



The Southern Regional Model United Nations—SRMUN XVII



Dear Delegates,

I would like to welcome you to Southern Regional National Model United Nations Conference (SRMUN) XVII and the United Nations Conference on Trade and Development (UNCTAD). My name is Arezoo Jamshidi, and it is a great honor for me to serve as the Director for UNCTAD. This marks my third year as a SRMUN staff member. However, I have seven years of MUN experience, which includes four years as a delegate. Currently, I am working at a law firm specialized in employment, labor and immigration law and will be enrolled in law school for fall 2007.

UNCTAD was established to promote the development-friendly integration of developing countries into the world economy. The Conference serves as a central forum for discussing issues in regard to incorporating the developing world in the global economy, and for making policy recommendations to Member States and the United Nations system. Throughout its history, UNCTAD has taken the lead role in discussing and pursuing action on many critical issues facing the developing countries in regard to trade. This year's theme for the conference is *Achieving the United Nations Millennium Development Goals: a Global Partnership*, which we have hoped to address in our background guides. With this idea in mind, Kristin McGee, your Assistant Director and I have chosen topics that we feel are both current and vitally important.

UNCTAD will discuss the following topics at SRMUN XVII:

- I. Commodity Diversification and its Impact on Trade
- II. Trade and Gender
- III. Information and Communications Technologies as an Enabler for Growth, Development and Competitiveness

The background guide will provide you with a foundation for your research but it no means is the only information available for each topic. Thorough preparation of each topic is expected from every delegate in order to ensure the success of our committee. Also, each delegation is required to submit a position paper on each of the committee topics. It should be no longer than two pages in length (single spaced) and demonstrate your country's position, policies and recommendations on the three topics. You can find further information regarding position papers and their format specifications on the SRMUN website at www.srmun.org. **A copy should be sent to Sarah Donnelly, Deputy- Director General (ddg@srmun.org) no later than 11:59 PM EST on October 30th.**

We wish you all the best as you prepare for the 2006 SRMUN Conference. Should you have further questions or concerns, do not hesitate to contact Sarah or me. I look forward to meeting all of you in November.

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History of United Nations Conference on Trade and Development

The United Nations Conference on Trade and Development (UNCTAD) was established in 1964 and promotes the development-friendly integration of developing countries into the world economy. UNCTAD has progressively evolved into an authoritative knowledge-based institution. The organization aims to help shape current policy debates and thinking on development, with a particular focus on ensuring that domestic policies and international action are mutually supportive in bringing about sustainable development. UNCTAD has 3 main functions: it is a forum for intergovernmental deliberations, supported by discussions with experts and exchanges of experience aimed at consensus building; it undertakes research, policy analysis and data collection for the debates of government representatives and experts and it provides technical assistance to developing countries and least developed countries and of economies in transition.¹

The creation of UNCTAD in early 1960s was during a period of time when concerns were growing regarding the place of developing countries in international trade. Many countries finally called for a conference specifically devoted to tackling the issues and identifying appropriate international actions to incorporate the developing world into the global economy. The first United Nations Conference on Trade and Development was held in Geneva in 1964. After Member States realized the magnitude of the issues at hand, the conference was institutionalized to meet every four years, with intergovernmental bodies meeting between sessions and a permanent secretariat providing the necessary substantive and logistical support. During the same year, the developing countries formed the Group of 77 to voice their concerns regarding international trade.²

By the 1970s, UNCTAD was responsible for launching several international agreements. One of its first was the Generalized System of Preferences (1968), where developed countries granted improved market access to exports from developing countries. The Convention on a Code of Conduct for Liner Conferences strengthened the ability of developing countries to maintain national merchant fleets. And its number of International Commodities Agreements aimed at stabilizing the prices of export products critical to developing countries. Moreover, UCTAD was a key contributor to the definition of the target of 0.7 percent of gross domestic product (GNP) to be given as official development aid by developed countries to the least developed countries. As early as 1971, UNCTAD was responsible for identifying the Group of Least Developed Countries (LDCs). This act not only drew special attention to the particular needs of these countries but also allowed UNCTAD to become the focal point within the UN System for addressing LDC-related economic development issues.³

In the 1980s, UNCTAD faced a changing economic and political environment that became more market-oriented - focusing on trade liberalization and the privatization of state enterprises. A number of developing countries fell into severe debt crisis. Despite the help of the World Bank and the International Monetary Fund, most countries were not able to recover quickly and many experienced negative growth and high rates of inflation. In light of these developments, UNCTAD increased efforts aimed at broadening the scope of its activities to assist developing countries in their efforts to integrate into the global market. In response, UNCTAD played a key role in the negotiations for the General Agreement on Trade in Services (GATS), and organized the first UN Conference on Least Developed Countries in 1981.⁴

UNCTAD has made key developments since the 1990s by further focusing on analytical research on the linkages between trade, investment, technology and enterprise development. It has also put forward a “positive agenda” for developing nations in international trade negotiations, designed to assist developing countries form policies with regard to multilateral trade negotiations.

The main activities of UNCTAD can be divided into five main categories: Trade and commodities; Investment technology and enterprise development; Macroeconomic policies, debt and development financing; Transport,

¹ “About UNCTAD.” United Nations Conference on Trade on Development.

<http://www.unctad.org/Templates/Page.asp?intItemID=1530&lang=1>

² “A Brief History of UNCTAD.” United Nations Conference on Trade on Development.

<http://www.unctad.org/Templates/Page.asp?intItemID=3358&lang=1>

³ Ibid.

⁴ Ibid.

customs and information technology; and Special Program for Least Developed, Landlocked Developing and Small Island Developing countries. With respect to trade and commodities, UNCTAD promotes the diversification of production and trade structures, and assists Member States to formulate and implement diversification policies. It also emphasizes on competition and consumer policies by providing analysis and capacity building in competition and consumer protection laws and policies in developing countries. UNCTAD also assists Member States in all aspects of trade negotiations and has a comprehensive computer based information system on trade control measures.⁵

In regard to investment, technology and enterprise development, UNCTAD has supported developing countries participate more actively in international investment through capacity building seminars and regional symposiums. It also provides investment policy reviews and guides, which are intended to familiarize governments and the private sector with the investment environment and policies of a given country. The Conference also services the United Nations Commission on Science and Technology for Development and carries out case studies on best practices in transfer of technology.⁶

In the category of Macroeconomic policies, debt and development financing, UNCTAD administers policy analysis and research on issues concerning global economic interdependence, the international monetary and financial system, and macroeconomic and development policy challenges. A computer-based debt management and financial analysis system (Debt Management-DMFAS Program) has also assisted countries manage their external debt.⁷

UNCTAD's emphasis on transport, customs and information technology has created many effective programs. The Automated System for Customs Data, which is an integrated customs system that speeds up customs clearance procedures and helps governments to reform and modernize their customs procedures and management, has been installed in over eight countries. The E-Tourism Initiative, which links sustainable tourism and information communication technologies (ICTs) for development, has helped developing countries' destinations to become more autonomous by taking charge of their own tourism promotion by using ICT tools.⁸

UNCTAD continuously strives to support least developed, landlocked and small island developing countries. Through their designated Special Program, UNCTAD identifies the specific needs of these particularly vulnerable countries and tailors technical assistance to these needs. The Conference coordinates assistance to LDCs in their negotiations for accession to the World Trade Organization (WTO), and in building greater capacity for future trade negotiations, along with capacity-building activities on trade and investment issues.⁹

As the central organization for trade and development, UNCTAD interacts and cooperates with a variety of other organizations within and outside the United Nations system. UNCTAD and the World Trade Organization have been joining forces to ensure that the multilateral trading system is efficiently functioning. The Conference also cooperates with United Nations Development Programme (UNDP) on a project-to-project basis in relation to research projects, joint workshops and seminars or technical assistance.¹⁰

The highest decision-making body of UNCTAD is the quadrennial conference, at which, Member States make assessments of current trade and development issues, discuss policy options and formulate global policy responses. The conference also sets the organization's mandate and work priorities. Its most recent quadrennial conference was held on 2004 in São Paulo, Brazil and emphasized on addressing the imbalances of globalization and the need to overcome the supply constraints of developing countries.¹¹

⁵ "Overview of the Main Activities." United Nations Conference on Trade on Development.
<http://www.unctad.org/Templates/Page.asp?intItemID=3359&lang=1>

⁶ Ibid.

⁷ Ibid.

⁸ Ibid.

⁹ Ibid.

¹⁰ "Relationship With Other Agencies." United Nations Conference on Trade on Development.
<http://www.unctad.org/Templates/Page.asp?intItemID=3357&lang=1>

¹¹ "UNCTAD Conferences." United Nations Conference on Trade on Development.
<http://www.unctad.org/Templates/Page.asp?intItemID=3361&lang=1>

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I. Diversification of Commodity and the Impact on Development

Introduction

Trade is a means to growth and development. Trade and development policies are important instruments in national development plans and poverty reduction strategies to achieve growth, economic transformation and production, diversification, export value-added goods, employment expansion, poverty eradication, gender equity and sustainable development. Coherence and consistency among trade and other economic policies being pursued at the national, bilateral, regional and multilateral levels are important for maximizing the contributions of such policies for development.

Many developing countries remain almost wholly dependent on commodity production and exports. However, statistics clearly show that the exchange of commodities in total world trade has declined from about 1/3 to about 1/4 over the past two decades.¹² Developing countries have been constrained and unable to exert any control over the conditions in which their commodities are sold. This has hindered their progress to move up into the value-added parts of international trade. Unable to reap the full benefits of trade, this vicious cycle for developing countries is a huge obstacle in sustaining development.

UNCTAD's approach to commodity issues is firmly rooted in the role of the commodity sector in the development process and poverty reduction. The aim is to turn the commodity sector into an engine of growth and development. Making use of opportunities that present themselves and to create new opportunities is a significant element in tackling commodities issues in the economic global community.

The Economics of International Trade

One reason why nations export products is because individuals and firms produce more of certain goods and services than can be consumed at home. This prompts a search for foreign opportunities to sell the excess of products. Nations 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.¹³ Another reason for exports is the principle of comparative advantage. Nations import products and services from other countries for various reasons. These reasons include importing goods or services that are essential to economic well-being, meeting the consumer's desires that cannot be met within the local market, selling goods at lower prices because the goods or services can be produced more inexpensively or efficiently by other countries or due to the principle of comparative advantage.¹⁴

The trade balance for each country is the difference in the amount between that nation's exports and imports of goods and services in a given year.¹⁵ A trade surplus occurs when a country's total annual exports exceeds its total annual imports. 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, due to deficiencies in the home country's economic output. Terms-of-trade is different from the trade balance because it shows the ratio of the price of an export commodity to the price of an import commodity instead of a total of all exports to imports.¹⁶

¹² "Agenda Item 4: Market Access, Market Entry and Competitiveness." Trade and Development Board: Commission on Trade in Goods and Services, and Commodities. Tenth Session: February 6-10, 2006.
http://www.unctad.org/en/docs/c1d74_en.pdf

¹³ "Why do Nations Export." Center for Strategic and International Studies. 2002

¹⁴ Ibid.

¹⁵ "The Trade Balance." Center for Strategic and International Studies. 2002

¹⁶ Ibid.

Governments often try to manipulate trade 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.¹⁷

Restrictions on imports generally take two forms: tariffs and quantitative restrictions.¹⁸ 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.¹⁹ 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.²⁰ Most countries apply quotas to the import of certain goods and services. Governments restrict imports for four basic reasons: tariffs provide a significant source of government revenue; they protect domestic producers/products that are thought to be vulnerable to foreign competition; to protect domestic health and safety if a particular product is believed to be harmful to the public; and for political reasons – to punish or influence the behavior of another country.²¹ This form of “tariff protection” is typically imposed early in an industry’s life. 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.²² Governments also regulate trade by providing various kinds of support for export producers. Export subsidies come in a variety of forms, but they share a common characteristic of transferring government funds to domestic firms - enabling them to offer their products or services to other countries at lower prices.²³

History

In the late 1920’s economies around the world struggled and failed, causing widespread unemployment and slashing 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 60 percent.²⁴ The Act was passed as a means of both raising revenues and curbing imports. In response to the Act, 60 other countries retaliated against the United States by raising their own tariff barriers.²⁵ Nations also began to devalue the exchange rate of their currencies, to make their exports cheaper to their trade partners.²⁶

These mutual increases in tariffs and competitive devaluation are referred to as “beggar-thy-neighbor” policies.²⁷ Unlike most economic policies, which seek to promote mutual gains, 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. The disaster created by Smoot-Hawley Tariff Act quickly led to a strong reversal of trade policies through 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.²⁸

In July 1944, representatives of the United States, Great Britain, France, Russia and 40 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 held at Bretton Woods created the International Monetary Fund (IMF) and the World Bank to prevent economic crisis and to rebuild the economies shattered by the war.²⁹ The Bretton

¹⁷ “Government Regulation of Trade.” Center for Strategic and International Studies. 2002

¹⁸ “Import Restrictions.” Center for Strategic and International Studies. 2002

¹⁹ Ibid.

²⁰ Ibid.

²¹ Ibid.

²² Ibid.

²³ Ibid.

²⁴ “Liberalization: The ‘Deregulation’ of International Trade.” Center for Strategic and International Studies. 2002.

²⁵ Ibid.

²⁶ Ibid.

²⁷ Ibid.

²⁸ Ibid.

²⁹ “Introduction: The IMF and World Bank.” Center for Strategic and International Studies. 2002

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.³⁰ The IMF would be aimed at stabilizing global financial markets and national currencies by providing the resources to establish secure monetary policy and exchange rate regimes. The World Bank would rebuild Europe by facilitating investment in reconstruction and development.

The IMF is controlled by 184 member-countries, each of whom appoints a representative to the IMF's Board of Governors.³¹ The Board of Governors meets once a year to discuss and achieve consensus on major economic 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.³² 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 6 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 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.³³ Although intended to benefit the global economy, the World Bank and IMF have received criticism for promoting Western-style capitalism to developing countries without regard to the social effects.³⁴

In the early 1960s, there was a growing concern about the place of developing countries in international trade. This led many of these countries to call for the convening of a full-fledged conference specifically devoted to tackling these problems and identifying appropriate international actions. Since its creation in 1964, UNCTAD has dealt with commodity issues, and it has long been regarded as a leader in the field.³⁵ UNCTAD has launched numerous agreements and initiatives throughout the past forty-odd years to help address the concerns regarding commodity issues in international trade.

The Generalized System of Preferences (GSP) was launched in 1968, whereby developed economies granted improved market access to exports from developing countries and provided a foundation for the economic global community. The idea of granting developing countries preferential tariff rates in the markets of industrialized countries was originally presented by Raul Prebisch, the first Secretary-General of UNCTAD, at the first UNCTAD conference in 1964.³⁶ Under GSP schemes of preference-giving countries, selected products originating in developing countries are granted reduced or zero tariff rates over the Most Favored Nation (MFN) rates. The Least Developed Countries (LDCs) receive special and preferential treatment for a wider coverage of products and deeper tariff cuts.

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.³⁷ The WTO has helped to create a strong global trading system, contributing 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 them, also assisting 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 150 members, the WTO accounts for over 97 percent of world trade.³⁸ Decisions are

³⁰ Ibid.

³¹ "The International Monetary Fund." Center for Strategic and International Studies. 2002

³² Ibid.

³³ Ibid.

³⁴ "Introduction: The IMF and World Bank." Center for Strategic and International Studies. 2002

³⁵ "A Brief History of UNCTAD." United Nations Conference on Trade and Development. 2002.
<http://www.unctad.org/TEMPLATES/Page.asp?intItemID=3358&lang=1>

³⁶ Ibid.

³⁷ "The Multilateral Trading System-Past, Present and Future." The World Trade Organization.
http://www.wto.org/english/thewto_e/whatis_e/inbrief_e/inbr01_e.htm

³⁸ Ibid.

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.³⁹ Below this is the General Council which meets several times a year to discuss the progress of the WTO.

Current Situation

The commodity sector remains the major source of employment, budget revenue for governments and a major generator of export revenue for developing countries.⁴⁰ Over 50 developing countries depend on the exports of 3 or fewer commodities for more than half of their export earnings.⁴¹ While a number of developing countries, in particular the larger ones, have managed to diversify their exports away from commodities, this has not been the case in most the Least Developed Countries (LDCs). The decline and instability of the world commodity process and resulting terms-of-trade losses have reduced economic growth in many developing countries, particularly LDCs.⁴² The prices at which commodities are exported fluctuate, often without any responsibility of the country concerned. The fluctuations in commodity prices create severe financial strain on those developing countries that finance their debt through the revenues received from commodity exports.⁴³

The terms-of-trade losses have been considerable for non-fuel commodity exporters. The 2005 average is about 30 percent lower than the 1975-85 average.⁴⁴ Higher oil prices also mean higher transport costs. The cost of freight alone has increased by 130 percent from 2002 to 2003, and again by 72 percent from 2003 to 2004. These increasing transport costs become very detrimental for small island developing States and for landlocked and transit developing countries. Currently, many developing countries are in no position to service their debt due to a combination of low export prices and high oil imports. The continuation of losses in terms of trade for developing countries only further hinders their build for competitive and productive supply capacity. Even for LDCs who have had relatively good market access for their products and continue to be dependent on commodity exports have not managed to retain their market shares.⁴⁵ These countries are losing market share even in traditional commodities, mainly due to underdeveloped physical and economic infrastructures, a lack of technical and institutional capacity and inability to compete in modern markets.⁴⁶

The decline in commodity prices over the past few decades could be partly attributed to productivity increases realized for certain commodities. The question whether "the producers are worse off now than they were decades ago due to a surplus in products" is debatable.⁴⁷ Many producers who have not been able to increase their productivity and yield and have not been able to diversify their commodity exports can attribute their decrease in income to an excess of supplies. It becomes evident through the negative trend of terms-of-trade that many commodity producers have not succeeded in retaining the gains of productivity improvements. It is also imperative to recognize "that productivity increases could vary considerably with the same sector, with large modern operations often improving productivity at a faster rate than small producers."⁴⁸

Many small producers have inherent disadvantages and vulnerabilities in doing business and meeting market exigencies. Without the ability to provide products at competitive prices and meet quality and quantity requirements, the possibilities for small farmers to do business with large distributors and tap opportunities offered

³⁹ Ibid.

⁴⁰ "Item 3: Commodities and Development." Trade and Development Board: Commission on Trade in Goods and Services, and Commodities, Tenth Session. Geneva February 6-10, 2006. http://www.unctad.org/en/docs/c1d74_en.pdf

⁴¹ "Assuring Development Gains from the International Trading System and Trade Negotiations." UNCTAD: Sao Paulo Consensus. Eleventh Session, June 13-18, 2004. http://www.unctad.org/en/docs/td412_en.pdf

⁴² "Item 3: Commodities and Development." Trade and Development Board: Commission on Trade in Goods and Services, and Commodities, Tenth Session. Geneva February 6-10, 2006. http://www.unctad.org/en/docs/c1d74_en.pdf

⁴³ "Report of the Meeting of Eminent Persons on Commodity Issues." UNCTAD Trade and Development Board. Fifteenth Session. October 6-17, 2003. http://www.unctad.org/en/docs/tb50d11_en.pdf

⁴⁴ Ibid.

⁴⁵ "Item 3: Commodities and Development." Trade and Development Board: Commission on Trade in Goods and Services, and Commodities, Tenth Session. Geneva February 6-10, 2006. http://www.unctad.org/en/docs/c1d74_en.pdf

⁴⁶ Ibid.

⁴⁷ "Report of the Meeting of Eminent Persons on Commodity Issues." UNCTAD Trade and Development Board. Fifteenth Session. October 6-17, 2003. http://www.unctad.org/en/docs/tb50d11_en.pdf

⁴⁸ Ibid.

by growing markets remain very limited. An important part of developing supply capacity and enhancing producers' bargaining strength remains the building of commodity trade supporting institutions. A commodity exchange is "a market in which multiple buyers and sellers trade commodity-linked contracts on the basis of rules and procedures determined by the exchange."⁴⁹ Commodity exchanges can develop into effective risk mitigation tools for disadvantaged commodity producers. For the developing world, a commodity exchange may act in a broader range of ways to stimulate trade in the commodity sector. For example, the two largest commodity exchanges that have been created in India have reached a turnover level of more than US\$2 billion a day.⁵⁰

Subsidies in developed countries remain a major problem for the developing world. For example, of the 100 or more countries, which grow cotton, 80 of them are developing nations and 28 are LDCs.⁵¹ In Western and Central Africa alone, it is estimated that 10 million people depend directly on the cotton sector for their income.⁵² Export subsidies on agricultural production and exports in developed countries have contributed significantly to output increase and price declines for products and affected negatively the shares of developing countries in the markets for these products. Phasing out such forms of support would eliminate major detrimental effects on developing countries' income and growth prospects and considerably enhance export opportunities for developing countries.⁵³

Reliable, timely, comprehensive and user-friendly information and analysis regarding commodity price variations, quality and export opportunities are essential for producers in developing countries. Improving the stream of information is a critical aspect of enhancing the ability of producers to benefit from market opportunities and receive a fair price for their products. With the growing use of the internet, many small farmers and producers are unable to determine what information is relevant and accurate regarding the commodity market. On the other hand, multinational firms and developed countries have no trouble finding reliable information in this regard. Commodity producers and farmers are also looking for user-friendly operational systems to "increase efficiency, expand their markets and improve their negotiating power."⁵⁴

Actions Taken by the UN and other International Organizations

As the problems associated with the commodity sector have regained prominence on the international agenda, UNCTAD's work has been instrumental in setting the discussion within a realistic and operational framework and in promoting new and innovative approaches to the issue. UNCTAD reports have been the sources of substantive material relating to commodity issues in the UN General Assembly, ECOSOC, African Union, the South Summit and the WTO.

At UNCTAD's 11th ministerial meeting in June 2004, Member States acknowledged the urgency of the global commodity crisis.⁵⁵ These States established an International Task Force on Commodities for a period of 4 years to meet under the auspices of UNCTAD.⁵⁶ The objective of the Task force is to facilitate sustainable development by improving the commodity sectors in developing countries. The Task Force was commissioned to meet every 2 years to address commodity issues, set an agenda for research, improve partnerships and greater cooperation and outline new policy strategies.⁵⁷

UNCTAD has made a major contribution to improve commodity information systems through both the InfoShare and InfoComm projects. InfoShare is a flexible database system for gathering and sharing information on commodity prices regarding farm export and import prices. It can also include data on intermediate costs such as transportation and storage, as well as information on national quality standards. However, Infoshare is partly

⁴⁹ "Overview of the World's Commodity Exchanges." United Nations Conference on Trade and Development. January 31, 2006.

⁵⁰ Ibid.

⁵¹ Ibid.

⁵² Ibid.

⁵³ "Report of the Meeting of Eminent Persons on Commodity Issues" United Nations Conference on Trade and Development Trade and Development Board. Fifteenth Session. October 6-17, 2003. http://www.unctad.org/en/docs/tb50d11_en.pdf

⁵⁴ "Commodity Information." United Nations Conference on Trade and Development. <http://www.unctad.org/Templates/Page.asp?intItemID=3599&lang=1>

⁵⁵ "The Importance of the UN International Task Force on Commodities." Institute for Agriculture and Trade Policy: Trade and Global Governance Program. September 2004.

⁵⁶ Ibid.

⁵⁷ Ibid.

restricted to partners who have agreed to participate, though some of its information is available for public use. A version of Infoshare was launched in 2005 and is being currently being tested in Cameroon. If successful, it will be initiated in other countries. InfoShare was also chosen by the UN as one of the “10 stories the world should hear more about.”⁵⁸

The InfoComm electronic portal provides up-to-date information in three languages (English, French and Spanish) on factors influencing commodity markets.⁵⁹ It is organized to provide information ranging from product characteristics and crop value to export markets and prices. The user-friendly format allows governments, local producers and traders to analyze trends and market opportunities with ease.⁶⁰ These opportunities are vital to the formulation of pertinent policies for commodity production, marketing, processing and financing.⁶¹

The General Assembly of the UN, at its 57th session discussed commodity issues under agenda item 84 (b), “Macroeconomic policy questions: commodities.”⁶² Following its discussion, the General Assembly adopted resolution 57/236 which, in its paragraph 11:

“Calls upon the Secretary-General of the United Nations Conference on Trade and Development, within existing budgetary resources, supplemented by voluntary contributions as appropriate, to designate independent eminent persons to examine and report on commodity issues, including volatility in commodity prices and declining terms of trade and the impact these have on the development efforts of commodity-dependent developing countries, for consideration by the Trade and Development Board.”⁶³

The designated eminent persons met on September 22nd and 23rd of 2003 in Geneva in order to prepare a set of recommendations for the Trade and Development Board. Two years after this initiative, the Secretary-General of UNCTAD established a Panel of Eminent Person in October 2005. The main objectives of this panel are to enhance the development role and impact of UNCTAD.

Conclusion

The link between the development of the commodity sector and poverty is irrefutable: “dealing with the problems of the commodity sector is a crucial element in reaching the Millennium Development Goals related to poverty reduction.”⁶⁴ It is critical to understand the human costs associated with low commodity prices, particularly for the vulnerable and less powerful segments of the population - the rural poor and women.⁶⁵ In this context, food and income security for the poor should be an important short-term objective. Ultimately, in order to drastically reduce poverty, producers need secure conditions (i.e. food, water, healthcare, etc...) in order to fully utilize opportunities to diversify their productive capacity. Member States also need the capacity to address these issues in their policy design and implementation and in international negotiations.⁶⁶

Diversifying the commodity sector alone will not address the poverty issue. Poverty is linked to an inability to effectively integrate into the organized global economy, rather than exposure to the market place. However, diversification and structural change in commodity dependent countries should be a long-term goal. In order to try to reach the MDG of halving poverty by 2015, the international community as well as national governments, needs to adopt development friendly commodity strategies.⁶⁷

⁵⁸ Ibid.

⁵⁹ Ibid.

⁶⁰ “Information and Market Transparency.” United Nations Conference on Trade and Development. <http://www.unctad.org/Templates/Page.asp?intItemID=1532&lang=1>

⁶¹ Ibid.

⁶² “Report of the Meeting of Eminent Persons on Commodity Issues.” United Nations Conference on Trade and Development Trade and Development Board. Fifteenth Session. October 6-17, 2003. http://www.unctad.org/en/docs/tb50d11_en.pdf

⁶³ Ibid.

⁶⁴ Ibid.

⁶⁵ Ibid.

⁶⁶ Ibid.

⁶⁷ “Item 3: Commodities and Development.” Trade and Development Board: Commission on Trade in Goods and Services, and Commodities, Tenth Session. Geneva February 6-10, 2006. http://www.unctad.org/en/docs/c1d74_en.pdf

New trading opportunities for developing countries are provided through the high value added, special niche product and services sectors in which developing countries have potential comparative advantages. Creative industries can help foster positive externalities while preserving and promoting cultural heritages and diversity. Enhancing developing countries' participation in new and dynamic growth opportunities in world trade is important in realizing development gains from international trade and trade negotiations, and represents a positive sum game for developed and developing nations.⁶⁸

Committee Directive

As a delegate it is critical to recognize the connection between trade and development. With numerous obstacles related to commodities, it will be critical to be as comprehensive as possible when researching your country's policy in order to address this topic with efficiency and success.

It is first important to distinguish your country's issues in regard to commodities. Is your country developed or developing, and more particularly is it a LDC? Delegates should research their level of assistance needed. How diverse is your country's commodity exports? Are commodity revenues a critical part of your economy? Where do you stand in regard to terms of trade? What actions toward tackling its commodity issues has your country made thus far? Which policy strategies have proven successful? Is your country involved with any commodity exchanges? If you represent a developed country, what policies does your State have in place to aid vulnerable countries with their commodity related issues?

While this problem is both broad and complex, it is essential that delegates attempt to create very focused, innovative and creative approaches to these important issues.

II. The Effects of Trade on Gender

“Gender equality is more than a goal in itself. It is a precondition for meeting the challenge of reducing poverty, promoting sustainable development and building good governance.”⁶⁹
-Kofi Annan

Introduction

The United Nations Conference on Trade and Development (UNCTAD) supports the elimination of gender related trade inequities. Gender equality is a basic right outlined in the United Nations Charter.⁷⁰ It is defined as allowing men and women “equal conditions realizing their full human rights and potential to contribute to national political, economic, social and cultural development and benefit equally from the results.”⁷¹ Gender equality strives for equal opportunities for men and women, while recognizing each gender's differences. The United Nations has recommended a course of action to promote gender equality by means of education and literacy and providing women a voice in politics and public policy to provide them more opportunities. Even though there is a guideline of what should be accomplished, the methods of implementing gender equality are quite different. It is important to develop models in all sectors of society, which will best uphold national ideology while instilling a new sense of gender awareness.

⁶⁸ “Assuring Development Gains from the International Trading System and Trade Negotiations.” United Nations Conference on Trade and Development: Sao Paulo Consensus. Eleventh Session, June 13-18, 2004.

http://www.unctad.org/en/docs/td412_en.pdf

⁶⁹ “Decentralized Cooperation Programme.” United Nations Institute for Training and Research.

<http://dcp.unitar.org/spip/article308.html>

⁷⁰ *Charter of the United Nations*. The United Nations. June 26, 1945.

⁷¹ “What is Gender Equality?” Canadian International Development Agency.

http://w3.acdi-cida.gc.ca/cida_ind.nsf/8949395286e4d3a58525641300568be1/0b4081ac59052fde852568fc0067579d?OpenDocument

Trade can be beneficial to developing nations leading to sustained growth and “efficient allocation of resources in the world economy.”⁷² Nations will increase their capital as they export more goods and services, increasing employment opportunities and average income.⁷³ Trade can have numerous benefits for developing nations but it can also stimulate and enhance issues relating to gender. Therefore, it is important to examine gender and gender equality when developing realistic trading policies.

Since trade policy is “closely intertwined with domestic fiscal, monetary and labor market policies” it is important that the trade policies equally encourage the involvement of women.⁷⁴ Traditionally women have been segregated in the labor market, limiting their access to economic resources.⁷⁵ Expectations about women’s roles, and confining them to those roles, have contributed to this problem. Men tend to have a greater access to education and more advanced training than women. Women are less likely to receive skill training, education and credit, and the educational disparity limits women’s participation in the workforce.⁷⁶ Male dominance in the workplace continues to decrease women’s ability to earn income and access resources.⁷⁷ Due to the subordinate role of women in many societies, they have less influence in the workplace and do not have the means to present a united front to policy makers and governments. The result has been a lack of active participation by women in the market economy and the inability to promote change.

To fully understand the impact of gender on trade, it is important to understand the implications of gender in society. Women must be given the opportunity to participate and advance in the workforce allowing them to contribute to the economy. This will lead to, and possibly accomplish, gender equality. Thus it is important for a nation to set economically successful trade policies while also considering the impact of gender.

Gender biases limit the resources that women have access to, thereby limiting their influence in the market economy.⁷⁸ By lifting these biases and allowing equal access to resources, more people will have the ability to develop their economic capacity. For example, in most instances, women are not less likely than men to receive a loan, but they are more likely to receive a loan in a lesser amount.⁷⁹ This occurs because men typically have more investment capital, and have more education and training – all of which qualify them for larger loans. If developing nations ignore the issues surrounding gender, trade gender biases will continue, creating economic hardships for women and potentially injuring the market economy as a whole. “Gender-based inequalities in control over resources such as land, credit and skills not only hinder women’s ability to take advantage of new opportunities created by trade liberalization, but also constrain the output response and thus the export capacity of the whole economy.”⁸⁰

It can be relatively difficult to compare gender and trade as there is a general assumption that trade policies are gender neutral – affecting men and women equally.⁸¹ In actuality, trade policies can have a profound impact on a women’s life, “it has a direct impact on their income earning capacity (as employees or entrepreneurs), it also influences government policies to provide services to women, and ultimately it can change women's role in society.”⁸² Trade agreements have the ability to enforce policies that disadvantage women or even restrict certain government actions that help women.⁸³

⁷² “Trade and Gender: Opportunities and Challenges for Developing Countries.” United Nations Inter-Agency on Women and Gender Equality Task Force on Gender and Trade. 2004. http://www.unctad.org/en/docs/edm20042_en.pdf

⁷³ Ibid.

⁷⁴ “Gender Trade and the WTO.” Women Working Worldwide. http://www.poptel.org.uk/women-ww/gender_trade_and_the_WTO.html

⁷⁵ Ibid.

⁷⁶ Ibid.

⁷⁷ Ibid.

⁷⁸ “Trade Agreements.” International Gender and Trade Network. <http://www.igtn.org/page/trade/>

⁷⁹ “A Brief Review of the Agricultural Planning Literature.” Food and Agricultural Organization of the United Nations. <http://www.fao.org/docrep/X0254E/x0254e05.htm>

⁸⁰ Nilüfer Çağatay. “Trade Gender and Poverty.” United Nations Development Programme. 2001. http://www.undp.org/poverty/docs/pov_tradegenderpoverty_doc.pdf

⁸¹ Janice Goodson Foerde. “Gender in Global and Regional Trade Policy: Contrasting Views and New Research.” Center for the Study of Globalisation and Regionalisation, University of Warwick. April 5, 2005. http://www2.warwick.ac.uk/fac/soc/csgr/activitiesnews/workshops/2006ws/gender_and_trade/j_goodson-foerde.pdf/

⁸² “Gender and Trade: A Conceptual Note.” United Nations Conference on Trade and Development. July 15, 2003. http://www.unctad.org/sections/wcmu/docs/EDM_UNCTAD_XI_000_en.pdf

⁸³ Ibid.

Therefore, trade agreements also have the ability to implement the reverse by directly increasing income or encouraging governments to pursue gender inclusive policies.

The UNCTAD Secretariat recommended that there should be an investigation regarding the effect of international commitments towards gender and trade. This would examine whether or not international organizations that could have a considerable impact on the issue, such as the General Agreement on Tariffs and Trade (GATT) and the World Trade Organization (WTO), are helping or hindering the pursuit of gender equality.⁸⁴

Potential Effects of Trade Agreements on Women

Trade agreements can have differing effects on men and women thus increasing the importance to develop trade policies that focus on gender and development.⁸⁵ Microfinance policies that were developed in the 1980s have been shown to greatly benefit women. Microfinance provides low-income persons with small loans, called micro-credit, to be used for small business ventures.⁸⁶ This policy increased the likelihood that women would receive a loan and could use that funding for small business ventures.

Trade agreements that support increased competition can also have a positive impact on women. Increased competition will ideally encourage women to enter the market. However, if there is a high level of competition for a good or service this can lead to a discrepancy of wages or a dramatic drop in wages for either gender. Trade policies that focus on exports could also be positive for women since recent studies have shown that “export-orientation in developing countries develops in tandem with the increase in women’s share of paid employment.”⁸⁷

One issue that seems to be in favor of supporting women, but could have a negative effect on them, is the influence of multilateral trade agreements that specifically address women. Agreements such as these could trump current national policies or not account for cultural and social differences between nations. Trade policies should be flexible to the point where gender equality is encouraged but each nation has the opportunity to set forth a domestic plan to encourage such equality. It is important to uphold the sovereignty of each nation while still ensuring that the citizens receive the rights set for in the UN Declaration of Human Rights.⁸⁸

The negative effects of trade on women can be very detrimental. Trade agreements that do not consider the position of women can cause a lack of or decrease in female participation in the labor market, poor work conditions, wage inequality and continued job segregation.⁸⁹ Women are major players in the world’s social economy, and the unpaid tasks they perform such as caring for the sick and maintaining the household supports all productive activity.⁹⁰ Therefore, poor economic policies can substantially damage social structures and family life – leaving women the most affected. Many times women are either forced to enter the workforce, ignoring the domestic needs of their family, or turn to prostitution.⁹¹

Past UN Action

The first major UN actions taken to fight discrimination against women were in the Charter of the UN and the Declaration of Human Rights. These documents stated that men and women should have equal rights and social

⁸⁴ “Gender and Trade: A Conceptual Note.” United Nations Conference on Trade and Development. July 15, 2003. http://www.unctad.org/sections/wcmu/docs/EDM_UNCTAD_XI_000_en.pdf

⁸⁵ Nilüfer Çağatay. “Trade Gender and Poverty.” United Nations Development Programme. 2001. http://www.undp.org/poverty/docs/pov_tradegenderpoverty_doc.pdf

⁸⁶ “Frequently Asked Questions.” The Microfinance Gateway. <http://www.microfinancegateway.com/section/faq#Q1>

⁸⁷ Nilüfer Çağatay. “Trade Gender and Poverty.” United Nations Development Programme. 2001. http://www.undp.org/poverty/docs/pov_tradegenderpoverty_doc.pdf

⁸⁸ 217 A (III). United Nations General Assembly. December 10, 1948.

⁸⁹ “Trade and Gender: Opportunities and Challenges for Developing Countries.” United Nations Inter-Agency on Women and Gender Equality Task Force on Gender and Trade. 2004. http://www.unctad.org/en/docs/edm20042_en.pdf

⁹⁰ “For Whose Benefit: Making Trade Work for People and the Planet.” Trade Justice Movement. July 20, 2005. <http://www.tjm.org.uk/about/statement.shtml>

⁹¹ Ibid.

progress should be made.⁹² Major action towards the elimination of gender segregation was made in 1979, at the Convention on the Elimination of All Forms of Discrimination against Women.⁹³ One of the most important steps the convention took towards eliminating discrimination was recognizing the need to abolish discriminatory laws and adopt “appropriate ones prohibiting discrimination against women.”⁹⁴

The 1995 Beijing Declaration and Platform for Action was a push by the United Nations to show that gender inequality was a human rights issue.⁹⁵ This Declaration listed objectives for gender equality and noted the importance of the role of women in the economy, both international and domestic.⁹⁶ In this declaration, governments were asked to guarantee that their trade agreements would not negatively impact women. In 2000, the General Assembly hosted a session on “Women 2000: Gender equality, Development and Peace for the Twenty-First Century.”⁹⁷ The purpose of this session was to reaffirm the 1995 Beijing Declaration and to ensure that proper action was being taken.

Perhaps one of the most important steps taken by UNCTAD to eliminate the gender segregation in trade is the Entrepreneurship Development Program (EMPRETEC).⁹⁸ EMPRETEC is an entrepreneurship and capacity-building program to help entrepreneurs “build innovative and internationally competitive [small and medium enterprise] SMES.”⁹⁹ SMES contribute to the successful development of the private sector by providing entrepreneurs with training, financing and making connections with larger companies.¹⁰⁰ Within EMPRETEC, UNCTAD has designed training especially for women, which will address their specific needs.¹⁰¹

The Role of the United Nations and Other Organizations

The Millennium Development Goals (MDGs) clearly outline that gender is a very important issue. Goal 3 states that Member States must “promote gender equality and empower women” by encouraging development and economic growth.¹⁰² This also ties in with the goal 8, which states that the UN will “develop a global partnership for development.”¹⁰³ The 8 MDGs were chosen by the General Assembly to improve the livelihood of the world’s poorest by encouraging development and greater human rights. It is UNCTAD’s understanding that the achievement of the MDGs must be met within trade policies as well.

UNCTAD has taken a very active role in solving gender related trade inequities. UNCTAD hosts a quadrennial conference in which “members discuss and analyze current trade and development issues and formulate policy responses.”¹⁰⁴ These conferences play a pivotal role in identifying the role of UNCTAD in addressing economic development problems. Recently, the conferences have introduced the issue of women and trade, recognizing the importance of the topic. The past 3 UNCTAD conferences have focused on reconciling the gender divide in trade issues, bringing international recognition to the issue of gender equality. For example, the Thailand conference, held in February of 2000, focused on ensuring women’s political, economic and social participation.¹⁰⁵

⁹² 217 A (III). United Nations General Assembly. December 10, 1948.

⁹³ *Convention on the Elimination of All Forms of Discrimination against Women*. United Nations General Assembly. December 18, 1979.

⁹⁴ Ibid.

⁹⁵ “The United Nations Fourth World Conference on Women: Platform for Action.” Division for the Advancement of Women. <http://www.un.org/womenwatch/daw/beijing/platform/plat1.htm#concern>

⁹⁶ “Beijing + 5 Process and Beyond.” Division for the Advancement of Women. http://www.un.org/womenwatch/daw/followup/beijing_percent2B5.htm

⁹⁷ Ibid.

⁹⁸ “EMPRETEC.” Entrepreneurship Development Program. <http://www.empretec.net/>

⁹⁹ Ibid.

¹⁰⁰ Ibid.

¹⁰¹ Ibid.

¹⁰² *United Nations Millennium Declaration*. United Nations General Assembly. September 18, 2000.

¹⁰³ Ibid.

¹⁰⁴ “UNCTAD Conferences.” United Nations Conference on Trade and Development. <http://www.unctad.org/Templates/Page.asp?intItemID=3375&lang=1>

¹⁰⁵ “Intergovernmental Meetings: Tenth Session of the United Nations Conference on Trade and Development.” United Nations Conference on Trade and Development. February 23, 2000. <http://www.unctad.org/Templates/meeting.asp?intItemID=1942&lang=1&m=4288>

The UNCTAD conference held in 2004 in Brazil was very active in considering the relationship between gender and trade. One important roundtable discussion mentioned that gender inequality is present in all societies and it is the duty of the home government to change this attitude.¹⁰⁶ The conference mentioned that prior efforts by governments to change the bias towards women could be effective.¹⁰⁷ One important discussion at the Brazil conference focused entirely on gender and trade, and it was recommended that women, especially during childhood, have greater access to education and opportunities to build employment related skills.¹⁰⁸ These recommendations focused on domestic issues due to the belief that the most effective gender policies begin on the local level. Once the local level policies have been implemented, the conference recommended a global movement to reduce discrimination in labor markets and most importantly, consistency of implementing gender equality policies.¹⁰⁹

Another method used to implement gender equality mentioned at numerous conferences is the idea of gender mainstreaming. In 1997, United Nations Economic and Social Council (ECOSOC) defined gender mainstreaming as:

“... the process of assessing the implications for women and men of any planned action including legislation, policies, and programs, in any area and at all levels. It is a strategy for making women’s as well as men’s concerns and experiences an integral dimension in the design, implementation, monitoring and evaluation of policies and programs in all political, economic, and societal spheres so that women and men benefit equally, and inequality is not perpetuated. The ultimate goal is gender equality.”¹¹⁰

This outlined definition for gender mainstreaming provides a framework for policy makers to implement effective gender policies. Gender mainstreaming should not be considered a substitute for gender equality; instead it should be seen as a step towards gender equality. If more attention is brought to the individual contributions of each gender, it will allow for a better understanding of what policies should be implemented in order to achieve gender equality.

Two organizations that support gender equality are the International Gender and Trade Network (IGTN) and Women Watch. IGTN is “a network of feminist gender specialists who provide technical information on gender and trade issues to women’s groups, NGOs, social movements and governments.”¹¹¹ The IGTN acts as a political medium to encourage policymakers to consider feminist perspectives. Women Watch is an entity of the UN, which serves as a “central gateway” which studies the gender related topics being discussed by different bodies in the UN and how these topics promote gender equality.¹¹² Women Watch is primarily a source of information for other UN bodies. It simplifies the research process of other UN bodies by consolidating the information on one website. An entity of Women Watch is the Inter-Agency Network on Women and Gender Equality (IANWGE). The IANWGE is led by UNCTAD and works with all UN Regional Commissions.¹¹³ The main objective of the IANWGE is to inform policy makers of the issues and policies, which are the most important for achieving gender equality.¹¹⁴

Current Situation

Significant progress has been made since the formation of the United Nations regarding the status of women. Women now have more opportunities in the labor force and there has been a narrowing of the wage gap between men and

¹⁰⁶ “Trade and Gender (UN Task Force) Parallel Event On-Conference Sites.” United Nations Conference on Trade and Development. http://www.unctadxi.org/templates/Event_42.aspx

¹⁰⁷ Ibid.

¹⁰⁸ TD/L.378. *Roundtable on Trade and Gender*. United Nations Conference on Trade and Development.

¹⁰⁹ Ibid.

¹¹⁰ *United Nations Millennium Declaration*. United Nations General Assembly. September 18, 2000.

¹¹¹ “International Gender and Trade Network.” International Gender and Trade Network.

<http://www.igtan.org/>

¹¹² “About Women Watch.” Women Watch.

<http://www.un.org/womenwatch/about/>

¹¹³ “Task Force on Gender and Trade.” Inter-Agency Network on Women and Gender Equality.

http://www.un-gender-trade.org/QuickPlace/gender-in-unctad/Main.nsf/h_Toc/50e69c72d69c9b5fc1256d42003172d1/?OpenDocument

¹¹⁴ Ibid.

women.¹¹⁵ However, the role of women in politics and economics remains largely unchanged.¹¹⁶ Women are not members of influential trade policy-making organizations and are not having their voices heard. Therefore it is not only vital for policy makers to include women in the trade debate but also realize that their policies can have positive impacts on achieving gender equality.

As nations increase internal development by means of technological advancement, the economic opportunities for women also increase. As the demand for labor intensive goods and services increases, so does the opportunity of employment for women.¹¹⁷ In agrarian societies, women are more likely than men to work on small-scale farms, thus the technological shift to production from small-scale farms can result in numerous job losses.¹¹⁸ If a primarily agrarian nation is making the shift to a production-oriented economy, this significantly decreases the occupational opportunities women have. However, in nations that are more technologically advanced, women are more likely to work in export related industries, which can cause competition between women. As women from different nations produce the same goods and services, they are essentially competing against other women who can decrease wages and working conditions for women.

One theory proposed to lessen the gender gap is the idea of trade liberalization. Trade liberalization reduces and eventually eliminates tariff and non-tariff barriers between nations.¹¹⁹ Trade liberalization is centered on the idea that if the economic market is unrestrained, productivity will be increased, and global economic activity will be more efficient. In theory, trade liberalization would have a positive effect on women. Since women are increasingly involved in export related industries, such as clothing, footwear and data processing, there would be a higher demand for those occupations. This would provide more women with stable employment and income.

Conclusion

The future of gender equality in trading practices is dependent on the policies that are implemented. If UNCTAD takes an active role in settling the gender/trade discrepancy then the future will be very optimistic. Gender equality in trade related issues are vital, both for development and to accomplish the humanitarian goals of the UN. Trade can be an opportunity for women to enter the workforce and decrease the wage gap, thus improving their communities and developing their economies. This has enhanced the status of women while also benefiting the export competitiveness of nations. Given the implications gender has on trade, it is important to remember the contributions women are bringing to the market economy.

Committee Directive

This discussion can go many different directions: does gender inequality impact trade? Does trade create avenues for gender inequality? Therefore it is important to examine the multiple aspects of this topic. Examine both the trade and gender issue at the national and international level. Economic activity on both levels impacts women's every day lives. Examine your country's national trading policies and global trade agreements. Examine whether or not these have contributed or hindered gender equality. Does your country support the idea that female friendly or gender neutral trading practices will stimulate economic development? Why is this important to your nation? It is also important to review the structural framework in which trade policy decisions are made on both levels as well.

¹¹⁵ "Trade and Gender: Opportunities and Challenges for Developing Countries." United Nations Conference on Trade And Development. <http://www.unctad.org/Templates/webflyer.asp?docid=4822&intItemID=1397&lang=1>

¹¹⁶ Ibid.

¹¹⁷ *UNCTAD XI and the Gender Implications of the Multilateral Trading Systems*. The United Nations Conference on Trade and Development. New York and Geneva: United Nations. 2004. <http://www.unctad.org/Templates/Webflyer.asp?docID=4888&intItemID=2068&lang=1>

¹¹⁸ Ibid.

¹¹⁹ "What is Trade Liberalisation?" United Nations Development Fund for Women. <http://www.unifem.org/trade/text/tsa1.htm>

III. Information and Communications Technologies as an Enabler for Growth, Development and Competitiveness

“The new technologies that are changing our world are not a panacea or a magic bullet. But they are, without doubt, enormously powerful tools for development. They create jobs. They are transforming education, health care, commerce, politics and more. They can help in the delivery of humanitarian assistance and even contribute to peace and security. One of the most pressing challenges in the new century is to harness this extraordinary force, spread it throughout the world, and make its benefits accessible and meaningful for all humanity, in particular the poor.”

-Kofi Annan, November 20, 2001¹²⁰

Introduction

Technology has played an important role in economic development and it continues to challenge the developing world. This is especially true for Information and Communication Technologies (ICTs), which impact all economic activities and have a wide range of functions. ICT usually refers to computer technology, but also to other rapidly improving forms of technology such as radio, television and mobile telephony. The defining characteristic of ICT is the capacity to harness, access and apply information and diffuse knowledge at electronic speed to all types of human activity, thereby increasing the productivity to contemporary knowledge-based economies and societies.¹²¹ The UN’s definition of the scope of ICT states: “Information and communication technologies comprise a complex and heterogeneous set of goods, applications and services used to produce, distribute, process and transform information. The ICT sector consists of segments as diverse as telecommunications, television and radio broadcasting, computer hardware and software, computer services and electronic media as well as the content of these media.”¹²² In recent years the global community has witnessed the emergence of an Information Society. The digital revolution in information and communication technologies has created the platform for free flow of information, ideas and knowledge across the globe – radically transforming how the world communicates. Although development in the field of ICT has grown dramatically over the past decade, it has also increased the digital divide.

In its basic form, the digital divide refers to the divide between individuals or groups who have access to digital technologies and those who do not. Because inequalities in access to technologies are evident in different ways, sometimes those who have access are still part of the “digital exclusion.” These individuals or groups could either have access to less efficient digital technologies (i.e. lower-performance computers, lower-quality or high priced connections, difficulty in obtaining technical assistance) or those lacking the awareness of what digital technologies can offer.¹²³

The United Nations Development Fund has reported “on the failings of technological changes to empower the developing world, and warns against the ever-growing disparities between affluent nations and those who lack basic skills, resources, and infrastructure.”¹²⁴ Reports indicate that the levels of inequality in access to ICTs are around twice the average levels of income inequality.¹²⁵ The digital divide is limiting development opportunities since ICTs are a powerful enabler of development goals.

¹²⁰ “Launching Information and Communications Technology (ICT) Task Force, Secretary-General Appeals for Support from Private Sector.” United Nations Information and Communication Technologies Task Force. <http://www.unicttaskforce.org/welcome/>

¹²¹ “Aide Memoire.” Women Watch Website. <http://www.un.org/womenwatch/daw/egm/ict2002/aide-memioire.pdf>

¹²² Ibid.

¹²³ “From the Digital Divide to the Need for a Worldwide Solidarity Movement.” Digital Solidarity Fund. <http://www.dsf-fsn.org>

¹²⁴ Ibid.

¹²⁵ “The Digital Divide: ICT Development Indices 2004.” United Nations Conference on Trade and Development. http://www.unctad.org/en/docs/iteipc20054_en.pdf

ICTs improve communication and the exchange of knowledge and information. This exchange strengthens and creates new social and economic networks from personal use to business and government. ICTs create an acceleration factor through the power of networks that become even more influential and useful the more people are connected to it. Thus, increasing network returns as network usage increases. ICTs can also dramatically reduce transaction costs, which is critical in the context of poverty.¹²⁶ ICTs' power to store, retrieve, sort, filter, distribute and share information can lead to substantial efficiency gains in production, distribution and markets, and benefits for social processes.

History

Communication technology has come a long way since its first advance with the telegraph in 1844. Although initially telegraph lines did not cross national borders, their use continued to spread throughout the world. The continuing expansion of telegraph networks in a growing number of countries finally prompted 20 European States to meet to develop a framework agreement covering international interconnection. Shortly after, the patent for the telephone was established. In response to the developing communications networks, an International Telegraphy Union was created in 1885 to draft international legislation governing telephony.¹²⁷

By 1896 the invention of wireless telegraphy, the first type of radio communication, was introduced to the international community.¹²⁸ With the invention of radiotelegraph, it was decided that a conference was needed to study the question of international regulations for radiotelegraph communications. In the early 1900s, several committees were created to address issues, define international standards and coordinate technical studies, tests and measurements in the various fields of telecommunications. In 1932, during the Madrid Conference, the International Telegraphy Union decided to combine the International Telegraph Convention of 1865 and the International Radiotelegraph Convention of 1906 to form the International Telecommunications Union (ITU).¹²⁹ ITU was established as an impartial, international organization within which governments and the private sector could coordinate the operation of telecommunication networks and services, and advance the development of communications technology. With the creation of the United Nations the ITU became an UN specialized agency on October 15, 1947. Throughout the mid-1900s, ITU continued to address the issues of modern telecommunications as well as the new challenges of space communications systems. Conferences were held to allocate frequencies to various space services and allocate a new kind of space service using non-geostationary satellites, known as Global Mobile Personal Communications by Satellite (GMPCS).¹³⁰

The ITU worked closely with the United Nations in the 1970s addressing regional transport and communications issues, especially in Africa. Several key resolutions were passed in the early 1980s in the General Assembly and the Economic and Social Council (ECOSOC) regarding advances in communications within the international community. General Assembly Resolution 35/109, called upon the General Assembly the ITU and the Economic and Social Council to propose a World Communications Year to "recognize the fundamental importance of communications infrastructures as an essential element in the economic and social development of all countries."¹³¹

In 1982, the Plenipotentiary Conference of ITU met in Nairobi to create an Independent Commission for Worldwide Telecommunications Development. For the first time in the history of the Union, those present recognized the "fundamental importance of communications infrastructures as an essential element in the economic and social development of all countries"¹³² In 1985, the landmark "Missing Link" report of the Independent Commission for Worldwide Telecommunications Development recommended that by the year 2000 every village in the world should have access to a basic telephone.¹³³ More than two decades later, despite repeated efforts by government,

¹²⁶ "Innovation and Investment: Information and Communication Technologies and the Millennium Development Goals." United Nations Information and Communication Technologies Task Force. April 2005.

¹²⁷ "History: A New Industry Evolves" International Telecommunications Union. www.itu.int

¹²⁸ Ibid.

¹²⁹ Ibid.

¹³⁰ Ibid.

¹³¹ 35/109... General Assembly Plenary. December 5, 1980

¹³² "The Missing Link: Report on the Independent Commission for Worldwide Telecommunications Development." International Telecommunications Union. 1985.

¹³³ Ibid.

business, civil society and international organizations aimed at bridging the digital divide, this simple goal still remains unachieved.

In 1998, the ITU instructed its Secretary-General to present the Union's desire to hold a World Summit on the Information Society (WSIS) to the United Nations Administrative Committee on Coordination (ACC) and then report to the ITU governing body, the Council, on the results of that consultation. Geared with support from the ACC, it was decided that the Summit would be held under the high patronage of the UN Secretary-General, with ITU taking the lead role in preparations.

The ITU Council determined to hold the WSIS in two phases. The first phase took place in Geneva, Switzerland from December 10-12, 2003. The second phase took place in Tunis, Tunisia from November 16-18, 2005. The objective of the first phase was to develop and foster a clear statement of political will and take concrete steps to establish the foundations for an Information Society for all. The objective of the second phase was to put Geneva's Plan of Action into motion, as well as to find solutions and reach agreements in the fields of Internet governance, financing mechanisms and follow-up and implement the Geneva and Tunis documents.¹³⁴

Another key institution for the development of ICTs was created in July of 1995 at a meeting hosted by the World Bank. The Global Information Infrastructure Commission (GIIC) is an independent, non-governmental initiative involving communications related industry leaders from developing as well as industrialized countries. The GIIC was originally created as a three-year mandate. Due to its many significant achievements during its first 3 years an overwhelming majority of the GIIC members expressed a desire to continue the initiative. This was achieved at the 1997 Annual Meeting of the GIIC in Cologne, Germany. The GIIC recognizes that traditional institutions and regulatory frameworks can no longer meet the increasingly complex challenges and opportunities of globalized information. The GIIC has aided in the development of guiding principles on a variety of global policies and applications that helped define the GIIC focusing on the role of the private sector on issues relating to investment, market access, standards, technology and applications; interaction between public officials and the private sector, bringing expanded dialogue and understanding of diverse perspectives and solutions; and the redefinition of the roles of international organizations in the development of GII.¹³⁵

ICTs and MDGs

The uneven diffusion of technology has significant consequences for the social, economic and political development of Member States. It is critical to understand that "the digital divide is not a problem in itself, but a symptom of deeper, more important divides: income, development and literacy."¹³⁶ The underlying causes of the digital divide, such as poverty and lack of education, are the primary focuses of the Millennium Development Goals (MDGs). There is a strong correlation between developing ICTs and the objectives of the MDGs. Member States' technological capabilities to acquire, adapt and improve upon scientific and technological knowledge are a major determinant in their capacity to narrow both income and technological gaps, and in achieving sustainable development. ICTs are inter-related to all 7 MDGs targeted at specific objectives in promoting development and improving daily life. Specifically, the 8th goal of the MDGs directly relates to targeting the obstacles regarding ICTs. Within goal 8, Target 18 proposes, "in cooperation with the private sector, make available the benefits of new technologies, especially information and communication."¹³⁷ The acquisition of digital technology is central to developing states' efforts to achieve the MDGs.

ICTs & Poverty Eradication (Goal 1)

The multidimensional nature of poverty reveals complex causes and presents challenging solutions. Many people are often deprived of basic nutritional, education and healthcare needs in addition to being denied access to knowledge and information. As primary sources of economic opportunity and political empowerment, poor access

¹³⁴ "World Summit on the Information Society: Basic Information about WSIS." World Summit on the Information Society. www.itu.int/wsis/basic

¹³⁵ "GIIC FAQ – History of the GIIC." Global Information Infrastructure Commission. <http://www.giic.org/about/faq5.asp>

¹³⁶ "The Real Digital Divide." The Economist. March 10th 2005. www.economist.com

¹³⁷ *United Nations Millennium Declaration*. United Nations General Assembly. September 18, 2000.

to information renders many a part of the digital exclusion.¹³⁸ Therefore while lack of access to ICT is not a primary problem for the poverty stricken population, poverty is one of the main underlying causes of the digital divide. Thus, it is critical to address the issues of poverty before trying to address the lack of digital technologies.

Promoting opportunities for the poor is an essential element of poverty reduction. It is critical to strategically address the lack of digital technologies in the Least Developed Countries (LDCs). Focusing attention on ICT intervention that accommodates local needs and conditions is paramount. For example, supplying a rural village with Internet access and computers does not necessarily aid in narrowing the gap of the divide if the people are unfamiliar and unknowledgeable about the new technologies.¹³⁹ Therefore poverty reduction programs that incorporate ICTs have to first create an infrastructure that can accommodate the introduction of new technologies. According to the World Bank, this strategy will be promote further development while strengthening the ICTs already in place: “Promoting macroeconomic growth; increasing market access, efficiency and competitiveness of the poor; improving social inclusion of isolated populations; and facilitating political empowerment should be principal areas to address to create an environment to reap the full benefits of ICT.”¹⁴⁰

ICTs & Education (Goal 2)

There are many obstacles to achieving the MDG target of all children receiving primary school education. The United Nations Economic and Social Council has reported that “an additional 15-35 million educated and trained teachers will be needed over the next decade if all countries are to achieve the MDG of universal primary education by 2015.”¹⁴¹ ICTs can help alleviate the chronic shortage of facilities and teachers in an efficient and cost effective manner for many countries facing budgetary constraints. ICT-based distance training can overcome the shortage of primary school teachers by accelerating instruction while supplementing current teachers’ needs.¹⁴²

ICTs & Gender Equality (Goal 3)

The MDG on gender equality has the specific target to “eliminate gender disparity in primary and secondary education preferably by 2005 and in all levels of education no later than 2015.”¹⁴³ With gender equality central to the achievement of the MDGs, it is crucial to ensure that women and men benefit equally from the social and economic opportunities ICTs can provide. Women around the world face numerous obstacles in their access and use of ICTs - ranging from literacy and education, to language, time income and social-cultural norms. However, ICTs can be used to influence public opinion on gender equality, and for participation in political processes. One example is how the global initiative Womenaction.org connected hundreds of networks of women’s organization online to strengthen women’s participation in the five-year review of the Beijing Platform for Action.¹⁴⁴

ICTs can promote gender equality by providing “online opportunities that are not always available in the ‘offline’ world, by providing virtual spaces and linkages that favor small-scale entrepreneurship.”¹⁴⁵ ICTs have the potential to assist women to improve the economic return of their traditional activities, “by providing information and training on methodologies to improve their productivity and their quality of life.”¹⁴⁶ For example, ICT can help women entrepreneurs, even at grassroots level, to reduce transaction costs, increase market coverage, and even expand across borders. In Guyana, a women weavers’ cooperative has used the Internet to market and sell handcrafted hammocks resulting in a very high income for local standards. Using methods such as the Internet, mobile

¹³⁸ “ICTs and Poverty Eradication” *Innovation and Investment: Information and Communication Technologies and the Millennium Development Goals*. United Nations Information and Communication Technologies Task Force. April 2005.

¹³⁹ Ibid.

¹⁴⁰ “ICT and MDGs – A World Bank Perspective” World Bank. 2003. http://www-wds.worldbank.org/external/default/WDSContentServer/IW3P/IB/2004/09/15/000090341_20040915091312/Rendered/PDF/278770ICT010mdgs0Complete.pdf

¹⁴¹ Ibid.

¹⁴² Ibid.

¹⁴³ “ICTs and Gender Equality.” *Innovation and Investment: Information and Communication Technologies and the Millennium Development Goals*. United Nations Information and Communication Technologies Task Force. April 2005.

¹⁴⁴ Ibid.

¹⁴⁵ Ibid.

¹⁴⁶ Ibid.

telephony, satellite based radio, CD-ROMs and distance learning women can share valuable knowledge, exchange market information and be exposed to new education opportunities.¹⁴⁷ This not only elevates the status of women, but also strengthens local/regional economies through long-term economic development.

The design of gender-sensitive ICT policies and education policies is key to ensuring that ICT be a driver for gender equality. In terms of ICT policies, it is widely recognized that the social aspects of ICT should be included in policy-making processes, and important gender implications are embedded in technical policy choices in network architecture and deployment, pricing and tariffs issues. Technology should be integrated into girls' education and women's literacy programs, and gender balance should be encouraged in science and technology higher education programs.¹⁴⁸ Already ICT is offering new opportunities for women employed in innovative and non-traditional sectors, such as e-commerce, marketing of telecommunications and Internet services, and other ICT-enabled businesses.

ICTs & Health (Goal 4, 5 & 6)

The influence of ICT on healthcare in developing countries has already been immense. ICT has enabled healthcare workers to "perform remote consultation and diagnosis, access medical information and coordinate research activities more effectively in the past two decades than in the history of medicine."¹⁴⁹ ICT is an essential component in providing remote healthcare services, storing and disseminating healthcare information, and research, training and networking of and for health workers. Through both traditional (radio, TV, video, CD) and new (wireless, Internet) ICT media, ICT can also provide an effective and cost-effective channel for the distribution of healthcare and disease prevention information to the general public.¹⁵⁰

The role of ICT in achieving health-related MDGs is indispensable. ICT are an invaluable tool for both healthcare workers and the international development community for their combined efforts in the reduction of child mortality (Goal 4), improvement of maternal health (Goal 5), and combating HIV/AIDS, malaria and other diseases (Goal 6).¹⁵¹ ICT can be used by healthcare workers to establish databases to track vaccination programs, to coordinate antibiotic shipments and to inform communities of medical services that can reduce child mortality. ICT can critically reduce the incidence of maternal death by facilitating access to information and healthcare services.¹⁵²

In the battle against HIV/AIDS pandemic, ICT can "enhance disease monitoring and management, drug distribution systems, training of care givers, patient education and monitoring and facilitation of the development of support networks for people living with HIV/AIDS and their care givers."¹⁵³ Developing countries have yet to utilize the extent that ICT can enhance HIV/AIDS response. In many cases, developing countries lack both infrastructure and human capacity needed to implement comprehensive ICT strategies that could considerably assist in prevention, treatment and policy support.¹⁵⁴ ICT has the potential to seriously impact the prevention and treatment for HIV/AIDS and other infectious and communicable diseases.

ICTs & Environment (Goal 7)

Managing and protecting the environment contributes to "improving human health conditions, sustaining agriculture and other primary production sectors as well as reducing risks of natural disasters such as floods, mudslides and wildfire."¹⁵⁵ The effects of ICT on sustaining the environment are multifaceted. ICT encourages greater

¹⁴⁷ Ibid.

¹⁴⁸ Ibid.

¹⁴⁹ "ICTs & Health." *Innovation and Investment: Information and Communication Technologies and the Millennium Development Goals*. United Nations Information and Communication Technologies Task Force. April 2005.

¹⁵⁰ Ibid.

¹⁵¹ Ibid.

¹⁵² Ibid.

¹⁵³ Ibid.

¹⁵⁴ Ibid.

¹⁵⁵ "ICTs & Environment." *Innovation and Investment: Information and Communication Technologies and the Millennium Development Goals*. United Nations Information and Communication Technologies Task Force. April 2005.

participation in environmental protection activities through networking and information exchange. ICT also provides researchers with critical tools for “the observation, simulation and analysis of environmental processes.”¹⁵⁶ For example the use of satellite technology to collect spatial information, information related to a particular geographical location or area could be used to understand the capability of the land to support economic activity and water use efficiency. ICT plays a key role in environmental management in activities ranging from optimizing clean production methods to decision making.

International and Regional Trends

Currently, one billion people do not have access to telephones and around 8 million villages or 30 percent of all villages worldwide are still without any kind of connection.¹⁵⁷ The gap exists not just in the creation and diffusion of technologies, but also in domestic abilities to put available technologies into effective use. Today, many developed countries spend around 1.5 to 3.8 percent of their GNP on research and development for technology and fund more than 80 percent of the world’s research and development.¹⁵⁸ In contrast, most developing countries spend less than 0.5 percent of their GNP on research and development activities and some developing countries spend as little as 0.01 percent of their GNP.¹⁵⁹

A needed prerequisite for the development of ICTs will be the recognition of differences between national and regional needs, and the prioritization of action plans and implementation strategies. In examining the context for ICT development in sub-Saharan Africa (SSA) and low-income Asian countries, a recent study found significant differences. Poor governance in a number of African countries and lower literacy rates prevents the complete development of ICT in SSA. Contributing to this issue is the lack of access to ICT. In Africa using the digital divide access index, over 90 percent of the countries have low access.¹⁶⁰ In contrast well over the majority of Asian nations have a literacy rate of more than 80 percent, and a large majority of countries have medium access to ICT.¹⁶¹ SSA sees lower tertiary enrollments in technical subjects than in Asian countries and therefore produces fewer scientists and engineers that engage in research and development activities. The number of engineers average at 83 per million in SSA countries, while the average for all developing nations is 514 per million, and for Newly Industrializing Countries (NICs), 2,121 per million.¹⁶² SSA countries also spend 0.28 percent of their GNP for research and development while the world average is 0.39 percent and NICs’ average is 1.5 percent.¹⁶³ The gap in the digital divide is created from issues relating to governance, access to ICT, literacy, advanced education, and lack of research and development in ICT.

This technology gap is not only slow in diffusing across borders but within borders as well. Problems relating to ICT development can be seen in developing and developed countries. In Germany, for example, 16 years after reunification, a technology gap still exists between the East and West. This gap is manifested in terms of productivities, patents and private sector research and development. In most of the former East Germany, the gross domestic product per employee is still less than Euros 42,300 while in most of the West, it is more than Euros 48,600.¹⁶⁴ Whether in SSA or in East Germany, national and regional needs vary and therefore need specific responses to address the unique challenges of ICT development.

Action Taken by UNCTAD and other International Organizations

UNCTAD has played a crucial role in narrowing the gap of the digital divide and assisting developing states with technology development. UNCTAD, in partnership with the United Nations Commission on Science and

¹⁵⁶ Ibid.

¹⁵⁷ “Bridging the Technology Gap between and within Nations.” United Nations Commission on Science and Technology for Development. November 2005. http://www.unctad.org/sections/dite_dir/docs/dite_pcbp_stdev0006_en.pdf

¹⁵⁸ Ibid.

¹⁵⁹ Ibid.

¹⁶⁰ Gerster and Zimmermann. “Up-Scaling Pro-Poor ICT-Policies and Practices: A Review of Experience with Emphasis on Low Income Countries in Asia and Africa.” ELDIS Gateway to Development Information. <http://www.eldis.org/static/DOC18032.htm>

¹⁶¹ Ibid.

¹⁶² Ibid.

¹⁶³ Ibid.

¹⁶⁴ Ibid.

Technology for Development (CSTD), promotes capacity building for the effective application of science and technology. UNCTAD publishes an annual E-Commerce and Development Report, which provides data and analyses on the impact of ICT on economic growth, enterprise development and trade competitiveness in developing countries. This annual report provides policy makers in developing countries an analytical and empirical basis for taking the appropriate decisions in the field of ICT and e-business at the national level. UNCTAD has also encouraged development in ICT through partnerships between nations, such as the global Partnership on Measuring ICT for Development. This partnership was launched at the occasion of UNCTAD XI in Sao Paulo, Brazil (June 2004), and aims to assist developing countries in their production of comparable ICT statistics for monitoring ICT developments and assessing national ICT policies and strategies.¹⁶⁵

UNCTAD has also created projects, such as the Connect Africa project, to assist developing countries with ICT development. Connect Africa's focus is to creatively enact ICT policy. It provides customized training to ICT engineers and technicians from Africa's Least Developed Countries (LDCs). The Kingdom of Lesotho was the first country to benefit from this project receiving 220 computers, software applications and open-source network solutions that were installed in schools and other key institutions in the country. However, computers alone will not overcome the technology gap. In addition, training for ICT engineers and technicians has accompanied the introduction of the computers as well.¹⁶⁶

Any policy on how to use ICT for development needs to be based on accurate data and information. Understanding that, UNCTAD created The Digital Divide Report to monitor and assess ICT readiness, usage and impact. It includes a cross-country analysis of connectivity, access to ICTs and policy measures of more than 150 countries. Most importantly, the Report adds depth to its benchmarking analysis by describing examples of innovative grassroots programs in the field of ICTs in Africa. The Report contributes to the discussion on how to overcome the digital divide on the basis of examples of ICT policies that are being enacted in practice and to draw guidance as to how implementation might be improved.¹⁶⁷

While UNCTAD has been a leader in addressing issues surrounding the digital divide and developing, other international organizations have played an equally important role. At the World Summit on the Information Society (WSIS) the Digital Solidarity Fund was created to complement existing national and international financial resources. The Fund is based on voluntary contributions from citizens, local and national public institutions, as well as by donations from private businesses and civil society. The funds raised are used to support projects aimed at reducing digital disparities particularly through financing: development projects that have a strong impact on socio-economic activities and preserve cultural diversity; non-solvent demand in order to create new activities and, in due course, new markets and improved job opportunities; the supply of appropriate equipment; the development of local contents, applications and services for administrations and communities, particularly for marginalized groups (women, disabled people, etc...); and the training of human resources and the fight against intellectual migration.¹⁶⁸

Conclusion

The potential for increased availability of information, new methods of communication, and improved and efficient processes for many different economic activities can be accessible with the proper strategies. The formulation and implementation of national ICT strategies that deal effectively with the preceding challenges must be particularly sensitive to two elements: the need for mechanisms to monitor and assess ICT readiness, usage, and impact; and the need to link ICT policies to other development policies, such as education, trade, health to allow for benefits from these different elements and more broad-based diffusion of ICT.¹⁶⁹

¹⁶⁵ "The Digital Divide: ICT Development Indices 2004." United Nations Conference on Trade and Development. http://www.unctad.org/en/docs/iteipc20054_en.pdf

¹⁶⁶ "Science and Technology for Meeting the MDGs: Connect Africa." United Nations Conference on Trade and Development. <http://www.unctad.org/Templates/Page.asp?intItemID=3795&lang=1>

¹⁶⁷ "Digital Divide and ICTs Development Indices." United Nations Conference on Trade and Development. <http://www.unctad.org/Templates/webflyer.asp?docid=5878&intItemID=2068&lang=1>

¹⁶⁸ "Background of the Digital Solidarity Fund." Digital Solidarity Fund. <http://www.dsf-fsn.org/en/03-en.htm>

¹⁶⁹ "Overview - The Digital Divide: ICT Development Indices 2004." United Nations Conference on Trade and Development. <http://www.unctad.org/Templates/webflyer.asp?docid=5878&intItemID=2068&lang=1>

The importance of the establishment of basic innovation systems leading to advanced innovation systems in developing countries must also be recognized and prioritized by donors and countries themselves. Platform technologies will be key, infrastructure will be the foundation, investment in science and technology and education needs to increase, and the role of universities need reforms. Governments need to also promote business activities in science, technology and innovation.

Committee Directive

Where does your country stand on ICT development? It is important to first recognize where your country stands in regarding to ICT needs. If your country is very advanced in the field of ICT then what does your country do to help support others with ICT? Where does it stand on an international, regional and local level with respect to ICT policies? What initiatives does your country support? Does it donate any financial aid to ICT organizations? If your country is still developing its ICT policies then what mechanisms does your country have to monitor and assess ICT readiness, usage, and impact? Is your country establishing an environment for ICT growth? How does ICT link to other development policies in your countries (i.e. education, trade, health, etc...)? Remember these questions are just a starting point for you research.