

# COMMISSION GUIDE

ECOSOC



# CCB MUN XVIII

**Economic and Social Council**

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ECOSOC

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## 1. Presidents' Letter

Dear delegates,

Over the past few months, we were able to reflect on the terrifying situation the pandemic has brought; these are clearly uncertain times that clearly will change society and the economic system as we used to know it. Perhaps the economic repercussions of such events will be completely devastating and in serious need of correction. There are events such as this that allow us to understand the value of education, and especially the importance of events such as the MUN. In this sort of simulation, it is as if we had a say on current world dilemmas, we feel part of something that is much bigger than us, but especially, we understand the impact current leaders might bring to society. This is the main reason why CCBMUN is so important, it allows us to dig deep into the beginning of a problem and possibly find a reliable solution to it. It is a method that educates a generation of inquisitive minds that seek to understand the world. We believe that these models are able to create the leaders of tomorrow and inspire the minds of today. We are certain that in the near future, the inquiry that we gain as a committee discussing the difficulties of today, will help us be able to unite and solve similar problems in the future in a much more effective way.

Although we are living what most people believe to be difficult times, we certainly believe that difficulties in humanity are the primary moving force of progress; a world with no struggles would mean a world with no innovation. This is clearly proven by the 20th century where, although people suffered two world wars, a great depression and a cold war between the United States and the USSR, it is regarded as being one of the most innovative centuries ever. The century began with people not knowing how to fly, and ended with trips to the moon. It began with little or no idea about computation and ended with the internet. We learned to understand how to solve these types of problems in order to prevent them from ever happening in the future, something we need to continue doing to this day. This is the reason why we chose topics that will have a huge impact on future generations for this commission. Because we understand that humanity needs to project towards its future.

Delegates, during this model you are part of the building of the future, Artificial intelligence might determine how humanity might or might not continue. Artificial intelligence will be a massive problem we need to properly manage, it is a technology that has and most likely will change the social and economic environment and we have the responsibility to properly manage it. On a different topic, implementing Universal Basic Income might possibly bring the eradication of poverty as we know it, or do the exact opposite, destroying the governmental foundations and disrupting the whole economy. You will learn the importance of the economic system for society, and will gain a greater world view on how to solve the socio-economic problems of present times. It goes without saying that, as your presidents, our main goal is to educate you; we want you to understand the base of society, and finally to be inspired by the possible solutions you are capable of contributing to the model and to the world.

Yours sincerely,

Lucas Hernández & Isabela Duque ECOSOC CHAIR

## 2. Commission Information

### i. History

The United Nations Economic and Social Council (ECOSOC) is one of the six principal organs of the United Nations. It was established by the UN Charter in 1945, with the goal of promoting dialogue to develop recommendations and solutions on economic, social and environmental issues, while implementing internationally agreed development goals. ECOSOC is guided by an issue based approach; it has an annual theme that is successfully followed in order to assure a focused discussion among the stakeholders. It is the central mechanism for the activities of the UN system and its specialized agencies; it also supervises the subsidiary and expert bodies in the economic and environmental fields. In 1965 and in 1975 the UN Charter was changed in order to expand the number of members from 18 to 54. ECOSOC was designed to be the UN's main place of discussion of international economic and social issues.

ECOSOC is responsible for promoting a higher standard of living, full employment, and economic and social progress. It is able to identify solutions to international economic, social and health issues by facilitating international cooperation around topics of culture and education therefore facilitating universal respect for human rights.

In 2007, this commission launched the Development Cooperation Forum (DFC) at the 2005 World Summit Outcome. At this summit, world leaders decided to found this forum because of new rising trends of lack of development cooperation. The DFC has the goal of reviewing trends on international cooperation and promoting policy and guidelines to assure effective international development. It provides a platform for members to share solutions and implement strategies with respect to the subject. The DFC still remains one of the most important forums under ECOSOC's responsibility.

Additionally, ECOSOC also has branches such as the High-Level Political Forum. It was mandated in 2012 and acts upon the United Nations Sustainable Development Goals by ensuring cooperation amongst world leaders. It has a special focus on countries, governments, civil society organizations, international organizations, development banks, local government, philanthropic foundations and the private sector.

### ii. Structure

ECOSOC has a cycle of programmes that make up the structure of this commission. Some of those may include the High-level Political Forum (HLPF), which provides political leaders with guidance and recommendations on how to acquire sustainable development. The Annual Ministerial Review (AMR) has been held every year since 2007, with the primary goal of

assessing progress in the implementation of the UN's development agenda. The Development Cooperation Forum (DCF), reviews progress and development every two years. The Integration Segment is held annually, and its primary goal is to accomplish a balanced integration of the economic, social and environmental dimension to accomplish sustainable development. The Humanitarian Affairs Segment strengthens the coordination of United Nations humanitarian actions. The Operational Activities for Development Segment is held annually and provides the overall coordination and guidance of the UN's funds and programmes.

The Economic and Social Council oversees several UN bodies which include specialized agencies, including the World Bank, UNESCO, WHO, the International Fund for Agricultural Development (IFAD) and many more. It also oversees regional commissions such as the Economic Commission for Africa (ECA), Economic and Social Commission for Asia and the Pacific (ESCAP) and many more. There are also functional commissions such as the Commission on Population and Development, Commission for Social Development and Commission on Human Rights.

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### 3. Topic 1: *Universal Basic Income, its Benefits and Repercussions*

#### i. History/Context

Universal Basic Income (UBI) is the idea that every citizen is deserving of a basic income, which they should use to cover their basic needs such as food, shelter, etc. This idea was first mentioned in the 16th century by Thomas More in his book *Utopia*. More mentioned the idea as a way to prevent thieves from stealing; he believed it would have a positive effect and solve the issue. More's friend Johannes Ludovicus Vives decided to develop this new idea further, developing an argument to support the idea, which used pragmatic and theological reasoning. Thomas Paine followed, writing *Common Sense*, which was a written argument supporting America's independence. Paine believed that once a human being reached the age of 21, he or she must receive a sum of money in order to begin a career. Additionally, he believed that once people reach fifty years of age, they must also receive a sum of money. Paine wrote his ideas in a book called *Agrarian Justice*.

Years later, different countries started to establish laws to help low-income families, and a great number of projects were created for such purposes. For example, Abraham Lincoln enacted the National Homestead Act of 1862, which granted a certain amount of acres of public land to families; however, these had to meet certain standards before getting their land. Additionally, different writers talked about some type of basic income and how it could impact the world. Some of these writers were Henry George, Edward Bellamy, and Bertrand Russell.

In the United States, a new movement was launched in 1934. The people supporting it demanded that the government give each family a check for \$5,000 a year. "Our Wealth" was what the people from the movement called themselves; they were led by Huey Long. However, he was assassinated and the movement ended. Countless writers continued to explore basic income, therefore, many books talk about the possibility of such a thing becoming a reality, however, it never did. Later on, Martin Luther King Jr and Richard Nixon both voiced their support for a type of basic income, however, neither one of their proposals was ever implemented. For example, Nixon's proposal was to create a new welfare system with more benefits in the short and long term. Although it had some differences to the principal UBI concept, it served a similar purpose. Unfortunately, it was not passed by the Senate.

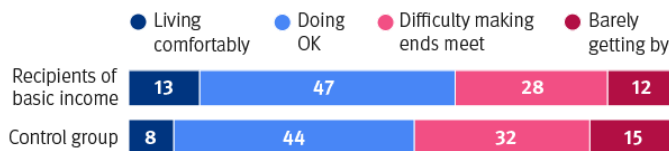
#### ii. Current situation

Currently, many countries have explored the idea of giving basic income to each citizen. Therefore, many nations have started trials to look at a controlled group of people and see the progress they make with the basic income. Finland is one of the countries that decided to implement UBI. It started the experiment in January of 2017 and ended it in December of 2018; in the experiment, a sum of €560 was received by 2,000 unemployed citizens. The main goal was to see if these unemployed people would be motivated to get a job. Once the results

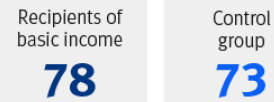
were in, they showed quite the opposite; people's mental health had improved, but their unemployment status barely did.

## Results of the basic income experiment: small employment effects, better perceived economic security and mental wellbeing

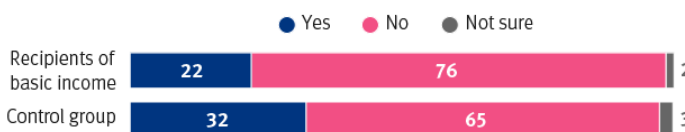
Self-perceived financial situation at current household income, % of respondents\*



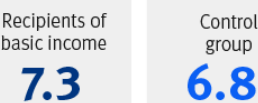
Average number of days of employment November 2017–October 2018



Self-perceived depression, % of respondents\*



Satisfaction with life on scale 0–10, average



\*The survey was carried out towards the end of 2018.

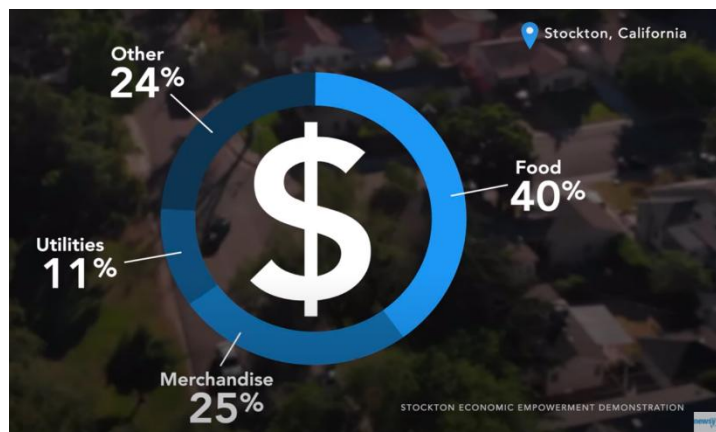
The interpretation of the results of the basic income experiment is complicated by the introduction of the activation model in 2018.



(Image Retrieved from: [https://www.kela.fi/web/en/news-archive/-/asset\\_publisher/IN08GY2nIrZo/content/results-of-the-basic-income-experiment-small-employment-effects-better-perceived-economic-security-and-mental-wellbeing](https://www.kela.fi/web/en/news-archive/-/asset_publisher/IN08GY2nIrZo/content/results-of-the-basic-income-experiment-small-employment-effects-better-perceived-economic-security-and-mental-wellbeing))

As the graph shows, people had better mental health and had fewer health problems, as well as reduced stress levels.

Another project similar to UBI is the SEED (Stockton Economic Empowerment Demonstration.) A number of citizens from Stockton, California will be receiving \$500 each month, which they can use for covering their basic needs. The following graphic shows what the recipients have spent their UBI on so far. However, there is not a lot of available information because it is still an ongoing project.



(Image Retrieved from: <https://www.stocktondemonstration.org/>)

Canada conducted a similar experiment in the 1970s; its main goal was to reduce rural poverty, therefore, the chosen area was Dauphin, Manitoba. However, it was conducted in other areas as well. Each chosen family was given 16,000 Canadian dollars. The experiment was very well controlled; to illustrate, when the families made extra money, only half was cut from their basic income. Unfortunately, a new conservative government arrived and was not interested in continuing the study. An additional study was also conducted in Ontario, Canada. It had similar outlines as the previous one. However, it was in the city and for low-income families. But this study was also cut short and it was so short that results were not retrieved.

Another country that has experimented with the idea of UBI is Switzerland. Switzerland's government wanted to implement a UBI plan, and therefore, it conducted a vote. The plan consisted of giving 2,500 Swiss dollars to each citizen. This would especially help people who stay at home looking after others and who cannot go out to work because of this. Unfortunately, the UBI project was rejected by 77% of the population. However, a new UBI experiment has been created by a Swiss filmmaker, who truly believes in UBI and how it can change living conditions for many people. Unfortunately for her, she failed to raise the \$6 million she needed, and therefore, the project will not go on.

UBI has also come up in the Democratic candidate election in the United States, with one candidate voicing his support for it. Andrew Yang supports UBI and hopes it will be implemented in the United States. However, he will not get the chance to try it because he dropped out of the election, and a different leader has been chosen to represent the Democratic party.

To summarize, universal basic income is very present in today's society, especially with the possible abolition of jobs due to AI. It can create a safety net for people, and it might open new opportunities for them. However, the implications are substantial, and further analysis has to be done in order to deem this a plausible solution to many of the world's economic and social problems, or whether it is better to carry on with the current benefits programmes that many countries have.

### **iii. Key points of the debate**

- Impact of UBI on economic inequality and benefits for low-income families
- Impact of UBI on society and citizens' mental health
- Plausibility or necessity of governments giving UBI to every citizen, especially in developing countries nations
- UBI compared to pre-existing welfare programmes
- Effects on unemployment rate and citizens' motivation to find jobs



#### iv. Participating organisms

- The International Monetary Fund (IMF)
- The World Bank

#### v. Guiding questions

1. What is your country doing to reduce poverty on a national level? Has it succeeded in its attempts to reduce it?
2. Does your country receive monetary aid to eradicate poverty, and, if so, how is it spent?
3. Does your country give monetary aid to other countries to eradicate poverty, and if so, how is it spent?
4. What is your country's position regarding UBI? What effects would UBI have on your country's economy?
5. Has your country conducted or supported UBI experiments? If so, what were the results?

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## 4. Topic 2: *The effects of Artificial Intelligence on employment and education*

### i. History/Context

Throughout history, people have used different machines to help them do their work, but there have been certain periods of history when new inventions and changes to these machines have had a significant effect on society.

The Industrial Revolution was one of the most important events of all modern history. It was crucially important for the development of industry, and for the capitalist structure that most countries have adopted today. The Industrial Revolution began during the 1760s, and it brought major changes to the way that people lived. Before this time, a single worker might have worked on the whole construction process of a single product in their own home. One worker was responsible for completing multiple tasks, and the machines were very simple. This system was not as efficient and brought an enormous amount of income inequality, and little to no social mobility. Most of the monetary resources were owned by a tiny minority who owned large quantities of land and who controlled the limited amount of industries, which were known as cottage industries.

The Industrial Revolution changed how the socio-economic system worked; it brought inventions which made the process of creating textiles much faster and simpler. The introduction of factories completely changed the social and economic structure of society. Work became much more specialized and industries shifted from the countryside towards the cities, where most of the factories were constructed. This created large scale migration from the countryside to the cities as people looked for work opportunities.

One of the reasons factories could be built was the rise of industrial capitalism. Before this time, goods were made locally using simple and cheap tools, but mass production in factories requires large amounts of capital to finance the operations. Investment led to the rapid industrialization of Europe bringing with it enormous amounts of innovation, such as the creation of the steam engine, which helped to move people and goods more easily around the world.

Although factory conditions were often harsh for the workers, the Industrial Revolution made processes much simpler, cheaper, and faster. Industrialization also created new jobs in areas such as management, medicine and security, and the population began to live for longer. There was a rapid population growth at this time, and the workers used their wages to buy different products, creating a rise in demand for a bigger range of products. As private industries grew, taxation on these industries allowed the government to use the money for public services such as hospitals, police and fire stations, public parks and schools. Gradually a class of professionals appeared, who were known as the middle class.



(Image retrieved from: <https://www.history.com/topics/industrial-revolution/industrial-revolution>)

The Industrial Revolution brought the modern education system, made for people to learn strategies such as memorization and following instructions. It prepared the vast majority of the population to work in factories, where it was important to follow orders. Higher education at universities was only available for wealthier citizens, but it was the large factory owners who started to have the most power in society.

During the past three centuries, there have been two more industrial revolutions. The second industrial revolution, in around 1870, was caused by the expansion of electricity and oil. The third industrial revolution is also known as the digital revolution; it brought the introduction of the internet, nuclear energy, and the first digital computers.

Today we are in the fourth industrial revolution, whose main characteristics are automatization and the rise of artificial intelligence. The different aspect that separates this series of events from the rest is that during the past industrial revolutions, companies had specialized workers who worked with machines to achieve an outcome. However, the current trends show that the automatization process diminishes the necessity of having many workers in a factory, as some machines are now capable of completing tasks with little to no human assistance.

Artificial intelligence is advancing rapidly, and can now complete complex tasks that were once only possible by humans. According to Investopedia “Artificial intelligence (AI) refers to the simulation of human intelligence in machines that are programmed to think like humans and mimic their actions. The term may also be applied to any machine that exhibits traits associated with a human mind such as learning and problem-solving.” AI manages this by dividing a complex task into several repetitive ones, and sets of rules called algorithms are

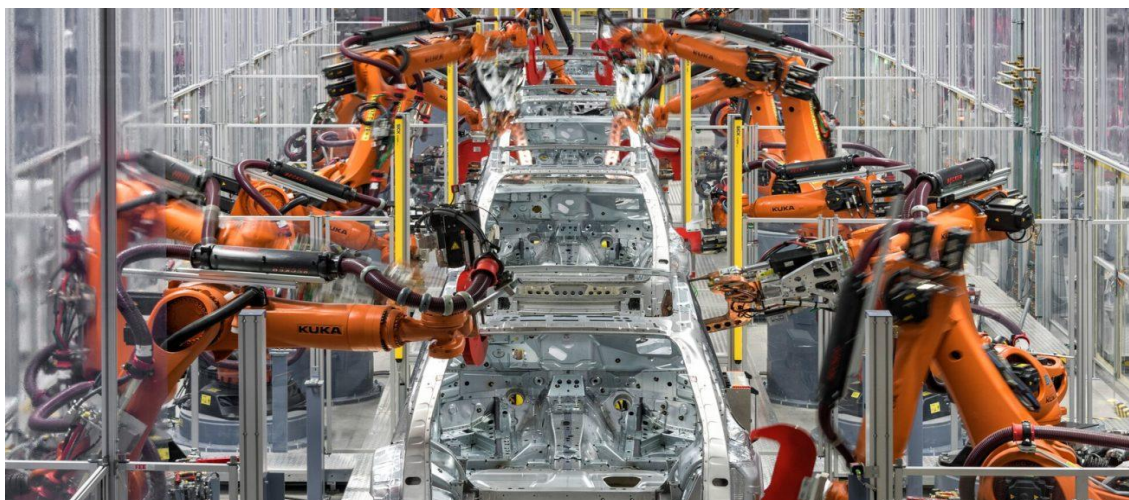
programmed into the machine to help it to learn by itself. This is how planes can be piloted by artificial intelligence and how self-driving cars are made safer every day. This trend of machine learning leaves less jobs for specialized workers in the area in which it is used. AI is surpassing human capabilities in many jobs such as pharmacists, analysts, journalists, cashiers, and even radiologists.

## ii. Current situation

The fourth industrial revolution has brought two very important technologies; automation and Artificial intelligence (AI). This change in the way of working will have an enormous impact on the economy and on the rate of employment in different industries around the world. Although it is considered that this new revolution will bring new jobs, approximately twice as many, at the moment it is not easy to predict what these jobs might be, and improper implementation of AI may have serious repercussions on society.

Due to automation, potentially more than half of the jobs in the United States could be replaced in the next two decades. As there is no need of having a human operator on repetitive based jobs, employment in factories would decline. Whereas during the past revolutions industry was based on production jobs, today's industry has a higher proportion of service-based jobs, such as hairdressing or home deliveries.

The problem with many of these types of jobs is that they are economically unstable. They do not provide a high enough income for the majority of the population to live comfortably. As automation is growing so fast, it is likely that the vast majority of the population that is affected by this shift will be forced to work in service-based jobs. In 1979, General Motors employed 800 thousand employees and earned 11 billion dollars by today's rates, while in 2012 Google employed only 50 thousand employees and earned 14 billion dollars. Although it does not compare like with like, it does show that the massive corporations of today do not necessarily offer tremendous amounts of job opportunities.



(Image retrieved from: <https://www.bratislava-motor-city.com/uncategorized/bratislava-the-new-motor-city/>)

The idea that innovation brings more job opportunities is not always compatible with modern society. In the past, the invention of cars brought thousands of job opportunities in manufacturing, building roads, oil companies, and many more. However, today, if we take an invention such as the internet, we can see that, although it has brought a high number of new jobs, it does so by replacing the old jobs, which often employed more people to fulfil the same goal. For example, in 2004 Blockbuster (a movie rental service company) had 84 thousand employees, whilst Netflix had 4,500 employees in 2016 but earned almost twice as much revenue, adjusting them to today's standard. Another example is the production of shows; in the past, an entire production team was needed to air a show, but today a small team can reach an equally large amount of audience with smaller cost.

In the United States, there is a need for at least 150,000 new jobs every year due to population growth, and simple automation and artificial intelligence do not bring the amount of jobs needed to sustain the population. However, some experts believe that perhaps this new industrialization process might be similar to the once we saw a hundred years ago, capable of creating new industries that today we might not be able to imagine. As a company expands its growth, possibly using automation, the new product lines it releases will need a new line of workers, such as designers, supervisors, and even the machine operators, thus the more a company expands, the more jobs it generates.

Technology has advanced at a rapid rate over the past few years, and the ability for computers to store information has grown exponentially in the last 50 years but until now it has not had much effect on labour productivity. For example, labour productivity (what a country as a whole produces every hour) in the United States has increased and income per capita (the average amount a person earns in a year) has stayed mostly the same. This shows that automation is not currently having a detrimental effect on the number of jobs in the country.

Although AI will bring more job opportunities, this is likely to take a long time, and it is possible that these new jobs would be really different than the ones we know of today, making difficult demands on education systems around the world. As previously mentioned, the first mass education systems were made to prepare the population to become factory workers. The foundations of this method have mostly stayed the same in many countries, with students still being ordered to follow instructions and to do repetitive tasks. This system does not match the needs of current society, and if this does not change, current generations are preparing for job opportunities that might not even exist when they leave school.

Some experts believe that automation could worsen income inequality, because most of the population that would suffer from this change are the middle-income families, known as the middle class. If the education system prepares students for jobs that will not exist in the future, this will cause a widening gap between higher and lower paid workers. Some experts have proposed charging higher taxes on machines in order to assure stability for citizens, whilst other experts think that UBI is a way to solve this problem. The effects on developing countries, where many people work in industries that could be replaced by AI, is also a worrying factor. The future of AI still remains uncertain, but it is important that



countries are ready to face this change to working practices in the future.

### **iii. Key points of the debate**

- Effects of rise in automation and AI on jobs in developed and developing countries
- Possibility of government interventions in private automation processes
- Positive ways to use AI in industry
- Education for the future
- Welfare programmes to offset negative effects of AI and automation on vulnerable social groups

### **iv. Participating organisms**

- The World Bank
- Open AI
- Association for Information Science and Technology (ASIS&T)

### **v. Guiding questions**

1. What is your country's position on the use of AI in work spaces?
2. Does your country implement AI? Is it heavily used or not?
3. How has the rise of automation affected your country?
4. Is this new technology beneficial or problematic for your country's population?
5. How is education changing in your country to face the challenges of the future?
6. What solution does your country propose to offset any negative effects of AI and automation on the citizens?

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