



# FARISMUN TOPIC GUIDE

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# Meet the Chairs:

## **Sarah Nahshal**

I'm Sarah Nahshal and I'll be having the privilege of chairing the ECOSOC. I'm super glad that you all took the time out to participate in such a life-changing opportunity; I quite literally mean 'life-changing'. I am thrilled to embark on this journey and highly looking forward to meeting you all very soon!

## **Ibrahim Darwish**

Hello There!! My name is Ibrahim Darwish. I am going to be chairing ECOSOC. I am a student in Al-Rowad International School. I started MUN a few years ago as part of a school club and oh boy! How much I have changed since is indescribable. I am in love with the feeling I get whenever I finish solving a hard-mathematical equation. Pretty random, right? I fear so... Let's not forget that I am a die-hard Star Wars Fan got any references? I assure you I will get them all. Can't wait to see you!

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# Committee Introduction

The Economic and Social Council (ECOSOC) was created in 1945 and is one of the main organs of the UN. The council consists of 54 members (which are elected every 3 years by the general assembly). For a resolution to pass in this council, a simple majority is needed. Which means that more than half of the committee has voted for this resolution.

The council deals with promoting higher standards of living, full employment, and economic and social progress; identifying solutions to international economic, social and health problems; facilitating international cultural and educational cooperation; and encouraging universal respect for human rights and fundamental freedoms and issuing policy recommendations to the UN system and to Member States. ECOSOC's purview extends over 70 percent of the human and financial resources of the entire UN system.

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## Topic Introduction

Pandemics—defined as large-scale outbreaks of infectious disease that can greatly increase morbidity and mortality over a wide geographic area and cause significant economic, social, and political disruption—have increased in number over the past century because of increased global travel and integration, urbanization, changes in land use, and greater exploitation of the natural environment. These trends will likely continue and intensify. Significant policy attention has focused on the need to identify and limit emerging outbreaks that might lead to pandemics and to expand and sustain investment to build preparedness and health capacity. The international community has made progress toward preparing for and mitigating the impacts of pandemics, but despite these improvements, significant gaps and challenges exist in global pandemic preparedness. Progress toward meeting the International Health Regulations (IHR) proposed by the WHO (World Health Organization) has proven uneven, and many countries have been unable to meet basic requirements for compliance, leading to pandemics having a disproportionately higher mortality impact on low- and middle-income countries (LMICs).

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## Topic History

Epidemics have been a repeated phenomenon throughout recorded history. Generally, the economic and health effects of an epidemic are most acutely felt by the vulnerable and poorest populations in society. As diseases reduce the size of the labor pool, increased bargaining power leads to wage increases and competition for labor. A look at the most serious epidemics in history—the Black Death, the 1918 Influenza Pandemic and currently, the 2020 Coronavirus

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Pandemic—is important to understand how epidemics impact people, labor markets, and economic inequality.

### **The Black Death**

Perhaps the most notorious pandemic in history, the bubonic plague, also called the Black Death, killed 60 million people from 1348-1351. Estimates of the overall mortality rate are contested, with regional death rates varying from 25-40%, and even up to 80% of the total population in an area. Despite these high mortality percentages, the bubonic plague did not kill indiscriminately: those suffering from iron deficiencies and malnutrition faced higher mortality rates. Compared to other diseases, the bubonic plague was severe and sudden, quickly killing its victims.

Prior to the Plague, improvements in technology and agriculture led to political stability and skyrocketing populations. This, in turn, created a downwards pressure on wages, food shortages, and an economic hierarchy vastly favoring landowners. When the bubonic plague receded, the few surviving British workers, for example, saw wages rising 20-40% from the 1340s to the 1360s.

This period of reduced economic inequality was short-lived. The economic landscape shifted due to the rise of extreme inflation and political violence after landowners pressured authorities to place a ceiling on wages. By the mid-15th century, land ownership began to concentrate once again in the hands of the few and began to rise globally to surpass pre-plague levels of inequality.

### **1918 Influenza Pandemic**

The flu spread in three waves: the first in the spring of 1918, the second and most deadly from September 1918 to January 1919, and the third from February 1919 through the end of the year.

The first two waves were intensified by the final years of World War I; the authors work to distinguish the effect of the flu on the death rate from the effect of the war. The flu was particularly deadly for young adults without pre-existing conditions, which increased its economic impact relative to a disease that mostly affects the very young and the very old.

The researchers analyze mortality data from more than 40 countries, accounting for 92 percent of the world's population in 1918 and an even larger share of its GDP. The mortality rate varied from 0.3 percent in Australia, which imposed a quarantine in 1918, to 5.8 percent in Kenya and 5.2 percent in India, which lost 16.7 million people over the three years of the pandemic. The flu killed 550,000 in the United States, or 0.5 percent of the population. In Spain, 300,000 died for a death rate of 1.4 percent, around average. There is no consensus as to where the flu originated; it became associated with Spain because the press there was first to report it.



The researchers estimate that in the typical country, the pandemic reduced real per capita GDP by 6 percent and private consumption by 8 percent, declines comparable to those seen in the Great Recession of 2008–2009.

The decline in economic activity combined with elevated inflation resulted in large declines in the real returns on stocks and short-term government bonds. For example, countries experiencing the average death rate of 2 percent saw real stock returns drop by 26 percentage points.

Additionally, in Europe and the US a significant share of physicians and nurses were involved in the war, leaving civilian hospitals badly understaffed. Different locations attempted to combat the pandemic with a variety of methods. Quarantines, closure of schools, bars, churches, and other gathering places along with compulsory gauze masks were all unsuccessful in containing the disease.

High mortality and the concentration of deaths among young adults increased the ability of the pandemic to disrupt the social tissue. The fear of contracting influenza dramatically altered social interactions. Measures of public health, general encouragement from the authorities and the media to avoid interpersonal contacts, and rumors about enemy spies spreading the infection beyond the lines as a kind of biological weapon created a climate of suspicion and mistrust. The long-term effects of the Spanish flu went well beyond the immediate demographic losses that it caused. Much research has been conducted into its consequences for the health of survivors.

There have been fewer studies of the way in which the experience of Spanish flu shaped individual behavior and human societies at large.

A growing literature argues that the second-worst pandemic in human history, the Black Death of the 14th century, had long-term economic, social and cultural consequences, shaping behavior well into the 20th century. It is shown that similar to the Black Death, the Spanish flu had long-lasting social consequences leading to a decline in social trust. It is argued that this potentially resulted from the experience of social disruption and generalized mistrust which characterized the pandemic period.

## **2020 Coronavirus Pandemic**

The outbreak of the Novel Coronavirus Disease (COVID-19) has caused an unprecedented global health and humanitarian crisis with large scale societal and economic disruptions across the world. The current COVID-19 outbreak was first noticed in the city of Wuhan, the capital of the Hubei Province in China on 29 December 2019. Since then, the disease has spread to 119 countries and territories across the globe. On 11 March 2020, the WHO announced the COVID-19 as a global pandemic.

Global growth in 2019 was already the slowest since the global financial crisis of 2008/2009. COVID-19 has plunged the world economy into a recession with the potential of deep consequences and historical levels of unemployment and deprivation. Necessary measures to contain the spread of the disease through quarantines, travel restrictions and lockdown of cities



have resulted in a significant reduction in demand and supply. Economic activities in transportation, retail trade, leisure, hospitality and recreation have been battered. And we have seen from plunging stock markets that public trust in the health response has direct and immediate economic effects. The supply chain disruptions halting the manufacturing industry and the falling commodity prices, in particular oil, further compound the economic impact of the pandemic. This has rattled the financial markets, tightened liquidity conditions in many countries, created unprecedented outflows of capital from developing countries and put pressure on the foreign exchange markets, with some countries experiencing dollar shortages. Weak local currencies will constrain the government's ability for fiscal stimulus at the scale needed to stabilize the economy and to tackle the health crisis and human crisis.

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## Topic Discussion

Despite significant medical progress over the last centuries, infectious diseases such as influenza and malaria still represent significant threats to modern societies. While some have been fought successfully and are only found within a few geographical areas (endemics), others have the ability to spread quickly from an initially limited outbreak, becoming epidemics or pandemics. The first and most crucial aspect of an epidemic or pandemic is, and will always remain, human suffering and the loss of lives. Nevertheless, the spread of a virus can also have important economic implications. A number of studies focusing on this aspect of the impact of epidemics and pandemics have found that the effects across the economy can be significant. A recent article estimates that the total value of losses (including lost income – through reductions in the size of the labor force and productivity, increases in absenteeism and, importantly, as the result of individual and social measures that interrupt transmission, but disrupt economic activity – and the intrinsic cost of elevated mortality) incurred by a severe global influenza pandemic (such as the 1918 pandemic), could reach about US\$500 billion per year, i.e. about 0.6 % of global income. The authors further calculate that the estimated proportion of annual national income represented by these losses varies according to income groupings, with lower-middle-income countries being more severely impacted (1.6 %) than high-income countries (0.3 %). A 2019 joint report from the World Health Organization (WHO) and the World Bank estimates the impact of such a pandemic upwards, bringing the total cost to 2.2 %-4.8 % of global GDP (US\$3 trillion). The report further notes that, in such an event, South Asia's GDP could potentially fall by 2 % (US\$53 billion), and sub-Saharan Africa's GDP by 1.7 % (US\$28 billion). Yet another article, from the International Monetary Fund, finds that vulnerable populations, particularly the poor, are likely to suffer disproportionately from an outbreak, as they may have less access to health care and lower savings to protect against financial catastrophe.



At regional level, a World Bank report estimates that the recent Ebola epidemic in Guinea, Liberia, and Sierra Leone, cancelled-out many of the previous years' economic gains for these countries which, until then, were among the fastest-growing economies in the world.<sup>4</sup> Another WHO report explains further that the outbreak caused a substantial loss of growth in the private sector, posed threats to food security due to a decline in agricultural production, and burdened cross-border trade with restrictions on movement, goods, and services. More specifically, while a national or regional economy is always impacted by an epidemic or a pandemic, some sectors of the economy are hit harder than others.

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## Key Terms

1. **Pandemic**: the worldwide spread of a new disease
2. **Epidemic**: a disease that affects a large number of people within a community, population, or region.
3. **Socioeconomic issues**: factors that have negative influence on an individuals' economic activity including: lack of education, cultural and religious discrimination, overpopulation, unemployment and corruption.

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## Key Questions

1. Will the fragile states be willing to support achieving these goals?
  2. How will the funds needed to achieve the goals be acquired?
  3. Will the developed states be willing to provide the necessary resources?
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