

## **Committee: World Trade Organization**

### **Topic: Discussing the Impacts of Economic Sanctions as a Penalty Towards Developing Nations**

#### **Report of the Chairs**

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#### **I. Theme of the Conference**

Model United Nations San Antonio (MUNSA) is a conference dedicated to fostering authentic and passionate debate amongst delegates in order to generate solutions to current global issues. The theme of *MUNSA XXIV: Envision* encapsulates our mission to urge delegates to foresee a future in which these problems have been dissolved. With collaboration in mind, delegates from every committee are encouraged to visualize innovative resolutions and a prosperous world to come. Together, we will propel ourselves into an age in which brilliant ideas converge to transform our world and address its most paramount issues.

#### **II. Rationale**

Economic sanctions influence the actions of other sovereign nations and affect the global economy. They have become the tool of choice to respond to major geopolitical challenges such as terrorism and diplomatic conflict and have been used across the world since a global economy has been existent.<sup>1</sup> However, there is sometimes controversy when implementing such sanctions. They put developing nations at an even further disadvantage and can be at times, ineffective. All countries participating in global trade are affected by each others' actions; however, within the current political spectrum China, Venezuela, Iran, the United States, North Korea, and Cuba have been experiencing the most direct consequences. This committee's goal is to create innovative and foreseeable solutions that grapple with the validity and effectiveness of the economic sanctions on developing nations.

#### **III. Background of the Topic**

Over 500 nations have implemented economic sanctions since the early 1900s. The United States, Europe, and other developed economies have enacted sanctions on other nations

to assert their influence globally without resorting to military interventions. From nuclear non-proliferation to the promotion of fundamental human rights, the political goals behind such economic sanctions have been enforced through various forms of trade barriers, tariffs, and restrictions on financial transactions. Since 9/11, there has been a pronounced shift toward targeted or so-called smart sanctions, which aim to minimize the suffering of innocent civilians. However, it's quite evident that sanctions from major superpowers hurt smaller developing countries. With only a 20-30% success rate, economic sanctions have severely dissatisfied many representatives of developing nations within recent years.<sup>4</sup> These representatives claim that economic sanctions strip the freedoms of indirectly affected developing nations even though they were originally proposed for humanitarian purposes.<sup>2</sup>

In 2018, after months of increasingly hostile rhetoric, the US government withdrew from the Joint Comprehensive Plan of Action, or “Iran Deal,” and imposed a “maximum pressure” campaign that included unilateral, economy-wide sanctions. That being said, this committee urges delegates to recognize the effects of sanctions on our modern economy and the consequences they have on a global scale.

#### **IV. Contemporary Evidence of the Topic**

Economic sanctions affect almost all nations due to the interconnectedness of the modern global economy. Countries including the U.S., Iran, China, North Korea, Cuba, Libya, Russia, Saudi Arabia, and Venezuela are currently under heavy sanctions. Several countries are under sanctions for nuclear-proliferation including Iran, North Korea, and Cuba.<sup>6</sup> Countries such as Saudi Arabia, Venezuela, Libya, and Russia are sanctioned due to perceived human rights violations within their borders.<sup>3</sup>

Both China and the United States are currently in a trade war, with both nations imposing tariffs and sanctions on the other in order to weaken the other country's economy.<sup>5</sup> Countries across Southeast Asia and Latin America have been heavily impacted by this trade war as a substantial part of their economies rely on imports and exports from China and the US.<sup>1</sup> Taking the effects of sanctions into account, finding a solution to this dilemma is imperative, as the economies of developing nations and peaceful relations between countries are at risk.

## **V. References and Research Resources**

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3. Department of the Treasury. 2019. Venezuela-related Sanctions. Retrieved August 20, 2019 from <https://www.treasury.gov/resource-center/sanctions/programs/pages/venezuela.aspx>
4. Masters, J. August 12, 2019. What Are Economic Sanctions? Retrieved: September 6, 2019 from <https://www.cfr.org/background/what-are-economic-sanctions>
5. Meredith S. September 6, 2019. US-China trade dispute is 'already in the early stages' of a second Cold War, Niall Ferguson says. Retrieved September 6, 2019 from <https://www.cnbc.com/2019/09/06/us-china-trade-war-in-the-early-stages-of-second-cold-war-niall-ferguson-says.html>
6. U.S. Department of State. 2019. Cuba Sanctions. Retrieved on August 27, 2019 from <https://www.state.gov/cuba-sanctions/>

## **VI. Note to the Delegates**

We appreciate your attendance at MUNSA XXIV. We are your co-chairs Julianna Lasky and Cristian Benavidez, and we are delighted that you've chosen to be apart of our committee.

Through your research and your time at the conference, we hope this topic is engaging and you able to make this experience one to remember. If you have any questions or comments, please contact us through our emails listed below.

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