ Ibid.

¹¹⁰ Ibid.

¹¹¹ W.J.Rayment. "The Gulf War." In-depth Info. 1999 – 2005. <u>http://www.indepthinfo.com/iraq/</u>

¹¹² National Security Directive 54. "Responding to Iraqi Aggression in the Gulf." Washington. January 15, 1991.

¹¹³ "The Office of Reconstruction Assistance." Center for Media & Democracy. May 2005.

http://www.sourcewatch.org/index.php?title=Office_of_Reconstruction_and_Humanitarian_Assistance

¹¹⁵ Ibid.

¹¹⁶ "An Historic Review of CPA Accomplishments." The Coalition Provisional Authority. <u>http://www.cpa-iraq.org/pressreleases/20040628 historic review cpa.doc</u>

power over the Iraqi government from April 21, 2003, until June 28, 2004.¹¹⁷ Once the CPA had been created, Garner then became the first chief executive of the CPA. This only lasted from April 21, 2003, to May 11, 2003, when Garner was replaced by L. Paul Bremer.¹¹⁸ The CPA was created and funded as a division of the U.S. Department of Defense, and as Administrator, Bremer reported directly to the U.S. Secretary of Defense, Donald Rumsfeld.¹¹⁹ The U.S. Central Command (USCENTCOM), which controls the US force which is approximately 90 percent of the occupying force in Iraq,¹²⁰ is the primary military apparatus charged with providing direct combat support to the CPA to enforce its authority throughout the occupation of Iraq.¹²¹

The CPA was charged with assisting the interim government to build four foundational pillars for sovereignty. These four pillars where: security, essential services, economy and governance.¹²² The CPA helped to construct the means to assume responsibility for external and internal security, including its own defense and police forces, and in establishing relationships with regional states and international community.¹²³ In regards to governance, the CPA worked with Iraqis to ensure the early restoration of full sovereignty to the Iraqi people. The July 13, 2003, establishment of a Governing Council (GC), and the June 1, 2004, establishment of the Interim Iraqi government was major steps toward that goal.¹²⁴

The establishment of effective representative government, ultimately sustained by democratic elections, has required the rapid development of new frameworks and capacities.¹²⁵ In order to do so, several aspects must be created or sustained, including: a constitution, respect for the rule of law and human rights, effective and fair justice systems, open and transparent political institutions and processes, creation of a vibrant civil society and measures to improve the effectiveness of elected officials, including local government systems.¹²⁶ Also important in the reconstruction of Iraq that the CPA helped to initiate, which is ongoing, is the return of essential services. These services include: ensure food security, improve water and sanitation infrastructure, maintain a high level of oil production, improve health care quality and access, rehabilitate transportation and communication infrastructure, and improve education and housing access and quality.¹²⁷ Finally, the CPA was charged with returning Iraq to a market based economy by strengthening the commercial banking sector and re-establishing the Stock Exchange and securities market, developing transparent budgeting and accounting arrangements, drafting company, labor and intellectual property laws and streamlining existing commercial codes and regulations, promoting existing private business and establishing the structure of the oil industry.¹²⁸

The Iraqi Governing Council membership consisted largely of Iraqi expatriates who had previously fled the country during the rule of Saddam Hussein who had been persecuted by the former regime. Still subordinate to the CPA, the GC retained several key responsibilities of its own. Among its duties, the IGC appointed representatives to the United Nations, appointed interim ministers to Iraq's vacant cabinet positions, and drafted a temporary constitution known as the Transitional Administrative Law (TAL), which would be used to govern Iraq until a permanent constitution could be written and approved by the general electorate.¹²⁹

¹¹⁷ "The Office of Reconstruction Assistance." Center for Media & Democracy. May 2005.

http://www.sourcewatch.org/index.php?title=Office of Reconstruction and Humanitarian Assistance ¹¹⁸ Ibid.

¹¹⁹ Ibid.

¹²⁰ Stephen J. Glain. "US Role in Iraq could cost \$60b more." The Boston Globe. August 22, 2003. http://www.boston.com/news/nation/articles/2003/08/22/us role in iraq could cost 60b more/

¹²¹ "The Office of Reconstruction Assistance." Center for Media & Democracy. May 2005. http://www.sourcewatch.org/index.php?title=Office of Reconstruction and Humanitarian Assistance

¹²² "An Historic Review of CPA Accomplishments." The Coalition Provisional Authority. <u>http://www.cpa-</u> iraq.org/pressreleases/20040628 historic review cpa.doc

¹²³ Ibid.

¹²⁴ Ibid.

¹²⁵ Ibid.

¹²⁶ Ibid.

¹²⁷ Ibid.

¹²⁸ Ibid.

¹²⁹ "The Office of Reconstruction Assistance." Center for Media & Democracy. May 2005. http://www.sourcewatch.org/index.php?title=Office of Reconstruction and Humanitarian Assistance

On June 30, 2004, all governmental authority was transferred to a fully sovereign Iraqi Interim Government. The CPA passed over control of the region and of Iraq's domestic affairs.¹³⁰ The Iraqi Interim Government (IIG) has continued to receive aid from the United States and the United Kingdom through a bi-lateral relationship, with security issues being the predominant reason for aid.¹³¹ The Transitional Administrative Law (TAL) was signed on March 8, 2004, by the Interim Governing Council (GC) of Iraq to be the Supreme Law of Iraq during the transitional period.¹³² The TAL sets guidelines for the establishment of a democratic and sovereign Iraq. The TAL was created with an expiration date in mind and was used as a temporary government. It will completely disintegrate once a government is elected and takes office under a permanent constitution, which will happen no later than December 31, 2005.¹³³ Iraq's new government faces many issues that other Western Asian countries are dealing with, including the role that women should play in the political realm and increased educational programs to encourage literacy and technological capabilities.¹³⁴

The Iraqi Task Force

In order to help ensure support for facing the many issues that Iraq's new government must deal with, the United Nations charged that the Economic and Social Commission of Western Asia be one of the leading actors within reconstruction. Based on ESCWA's in-house expertise in social and economic development in Iraq and the region, ESCWA is involved in the implementation of development projects in Iraq as part of its work to serve and contribute to Iraq's reconstruction.¹³⁵ The creation of the ESCWA Iraqi Task Force (ITF) under the direction of the UNDP is one important step in providing assistance to Iraq. "The Iraq Task Force was set up to engage in forming project ideas and processing them with the view of obtaining necessary funds and resources for their implementation."¹³⁶

The ITF was established in 2003, before the beginning of the war in Iraq. Its purpose was to provide communication to and about the situation in Iraq.¹³⁷ The ITF, under the ESCWA reports to the United Nations. Mahdy El-Hafez was commissioned as liaison, whose goals included defining the critical needs for Iraq and its peoples.¹³⁸ Following those, another objective of the ITF is to devise a plan of action to aid in the development and sustainable economic growth in Iraq.¹³⁹

A variety of training courses have been planned and implemented in order to bring a more cohesive and integrated reconstruction effort to the country. The training that began for task force members in September of 2004 facilitated debate and increased exposure of the ITF. Recently, the training has helped to retrieve lost data and statistics from the past two years.¹⁴⁰ Beyond the initial meeting there has been one subsequent training sessions to develop the administrative side of the ITF, focusing on regional cooperation. In February of 2005, the Ministry of Planning began the task of training 15 senior members in management skills in order to create more effective outcomes of the interim government.¹⁴¹ Since then, there have been follow-up training at a two-week conference aimed at increasing management skills as well as leadership qualities and a variety of time management skills.¹⁴² What is not known is the effectiveness of the ITF training thus far and how future developments and strategies will help in the rebuilding of Iraq.

Reconstruction Efforts

¹⁴¹ Ibid.

¹³⁰ "Iraqi Interim Government: Announcement Ceremony Press Packet." Coalition Provisional Authority.

¹³¹ Ibid.

¹³² Ibid.

¹³³ Ibid.

¹³⁴ Ibid.

 ¹³⁵ "Iraqi Reconstruction." *ESCWA: Iraqi Task Force*. 2004. <u>http://www.escwa.org.lb/information/iraq/index.asp</u>
¹³⁶ Ibid.

¹³⁷ Abdel-Nabi, Hedayat. "Seeing the Whole." Al-Ahram Weekly. June 23-29, 2003. http://weekly.ahram.org.eg/2005/748/sc12.htm

¹³⁸ Ibid

¹³⁹ Ibid.

¹⁴⁰ "Iraqi Reconstruction." *ESCWA: Iraqi Task Force.* 2004. <u>http://www.escwa.org.lb/information/iraq/index.asp</u>

¹⁴² Ibid.

The United Nations reconstruction efforts have adopted a strategic, holistic approach incorporating results-based management principles in its programming, covering security, planning, operations, support, management and oversight.¹⁴³ A detailed planning process has led to a framework for a strategic plan. The ITF came to a consensus that the work should be focused into clusters, beginning with increased standards of education and a movement towards embracing the culture of Iraq.¹⁴⁴ However, the overarching issue affecting all areas of reconstruction is the political framework for Iraq. The ITF has the unique opportunity to not only address the short-term issues of reconstruction but also to look at longer-term issues of sustainable development. However, the development challenge for Iraq is multi-dimensional. There needs to be a strong integrated framework between political, judicial, administrative, social and economic reforms.145

In July of 2003, a workshop on Iraq and the Region after the War: Issues of Economic and Social Reconstruction, took place between United Nations representatives form Canada, Egypt, Iraq, Germany, the United Kingdom and the United States of America.¹⁴⁶ The workshops objective was to deliberate on alternative courses of action to be taken by governments, individuals in the region and NGOs in facing the challenges of economic, social, cultural and humanitarian reconstruction and development efforts.¹⁴⁷ The workshop was an attempt by the ESCWA's ITF to generate a concerted effort to tackle the current situation on the ground and to examine feasible alternatives that could improve the conditions in Iraq as well as to address prospects for the future role that the commission to play.148

The workshop concluded that "Iraqi rehabilitation and development" must have total Iraqi ownership.¹⁴⁹ Rehabilitation and reconstruction of Iraq should be initiated, formulated, implanted and managed by a legitimate and internationally recognized entity, independent of the "occupying power."¹⁵⁰ Participants agreed that no serious economic reform or reconstruction could succeed in the absence of an internationally recognized Iraqi Government.¹⁵¹ The Workshop also concluded that efforts will fail if the basic issues of the physical and psychological rights of the Iraqi citizens are not addressed.¹⁵² Those rights should be placed at the very core of a democratic State of Iraq. ESCWA has identified the main economic and reconstruction issues in Iraq. Three years of war and more than a decade of full economic embargo have impoverished the Iraqi people.¹⁵³ Despite its vast oil reserves, Iraq is now among the poorest Arab countries.¹⁵⁴ Further, although the private sector never fully disappeared, the economy was largely centralized in the Public sector, playing a lead role in managing and controlling the economy through artificial price fixing and State subsidies.¹⁵⁵

The ITF has further recognized the four main tasks that lie before it and its obstacles. First, it is absolutely necessary to create a comprehensive plan of action to reduce poverty in order to create foundations for sustainable development.¹⁵⁶ Secondly, the ITF believes that it is necessary to transition Iraq's economy to a market economy from a centrally controlled one.¹⁵⁷ Reconstructing infrastructure in transportation, communication, education and health and sanitation services is the third critical task. The final task is rebuilding a monetary and financial system and avoiding the accumulation of debt that might impose crippling debt servicing payments.¹⁵⁸ The main obstacles

¹⁴³ A Strategy for Assistance to Iraq. International Reconstruction Fund for Iraq. 2004. Available at:

https://www422.ssldomain.com/unirag/documents/UN%20Strategic%20Plan%20for%20Irag.doc

¹⁴⁴ Ibid.

¹⁴⁵ Ibid.

¹⁴⁶ "Conclusions and Recommendations." Workshop on Iraq and the Region After the War: Issues of Economic and Social Reconstruction. Beirut, Lebanon: United Nations. 2003.

http://www.escwa.org.lb/information/irag/docs/ConclRec%2Epdf

¹⁴⁷ Ibid.

¹⁴⁸ Ibid.

¹⁴⁹ Ibid.

¹⁵⁰ Ibid.

¹⁵¹ Ibid. ¹⁵² Ibid.

¹⁵³ Identifying the main Economic and Reconstruction issues in Iraq. Economic and Social Commission for Western Asia. http://www.escwa.org.lb/information/irag/docs/identEcRecIssIg%2Epdf

¹⁵⁴ Ibid.

¹⁵⁵ Ibid.

¹⁵⁶ Ibid.

¹⁵⁷ Ibid.

¹⁵⁸ Ibid.

barring these goals include: the existence of a strong internationally recognized Iraqi government, the current insurgency and security threats facing both Iraqi citizens and international actors, the simple number of international actors within Iraq (including UN agencies, the European Union (EU), the World Bank, the International Monetary Fund (IMF), US Aid, and Arab regional agencies) and the high dependence of the Iraqi economy on oil.¹⁵⁹

Conclusion

The UN's mandate for involvement in Iraq, including that of ESCWA, is to strengthen the UN's role in Iraq, including providing humanitarian relief, promoting the economic reconstruction of and conditions for sustainable development of Iraq and advancing efforts to restore and establish national and local institutions for representative government.¹⁶⁰ However, while these reconstruction efforts of the various international actors, including ESCWA's ITF, are important, it is vitally essential to choose the appropriate development strategy by defining the perspective on how the society and economy will be articulated. As one development official put it,

It is a flawed proposition to think of Iraqi economy or society as a set of mechanisms or a collection of mechanical gears... a more appropriate perspective would look at the economy and society more as an organism than a mechanism. Killing the old organism required the creation of a new organism with coherent and integrated systems and one that is capable of survival in the environment, values and endowments of Iraq.¹⁶¹

The UN's overarching objective in all of its Iraqi activities will always be to help the people of Iraq.

Committee Directive

In this topic, delegates will be asked to analyze the effectiveness of ESCWA's Iraqi Task Force's efforts to reconstruct and stabilize the country of Iraq. It will be necessary for delegates to focus their efforts in the following areas: security, governance, basic needs and the economy. Within each of these categories, there are many sub-topics that were discussed within the body of the background guide. How has ESCWA supported the Iraqi people in "ownership" of solutions to these problems? Where have there been failures? Where has there been success? How has each of your countries provided support and expertise in each of the areas? Are there possibilities for further collaboration between Iraq and other countries of the ESCWA region? Solutions should focus on answering these questions and providing innovative answers where opportunities for development exist.

III. Liberalization of Trade in the Middle East Region

History

International trade is not a modern invention; people have been exchanging goods and services for thousands of years. Before the widespread acceptance of currency, people exchanged goods and some services through bartering. With the emergence of money, the exchange of goods and services became more efficient; yet, transactions were generally confined to distances that could be reasonably traveled using the primitive transportation systems of the time. With increasing developments in transportation, the geographical scope of trade expanded as well. As trade expanded, it grew into a more complex process. A wide variety of market actors emerged to play a supportive role in commercial transactions often termed as "middleman." These wholesalers facilitate transactions that would be too complex, geographically distant, time-consuming or large in size for individuals to conduct face-to-face in an efficient manner.¹⁶²

The Economics of International Trade

159 Ibid.

¹⁶⁰ S/RES/1511. The situation between Iraq and Kuwait. The United Nations Security Council. 2003.

¹⁶¹ Atif Kubursi. *Rebuilding Iraq: Strategies of Development Under Crises Conditions*. Economic and Social Commission for Western Asia. Beirut, Labanon: United Nations. 2003.

http://www.escwa.org.lb/information/iraq/docs/RebuildIraq%2Epdf

¹⁶² "Primer I: The Economics of International Trade." Globalization101: Center for Strategic and International Studies. 2002. <u>http://www.globalization101.org/issue/trade/2.asp</u>

National economies export products because individuals and firms have been able to produce more of certain goods and services than can be consumed at home. This prompted a search for foreign opportunities to sell the excess products. National economies also export products because they have been able to sell goods or services to other countries at prices higher than the prices they can obtain at home. For many developing countries, exports also serve the purpose of earning foreign currency with which they can buy essential imports.¹⁶³ Nations import products and services from other countries for various reasons which differ from country to country. These reasons include importing goods or services that are either essential to economic well-being or that consumer's desire or are simply not naturally available or cannot be produced at home; and goods or services that satisfy domestic needs or wants can be produced more inexpensively or efficiently by other countries, and therefore sold at lower prices.¹⁶⁴ Additionally, the factor of comparative advantage plays a role.

The trade balance for each country is the difference in amount between that nation's exports and imports of goods and services in a given year.¹⁶⁵ When a country's total annual exports exceeds its total annual imports, it is said to have a trade surplus. Conversely, when imports exceed exports, a country has a trade deficit. Trade deficits are often interpreted as a sign of a nation's economic weakness by reflecting an excessive reliance on products made by others, and to result from deficiencies in the home country's economic output.¹⁶⁶

Governments often try to manipulate trade in a wide variety of ways in order to achieve a wide array of economic, political and diplomatic objectives. Government regulations of trade have had a significant impact on global trade flows, economic growth and prosperity. The main ways in which governments tend to regulate or deregulate trade is by restricting imports or by encouraging exports.¹⁶⁷

Restrictions on imports generally take two forms: tariffs and quantitative restrictions. Tariffs are taxes that are imposed upon imported goods upon their entry into a country. Tariffs are usually calculated as a percentage of the value of a given imported product.¹⁶⁸ Tariffs vary widely from country to country and from product to product. Quantitative restrictions seek to limit access to imports by making them scarce, which according to the laws of supply and demand, makes them more expensive.¹⁶⁹ Most countries apply quotas to the import of certain goods and services. Governments restrict imports for four basic reasons. The first is that tariffs provide a significant source of government revenue.¹⁷⁰ Additionally, most countries in the world maintain tariffs on at least a handful of products for which domestic producers are thought to be vulnerable to foreign competition; this "tariff protection" is typically imposed early in an industry's life.¹⁷¹ Tariffs are often imposed to protect domestic health and safety if a particular product is believed to be harmful to the public.¹⁷² Political reasons are the final consideration; tariffs can be used to punish or influence the behavior of another country.¹⁷³ Once imposed, tariff protection is very difficult to remove, because the enterprises and workers who benefit from it work very hard to keep it in place. Governments also regulate trade by providing various kinds of support for export producers. Export subsidies come in a variety of forms, but they have in common a transfer of government funds to domestic firms, enabling them to offer their products or services to other countries at lower prices.¹⁷⁴

¹⁶³ "Why do Nations Export." Globalization 101: Center for Strategic and International Studies. 2002. <u>http://www.globalization101.org/issue/trade/4.asp</u>

¹⁶⁴ "Why do Nations Import." Globalization 101: Center for Strategic and International Studies. 2002. <u>http://www.globalization101.org/issue/trade/6.asp</u>

¹⁶⁵ "Glossary-Balance of Trade." Globalization 101: Center for Strategic and International Studies. 2002. http://www.globalization101.org/issue/trade/glossary.asp

¹⁶⁶ Ibid.

¹⁶⁷ "Government Regulation of Trade." Globalization 101: Center for Strategic and International Studies. 2002. <u>http://www.globalization101.org/issue/trade/11.asp</u>

¹⁶⁸ "Import Restrictions." Globalization 101: Center for Strategic and International Studies. 2002. <u>http://www.globalization101.org/issue/trade/12.asp</u>

¹⁶⁹ Ibid.

¹⁷⁰ Ibid.

¹⁷¹ Ibid. ¹⁷² Ibid.

¹⁷³ Ibid.

¹⁷⁴ Ibid.

The Origins of Trade Liberalization

In the late 1920's, economies around the world struggled and failed, which caused widespread unemployment and slashed economic production. The United States, like many other countries, saw its revenues declining and domestic production increasingly endangered by cheap foreign imports. In response, the United States Congress passed the Smoot-Hawley Tariff Act, which raised tariffs on imports by nearly sixty percent.¹⁷⁵ The Act was passed as a means of both raising revenues and curbing imports. In response to the Act, sixty other countries retaliated against the United States by raising their own tariff barriers.¹⁷⁶ Nations also began to devalue the exchange rate of their currencies, to make their exports cheaper to their trade partners.¹⁷⁷

These mutual increases in tariffs and competitive devaluation are referred to as "beggar-thy-neighbor" policies.¹⁷⁸ As described earlier in this guide, the gains from trade are, on balance, beneficial to both parties. Unlike most economic policies, which seek to promote mutual gains, however, these kinds of measures tend to only make matters worse for all concerned. As a result of these devaluations and newly erected tariff barriers, the volume of world trade dropped dramatically and served to deepen and lengthen the Great Depression. Indeed, the disaster created by Smoot-Hawley Tariff Act was so quickly and clearly evident that it led to a strong reversal by way of the Reciprocal Trade Agreement Act of 1934 which gave the American Executive Branch authority to negotiate tariff cuts on a bilateral basis with other countries.¹⁷⁹

International Monetary and Trade Institutions

In July 1944, representatives of the United States, Great Britain, France, Russia and forty other countries met at Bretton Woods, New Hampshire, to lay the foundation for the post-war international financial order. The United Nations Monetary and Financial Conference, as the Bretton Woods conference was officially called, created the International Monetary Fund (IMF) and the World Bank to prevent economic crisis and to rebuild the economies shattered by the war.¹⁸⁰ The Bretton Woods strategy addressed what were considered to be the two main causes of the pre-war economic downturn and obstacles to future global prosperity: the lack of stable financial markets around the world that had led to the war and the destruction caused by the war itself.¹⁸¹ The IMF would be created to stabilize global financial markets and national currencies by providing the resources to establish secure monetary policy and exchange rate regimes, while the World Bank would rebuild Europe by facilitating investment in reconstruction and development. Although intended to benefit the global economy, the World Bank and IMF have been controversial. Some have viewed them as imposing Western-style capitalism on developing countries without regard to the social effects.¹⁸²

The IMF is controlled by its 184 member-countries, each of whom appoints a representative to the IMF's Board of Governors.¹⁸³ The Board of Governors meets once a year to discuss and achieve consensus on major issues. In all of its operations, voting power is weighted based on the size of the economy and therefore the quota allocation of each country.¹⁸⁴ Decisions are usually taken by consensus, but the United States, as the IMF's major shareholder, has the most influence in the institution's policy making. The Bretton Woods Conference set out six goals for the IMF in its Articles of Agreement: to promote international monetary cooperation through a permanent institution; to facilitate the expansion and balanced growth of international trade, and to contribute thereby to the promotion and maintenance of high levels of employment and real income and to the development of the productive resources of all members as the primary objective of economic policy; to promote exchange stability, to maintain order exchange

¹⁷⁵ "Liberalization: The 'Deregulation' of International Trade." Globalization 101: Center for Strategic and International Studies. 2002. <u>http://www.globalization101.org/issue/trade/16.asp</u>

¹⁷⁶ Ibid.

¹⁷⁷ Ibid.

¹⁷⁸ Ibid.

¹⁷⁹ Ibid.

¹⁸⁰ "Introduction: The IMF and World Bank." Globalization 101: Center for Strategic and International Studies. 2002. <u>http://www.globalization101.org/issue/imfworldbank/</u>

¹⁸¹ Ibid.

¹⁸² Ibid.

¹⁸³ "The International Monetary Fund." Globalization 101: Center for Strategic and International Studies. 2002. <u>http://www.globalization101.org/issue/imfworldbank/3.asp</u>

¹⁸⁴ Ibid.

arrangements among members and to avoid competitive exchange depreciation; to assist in the establishment of a multilateral system of payments; to give confidence to members by making the general resources to the IMF temporarily available to them under adequate safeguards; and to shorten the duration and lessen the degree of disequilibrium in the international balances of payments of members.¹⁸⁵

The World Trade Organization (WTO) was created in 1995 as a successor to General Agreement on Tariffs and Trade (GATT) and is one of the youngest international organizations.¹⁸⁶ The WTO has helped to create a strong trading system, which has contributed to unprecedented growth. The organization's main objective is to help trade flow smoothly, freely, fairly and predictably through several different measures. It helps administer trade agreements by acting as a forum for trade agreements, which it also assists in settling trade disputes. The organization also reviews national trade policies and assists developing countries in trade policy issues, through technical assistance and training programs. With one-hundred and fifty members, the WTO accounts for over ninety-seven percent of world trade. Decisions are typically reached by consensus by the entire membership. The organization's top level decision making body is the Ministerial Conference, which meets at least once every two years. Below this is the General Council which meets several times a year to discuss the progress of the WTO.

Impact of Trade Liberalization

Integration into the world economy has been proven to help countries promote economic growth, development and poverty reduction. Over the past twenty years, world trade has grown annually at a 6 percent rate.¹⁸⁷ Since 1947, when the GATT was created, the world trading system has benefited from eight rounds of multilateral trade liberalization, as well as from unilateral and regional liberalization.¹⁸⁸ This resulting integration of the world economy has raised living standards around the globe, and most developing countries have shared in this success. Developing countries have therefore become more important in world trade as they now account for one-third of world trade.¹⁸⁹ Trade between developing countries has grown rapidly, with 40% of their exports now going to other developing countries.¹⁹⁰

During the past two decades, nearly every country that participated in GATT and the World Trade Organization has also joined with neighboring countries in some form of regional trade arrangement.¹⁹¹ These trade arrangements differ in structure and in the issues they negotiate, but they have a common objective: to increase trade and prosperity through the mutual reduction of barriers to the exports of neighboring countries. It may be more effective for small groups of countries in the same region to agree on ways to reduce trade barriers than it is for almost 200 countries across the globe to do so in a broad multilateral trade agreement. A key premise of the regional trade arrangements is that neighboring countries, which sometimes share cultural and language ties, can expand trade more rapidly than can countries separated by great distances.¹⁹²

Trade liberalization does not necessarily mean free trade. Liberalization refers to a series of measures to reduce barriers on trade.¹⁹³ More importantly, liberalization is part of a broader strategy to improve an economy's performance through enhanced international competitiveness.¹⁹⁴ Policies that make an economy open to trade and investment with the rest of the world are needed for sustained economic growth. "No country in recent decades has achieved economic success, in terms of substantial increase in living standards for its people, without being open to the rest of the world."¹⁹⁵ Countries that have opened their economies in recent years, including India, Vietnam and

¹⁸⁶ "The Multilateral Trading System-Past, Present and Future." The World Trade Organization. <u>http://www.wto.org/english/thewto_e/whatis_e/inbrief_e/inbr01_e.htm</u>

¹⁸⁵ Ibid.

¹⁸⁷ "International Trade and the World Economy." Global Trade Liberalization and the Developing Countries. The International Monetary Fund. 2001. <u>http://www.imf.org/external/np/exr/ib/2001/110801.htm</u>

¹⁸⁸ Ibid.

¹⁸⁹ Ibid.

¹⁹⁰ Ibid.

¹⁹¹ Ibid.

¹⁹² "Regional Trade Liberalization" Center for Strategic and International Studies. 2002.

¹⁹³ The Benefits of Trade Liberalization." Global Trade Liberalization and the Developing Countries. The International Monetary Fund. 2001. <u>http://www.imf.org/external/np/ext/ib/2001/110801.htm</u>

¹⁹⁴ Ibid.

¹⁹⁵ Ibid.

Uganda, have experienced faster growth and more poverty reduction.¹⁹⁶ On average, developing countries that lowered tariffs sharply in the 1980s grew more rapidly in the 1990s than those that did not.¹⁹⁷ The main benefits of trade liberalization are that it leads to lower costs and more efficient resource allocations. Freer markets offer more choices to consumers and producers alike. Investment, local and foreign, is given an added stimulus, bringing with it technology and management job opportunities. These new job opportunities boost income growth, assist in alleviating unemployment, and contribute to the achievement of general human development objectives.¹⁹⁸

Liberalization has its negative impact as well. Since liberalization involves actively participating in global opportunities in a continuously changing international economy, liberalization threatens the segments of economy that benefit from the status quo. First, the public sector enterprises have traditionally benefited from a wide-range of protective measures including subsidies, guaranteed funding, weak competition and captive consumers.¹⁹⁹ More competition (the essence of trade liberalization) would not be welcome with public sector enterprises. The second group that is threatened by trade liberalization is powerful rent seeking entities and power brokers with close connections to the political establishment.²⁰⁰ These groups have built enterprises on maintaining a commanding market position and therefore stand to lose much profitability if exposed to liberalization's competitive measures. Senior bureaucrats also feel that liberalization will erode their power, derived from the authority to allocate resources and issue permits.²⁰¹ Among the adverse consequences of liberalization are the economic and social cost of substantial layoffs in the public sector and the high level of cost required for adapting to more open markets. However, as shown by experience of many countries, there are ways of alleviating these painful but temporary transition costs through safety net and similar arrangements.

Trade Liberalization in the ESCWA Region

The Arab region has lagged behind in development relative to most other regions, especially for the past two decades. Arab trade grew at 1.5 percent in the 1990s, as compared with six percent globally.²⁰² There were no significant expansions in trade through linkages of the region's industry and agriculture to regional and global markets and thus far, export trade remains dominated by oil, despite serious efforts at diversification.²⁰³ The total gross value of merchandise exports of the ESCWA member states in 2003 was estimated at \$228 billion, of which eighty-eight percent was from oil-producing states.²⁰⁴ Estimates reveal that crude oil, gas and related products comprised of 71.6% of the total exports of oil-producing states, compared with 68.1% in 2002.²⁰⁵ This strong dependence of oil adds to the problems of market access for non-oil value-added products. With prices of imports rising faster than export prices between 1980 and 2000, the region as a whole experienced a deteriorating rate in terms of trade.²⁰⁶

In 2003, institutional and policy reforms promoting trade and frameworks for policy action were increasingly biand/or multi-lateral.²⁰⁷ The United States proposed a free trade initiative for the Middle East region and established the US-Middle East Free Trade Area.²⁰⁸ This initiative would purse other measures that will enable Middle Eastern economies to "build intra-regional trade, closer links with the United States, and integration with the global

¹⁹⁶ Ibid.

¹⁹⁷ Ibid.

¹⁹⁸ "Regional Trade Liberalization" Center for Strategic and International Studies. 2002.

¹⁹⁹ Ibid.

²⁰⁰ Ibid.

²⁰¹ Ibid.

²⁰² Talaat Abdel-Malek, "On Trade Liberalization, Competitiveness and the Need for Sustainable Growth" *Newsletter of the Economic Research Forum for the Arab Countries, Iran and Turkey.* Vol 1.2. Summer 2002.

²⁰³ "Trade, Foreign Direct Investment and Economic Integration." Survey of Economic and Social Developments in the ESCWA Region. Economic and Social Commission for Western Asia. New York and Geneva: United Nations. 2004.

²⁰⁴ Ibid.

²⁰⁵ Ibid.

²⁰⁶ Ibid.

²⁰⁷ Ibid.

²⁰⁸ Ibid.

economy through trade arrangements tailored to their circumstances and progress with reforms.²⁰⁹ The U.S. proposed its commitment to providing the critical, financial, technical, and capacity building aid to help countries in the Middle East take full advantage of increased trade opportunities.²¹⁰ The initiative provided a model for the countries of the Middle East to launch Free Trade Agreements (FTA) with the United States.²¹¹ In order to launch FTA negotiations with the United States, a country must be a WTO member and have signed a bilateral investment treated and investment framework agreement (TIFA). Only Bahrain and Egypt were eligible to launch FTA negotiations at the time of the proposal.²¹²

With the South and East Mediterranean and the Middle East being an area of vital strategic importance to the European Union (EU), Europe also established an initiative known as the Euro-Mediterranean Partnership (Euro-Med).²¹³ The Partnership was launched in 1995 at the Barcelona Conference to promote a free trade area and FTA negotiations.²¹⁴ Bilateral and multi-lateral agreements are the two main tracks of the global Euro-Med Partnership. The EU currently has bilateral agreements with Egypt, Jordan, Lebanon, Palestinian Authority and Syria and hopes to promote an area of dialogue, cooperation and exchange.²¹⁵

Intraregional trade in the region plays a small role in the trade flows of the region. The share of intraregional trade in terms of the region's total exports in 2003 was 7.7%, compared with 8.2% in 2002.²¹⁶ Again, the contribution of market share by exports was dominated by oil-producer states at 71.5 percent.²¹⁷ Of the ESCWA Member States, Jordan is the most dependent on intraregional markets for exports, with 37.2% of its exports destined for such markets in 2003.²¹⁸

Conclusion

Uneven trade integration in the regional and global economy persists in the ESCWA region. Issues with market access have not been alleviated and no significant expansion in trade linking the region's industry and agriculture to regional or global markets has occurred thus far. Trade has remained concentrated in a narrow group of commodities and in particular, dependence on oil has diverted the region's attention at diversifying its market. It is important to increase competitiveness and diversify exports before approaching trade liberalization. In order for the region to benefit from trade liberalization, member states have to complement the liberalization process with institutional reform and appropriate industrial policy. Trade liberalization will only be effective if competitive domestic industries are in place. In order to turn trade into development, ESCWA member states will need to require substantial improvements in market access, reductions of export and domestic subsides and the elimination of tariffs and other barriers to exports.

Committee Directive

This topic is very in depth and will require an extensive amount of research. As a delegate, you should begin with researching your country's general trade policies – what are the main exports? What are the main imports? Is there a past of trade surpluses or trade deficits? Which countries do you trade with? What percentage of your trade is

²¹¹ "Trade, Foreign Direct Investment and Economic Integration." Survey of Economic and Social Developments in the ESCWA Region. Economic and Social Commission for Western Asia. New York and Geneva: United Nations. 2004.

²¹² Ibid.

²⁰⁹ "Middle East Free Trade Initiative." United States Department of State. <u>http://usinfo.state.gov/mena/Archive/2005/Jun/28-286131.html</u>

²¹⁰ Ibid.

²¹³ "The EU's Mediterranean & Middle East Policy" The European Union. 2005.

http://europa.eu.int/comm/external_relations/med_mideast/intro/

²¹⁴ Ibid.

²¹⁵ Ibid.

 ²¹⁶ "Trade, Foreign Direct Investment and Economic Integration." Survey of Economic and Social Developments in the ESCWA Region. Economic and Social Commission for Western Asia. New York and Geneva: United Nations. 2004.

²¹⁷ Ibid.

²¹⁸ Ibid.

intraregional? What products do you have tariffs on? Is your country an oil-producing state? If so, has your country attempted to diversity its exports? What steps have been taken? Is your country a member of the WTO? Does your country have bi- and/or multilateral trade agreements with any other countries? After you have a thorough analysis of your country's trade policies and figures then you can address whether your country is ready for trade liberalization and go further into the topic. Are tariffs becoming an obstacle for you to export more products and create more trade agreements with other states? It is important to realize your country's reasoning behind tariffs? Are they political or are they a source of revenue? Would it be more beneficial to lower tariffs in order to create more opportunities for trade agreements with other countries? Is your country capable of competing within world markets? A government's goal is to have balanced trade but statistics show that the ESCWA region has failed at exporting more products and services than importing them. Is there a possibility of increasing exports without bi- and/or multilateral agreements?