

UNIDO

Topic A: Forming economic integration and cooperation for industrial development in third world countries

Outline

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II- Background

III- Key Terminology

IV- Important Events and Past Solving Attempts

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I- UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANISATION

On 17 November, 1966, the United Nations General Assembly passes resolution 2152 (XXI) establishing the United Nations Industrial Development Organization (UNIDO) as an autonomous body within the United Nations.

UNIDO is an UN body which has been established in order to promote industrial development for poverty reduction, inclusive globalization and environmental sustainability. The mission of the United Nations Industrial Development Organization (UNIDO), as described in the Lima Declaration adopted at the fifteenth session of the UNIDO General Conference in 2013, is to promote and accelerate inclusive and sustainable industrial development (ISID) in Member States.

II- Background

During the Cold War, the term Third World referred to the developing countries of Asia, Africa, and Latin America, the nations not aligned with either the First World or the Second World. The three-world model arose during the Cold War to define countries aligned with NATO (the First World), the Eastern Bloc (or Second World, although this term was less used), or neither (the Third World). Strictly speaking, "Third World" was a political, rather than an economic, grouping.

In the decade following the fall of the Soviet Union and the end of the Cold War in 1991, the term "Third World" was used interchangeably with "developing countries", but the concept has become outdated as it no longer represents the current political or economic state of the world.

The term "Third World" arose during the Cold War to define countries that remained non-aligned with either NATO or the Communist Bloc. The United States, Canada, Japan, South Korea, Western European nations and their allies represented the First World, while the Soviet Union, China, Cuba, and their allies represented the Second World.

This terminology provided a way of broadly categorizing the nations of the Earth into three groups based on political and economic divisions. Since the fall of the Soviet Union and the end of the Cold War, the term Third World has been used less and less.

It is being replaced with terms such as developing countries, least developed countries or the Global South. The concept itself has become outdated as it no longer represents the current political or economic state of the world.

The Third World was normally seen to include many countries with colonial pasts in Africa, Latin America, Oceania and Asia.

It was also sometimes taken as synonymous with countries in the Non-Aligned Movement. In the dependency theory of thinkers like Raúl Prebisch, Walter Rodney, Theotonio dos Santos, and Andre Gunder Frank, the Third World has also been connected to the world-systemic economic division as "periphery" countries dominated by the countries comprising the economic "core".

Due to the complex history of evolving meanings and contexts, there is no clear or agreed-upon definition of the Third World. Some countries in the Communist Bloc, such as Cuba, were often regarded as "third world". Because many Third World countries were economically poor and non-industrialized, it became a stereotype to refer to poor countries as "third world countries", yet the "Third World" term is also often taken to include newly industrialized countries like Brazil, India, and China; they are now more commonly referred to as part of BRIC.

Historically, some European countries were non-aligned and a few of these were and are very prosperous, including Ireland, Austria, Sweden, Finland and Switzerland. Most Third World countries are former colonies. Having gained independence, many of these countries, especially smaller ones, were faced with the challenges of nation- and institution-building on their own for the first time. The Bandung Conference of 1955 is a notable example of postcolonial states meeting shortly after gaining independence, with 29 countries considered to be in the Third World in attendance.

Due to this common background, many of these nations were "developing" in economic terms for most of the 20th century, and many still are. This term, used today, generally denotes countries that have not developed to the same levels as OECD countries, and are thus in the process of developing. In the 1980s, economist Peter Bauer offered a competing definition for the term "Third World". He claimed that the attachment of Third World status to a particular country was not based on any stable economic or political criteria, and was a mostly arbitrary process.

The large diversity of countries considered part of the Third World — from Indonesia to Afghanistan — ranged widely from economically primitive to economically advanced and from politically non-aligned to Soviet- or Western-leaning. An argument could also be made for how parts of the U.S. are more like the Third World.

The only characteristic that Bauer found common in all Third World countries was that their governments "demand and receive Western aid", the giving of which he strongly opposed. Thus, the aggregate term "Third World" was challenged as misleading even during the Cold War period, because it had no consistent or collective identity among the countries it supposedly encompassed. The impact that colonialization had on the Third World also arguably extended to social and cultural issues.

III- Key Terminology

LAIA

Latin American Integration Association is an international and regional scope organization. It was created on 12 August 1980 by the 1980 Montevideo Treaty, replacing the Latin American Free Trade Association (LAFTA/ALALC). Currently, it has 13 member countries, and any of the Latin American States may apply for accession.

Economic Integration

Economic integration is an arrangement among nations that typically includes the reduction or elimination of trade barriers and the coordination of monetary and fiscal policies. Economic integration aims to reduce costs for both consumers and producers and to increase trade between the countries involved in the agreement.

Third World Countries

"Third World" is a phrase that can be used to describe a class of economically inferior nations. Historical observations have developed a four-part segmentation for dividing the world's economies by economic status.

Developing Countries

Developing countries, just below "developed countries" and above "less economically developed countries," (LEDC) are countries with economies that have high gross domestic product (GDP) per capita and a good general standard of living. Developing countries are adopting ways to internationalize and take advantage of the large global market, which encourages worldwide discussions and conferences aimed at providing a platform for real-life case studies, assessment, and evaluation of current construction trends.

IV- Important Events and Past Solving Attempts

During the Cold War, unaligned countries of the Third World were seen as potential allies by both the First and Second World. Therefore, the United States and the Soviet Union went to great lengths to establish connections in these countries by offering economic and military support to gain strategically located alliances. By the end of the Cold War, many Third World countries had adopted capitalist or communist economic models and continued to receive support from the side they had chosen. Throughout the Cold War and beyond, the countries of the Third World have been the priority recipients of Western foreign aid and the focus of economic development through mainstream theories such as modernization theory and dependency theory.

By the end of the 1960s, the idea of the Third World came to represent countries in Africa, Asia and Latin America that were considered underdeveloped by the West based on a variety of characteristics (low economic development, low life expectancy, high rates of poverty and disease, etc.). These countries became the targets for aid and support from governments, NGOs and individuals from wealthier nations. One popular model, known as Rostow's stages of growth, argued that development took place in 5 stages (Traditional Society; Pre-conditions for Take-off; Take-off; Drive to Maturity; Age of High Mass Consumption). W. W. Rostow argued that Take-off was the critical stage that the Third World was missing or struggling with. Thus, foreign aid was needed to help kick-start industrialization and economic growth in these countries.

Historically, different impulses have directed the movement toward regional integration in the major developing areas of the world. Since the late 1950s, Latin American countries have taken a position favoring privileges and preferences for neighboring countries. Regional integration was championed as a means of surmounting the limits of import substitution in narrow domestic markets and of gaining competitiveness before meeting the harsher challenges of world markets. In Sub-Saharan Africa, the origins of regional integration lay in its colonial past. Large colonial entities were split into politically independent but economically very fragile countries. These countries inherited many common instruments and institutions, such as language, tax systems, tariffs, currencies, physical infrastructure - to mention just a few. Thus, unlike the case in Latin America, Sub-Saharan African countries at independence were characterized by a high level of institutional integration, which was threatened by the new government's primary concern with nation building and national autonomy.

Regional Groups

Latin American Integration Association made it possible that, in 1987, about 40 percent of intra-LAIA were eligible for preferences with variables by country in product coverage. Tariff cuts in specific industries between congenial partners were disproportionate.

Andean Pact

Andean Community is a free trade area with the objective of creating a customs union comprising the South American countries of Bolivia, Colombia, Ecuador, and Peru. The

trade bloc was called the Andean Pact until 1996 and came into existence when the Cartagena Agreement was signed in 1969. Its headquarters are in Lima, Peru.

Economic Community of Central African States

Established by the Brazzaville Treaty in 1964, formed a customs union with free trade between members and a common external tariff for imports from other countries.

The Economic Community of West African States

Also known as ECOWAS, is a regional political and economic union of fifteen countries located in West Africa. Considered one of the pillar regional blocs of the continent-wide African Economic Community (AEC), the stated goal of ECOWAS is to achieve "collective self-sufficiency" for its member states by creating a single large trade bloc by building a full economic and trading union.

ASEAN(The Association of Southeast Asian Nations)

ASEAN is a regional intergovernmental organization comprising ten countries in Southeast Asia, which promotes intergovernmental cooperation and facilitates economic, political, security, military, educational, and sociocultural integration among its members and other countries in Asia.

V- Possible solutions and Questions to Consider

-Aiding entrepreneurs in the 3rd World in order to encourage a possible industrial growth in the designated country

-Helping out the poorest region in the designated company in order to give a possible relief to the government to spend the budget in other areas such as but not limited to

- Industrial growth
- Domestic food production
- Education System
- Healthcare
- Social management

-Educating the people in the designated country in order to create possible qualified personal to the country.

VI- Useful Links

<https://www.google.com/url?sa=t&source=web&rct=j&url=http://documents.worldbank.org/curated/en/191201468780314985/pdf/multi0page.pdf&ved=2ahUKEwjVzdbShY7oAhXN2aQKHdSbAnUQFjABegQIBRAB&usg=AOvVaw37ErxGRwsWfdwMkqGYW46N>

https://www.google.com/url?sa=t&source=web&rct=j&url=https://unctad.org/meetings/en/SessionalDocuments/cimem6d8_en.pdf&ved=2ahUKEwjVzdbShY7oAhXN2aQKHdSbAnUQFjAKegQIBBAB&usg=AOvVaw2Fkxg_xNYAvObKmc0a2R7I

<https://www.tr.undp.org/content/turkey/en/home/sustainable-development-goals/goal-11-sustainable-cities-and-communities.html>

https://en.m.wikipedia.org/wiki/Latin_American_Integration_Association

https://www.google.com/url?sa=t&source=web&rct=j&url=https://sustainabledevelopment.un.org/content/documents/2537IDR2018_FULL_REPORT_1.pdf&ved=2ahUKEwjzv_msiZDoAhVDtnEKHVuKBykQFjAMegQICRAB&usg=AOvVaw1btBhldp-SvAOBcVx0ef0-

UNIDO

Topic B: Industrialization of Africa

Outline

I- Introduction

II- Key Terminology

III- Current Situation

IV- Major Parties Involved

V- Possible Solutions and Questions to Consider

I- Introduction

At no point in recent history have calls for Africa to industrialize been stronger than they have been lately. Across the continent, industrialization is arguably the most talked-about subject among the policymakers. So why has action on the ground failed to move the needle on this important development marker?

Industrialization has been a campaign promise across the African continent, with its acknowledged ability to bring prosperity, new jobs and better incomes for all. Yet the

continent is less industrialized today than it was four decades ago. In fact, the contribution of Africa's manufacturing sector to the continent's gross domestic product actually declined from 12% in 1980 to 11% in 2013, where it has remained stagnant over the past few years, according to the UN Economic Commission for Africa (ECA).

The less industrialized nature of many African states has led to unemployment rates higher than 35% in western parts of the continent, statewide poverty in many nations and thus to the lack of fundamental supplies for thousands of people in the continent. Seeing that the industrialization and thus the modernisation of local economics would be of great benefit to the future of African people, the United Nations Industrial Development Organisation (UNIDO) has decided to take immediate action.

As of 1 April 2019, 170 states are members of the United Nations Industrial Development Organisation (UNIDO).

Member states regularly discuss and decide on the guiding principles and policies of UNIDO within policy-making organs. The mission of UNIDO is to promote and accelerate inclusive and sustainable industrial development (ISID) in member states.

II- Key Terminology

The Sustainable Development Goals (SDGs):

It constitutes the core of the 2030 Agenda for Sustainable Development and guide all global, regional and national development endeavours for the next 15 years. The following actions are being taken by UNIDO to contribute to the SDGs. Due to the interlinked nature of the SDGs, many of UNIDO's activities contribute to more than one SDG.

Inclusive and sustainable industrial development (ISID) :

It is the primary source of income generation, allows for rapid and sustained increases in living standards for all people, and provides the technological solutions to environmentally sound industrialization. Technological progress is the foundation of efforts to achieve environmental objectives, such as increased resource and energy-efficiency.

According to UNIDO; without technology and innovation, industrialization will not happen, and without industrialization, development will not happen.

The Global Manufacturing and Industrialisation Summit (GMIS):

It was established in 2015 to build bridges between manufacturers, governments and NGOs, technologists, and investors and to harness the Fourth Industrial Revolution's transformation of manufacturing to enable the regeneration of the global economy. A joint initiative of the United Nations Industrial Development Organization (UNIDO) and the United Arab Emirates (UAE), GMIS is a platform that presents the manufacturing sector with an opportunity to contribute towards global good.

III- Current Situation

When colonial states withdrew from African territories, some of those nations caressed their subsequent off-shoots, aiding them in trade and development while some sacrificed hundreds of lives in order to hold on to the last bits of power. Regardless of these, the continent of Africa, technologically and culturally, has been left centuries behind the world and in our time many nations are yet trying to recover from the recent famines, wars and economic collapses they suffered.

Most of the Sub-Saharan countries rely on agriculture and most of the population reside in rural areas, even though the farmable lands are scarce and most are infertile. Over the past few years, the international community has made a quantum leap in advancing new approaches to accelerate progress and pave the way for a more ambitious, inclusive and universal development framework beyond 2015. While industrialization was not factored into the Millennium Development Goals framework, inclusive and sustainable industrialization now features strongly in the 2030 Agenda for Sustainable Development.

IV- Major Parties Involved

UNITED NATIONS:

The United Nations, in face of many civil wars and famines which were an indirect outcome of weak economics and statewide poverty, has been leading various outreach projects in Africa, desperately making effort to aid the local neighbourhoods. The United Nations efforts to support the African continent on its way to growth and prosperity are going as far back as the foundation of United States in 1945. The African continent by the constant aid of the UN has been decolonized free from foreign rule and the growth numbers we currently look down upon were a huge success in making overall economic growth of the continent positive for the longest stretch of time.

Even though, it has been seen that these accomplishments fell short and much more decisive and precise measures must be taken. The progressive development of African industry has undoubtedly the highest potential of bringing Africa into the modern age. The relevance of ISID as an integrated approach to all three pillars of sustainable development is recognised by the 2030 Agenda for Sustainable Development and Sustainable Development Goals (SDGs), frame United Nations' efforts towards sustainable development within the following eleven years.

Accordingly, the Organisation's programmatic focus is structured, in four strategic priorities:

- Creating shared prosperity
- Advancing economic competitiveness
- Safeguarding the environment
- Strengthening knowledge and institutions

In carrying out the core requirements of its mission, UNIDO has considerably increased its technical services over the past ten years. Moreover, it has substantially increased its mobilisation of financial resources, testifying to the growing international recognition of the Organisation as an effective provider of progressive industrial development services.

UNIDO enhances and reinforces economic growth and diversification guided by four overarching principles:

1. No one is left behind in benefiting from industrial growth, and prosperity is shared among all parts of society in all countries as industry creates the wealth needed to address critical social and humanitarian needs.
2. Every country is able to achieve a higher level of industrialization in their economies, and benefits from the globalization of markets for industrial goods and services.
3. Broader economic and social progress is supported within an environmentally sustainable framework.
4. The unique knowledge and resources of all relevant development actors are combined to maximize the development impact of ISID.

DEMOCRATIC PEOPLE'S REPUBLIC OF CHINA:

China has undoubtedly become the biggest trade partner of the African continent, actively trading with every state in Africa besides eSwatini. The Chinese government, at the sight of its own booming economy and surplus of industrial goods, in invert proportions to the African economies which had great amounts of unexploited and unprocessed amounts of natural resources, has been a major factor for the development of these countries. The markets which were devoid from foreign involvement since the late-colonial times, have been filled with Chinese investments.

High commodity prices triggered by China's seemingly insatiable appetite for natural resources have fueled rapid economic growth in Africa since the 1990s. Many thought the boom would revive Africa's waning manufacturing industry. Yet to the dismay of analysts, it failed to live up to expectations. Instead of using the windfall to set up or stimulate manufacturing industries; African countries, with a few exceptions, wasted the money on non-productive expenditures. Ghana and Zambia, for instance, used profits from the commodity bonanza to solve short-term domestic problems, such as by increasing salaries for civil servants.

Now falling commodity prices and a cooling Chinese economy have conspired to expose the myth of the “Africa Rising” storyline. The International Monetary Fund estimates that growth in 2020 will fall below 4%, which The Economist, a UK-based publication, warns will lead “many to fret that a harmful old pattern of commodity-driven boom and bust in Africa is about to repeat itself.”

Currently, the investments of China has been left in the sphere of infrastructure, which is of course needed for sustainable growth, but the current economic growth that was supplied by the exploitation of natural crude resources must be supplied with projects which will ensure industrial development. For the success in the long endeavour which is the progression of African people, it is a necessity to ensure that the investments of China will be handled in cooperation to the future projects of UN and UNIDO.

Possible Solutions and Questions to Consider

How could the investments towards the entrepreneurs in the African region increase?

Which trade partnerships can be established in order for the countries to steadily develop?

What should be the role of UNIDO towards the sustainable development in Africa?

Further Reading

<https://www.un.org/africarenewal/magazine/august-2016/why-has-africa-failed-industrialize>

<https://qz.com/1550626/chinas-investment-will-allow-africa-to-lead-the-22nd-century/>

<https://www.forbes.com/sites/wadeshepard/2019/10/03/what-china-is-really-up-to-in-africa/#5ec3787f5930>

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

<http://www.industrialunion.org/focus-on-industrialization-in-africa>

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

https://www.google.com/url?sa=t&source=web&rct=j&url=https://gsis.korea.ac.kr/wp-content/uploads/2015/04/11-1-05-Ombeni-N.-Mwasha.pdf&ved=2ahUKewjVzdbShY7oAhXN2aQKHdSbAnUQFjAMegQIAxAB&usg=AOvVaw2iDmM98xFaz1-gm8_Jp0XG

Closing Letter

To sum it up both in Africa, Asia and Latin America many issue which are hindering the path for sustainable development. The main objective for all you delegates must be finding and establishing a way to dispose of the hindrance which has been causing serious problems for these undeveloped countries for decades. UNIDO was established in order to give a hand to these countries and to give them the support the world could offer. It has been continuing and gets closer reaching it's aim each year. What we expect from you is to come up with solutions which will speed up the process in a noticeable way. We hope to spend a fruitful 4 days of debates and agreements. If you have any questions please don't refrain from asking we will be pleased to reply.

Temmuz Tan Çataloluk
Committee Director of UNIDO