

**FORUM:** ECOSOC

**QUESTION OF:** Creating policies to mitigate the effects of economic inequality

**MAIN SUBMITTER:** Sierra Leone

**SIGNATORIES:** Canada, China, Republic of Korea, Saudi Arabia, South Africa, Ethiopia, Burkina Faso, Democratic Republic of Congo, UN Women, Austria, Ireland, Poland, Germany, Jordan, Serbia, Pakistan, Greece, Lebanon, Rwanda, Kuwait.

*ECOSOC,*

*Deeply alarmed by* the fact that the top 1% of the population owns 38% of total global wealth, whereas the bottom 50% owns a mere 2%,

*Noting with deep concern* the fact that the overall inequality of educational outcomes has been widening over time, while stressing that inequality in secondary education and above is higher than basic completion across years, with family wealth and parental education being the main drivers of inequality,

*Approving* of the International Monetary Fund, which has increasingly focused its mandate on reducing poverty in low-income countries and on generating more inclusive growth in high- and middle-income countries,

*Bearing in mind* that studies have shown that income inequality and crime are directly related,

*Deeply concerned by* the fact that, according to UNICEF, nearly 1 in 3 adolescent girls from the poorest households around the world do not get an education,

*Aware of* the harm economic inequality can have on all aspects of society,

1. *Encourages* Member States to implement progressive tax systems, while ensuring that the wealthy are unable to evade this system by implementing policies including:
  - a. A policy that decreases or does not allow tax deduction based on the amount of money given to charitable organizations,
  - b. Increased tax on unproductive luxury goods owned by the highly wealthy society;
2. *Urges* all Member States to use the proceeds from previous measures as well as additional funds to:
  - a. Invest in educational programs such as scholarship programs, in order to enrich the future workforce,
  - b. Finance targeted subsidies and income support programs;
3. *Proposes* the idea that in More Economically Developed Countries (MEDCs), citizens earning under 5,000 USD annually are exempted from taxes;
4. *Endorses* all Member States to decrease the trade tariff that import goods aiding marginalized groups such as, but not limited to:
  - a. Medicines and medical equipments that increase the variety of medical care that can be received,
  - b. Agricultural equipment that ensures fruitful production,

- c. Sustainable items that provide more economic independence, such as, solar panels, in order to:
      - i. Use more renewable energy, and in turn slow down climate change, resulting in less natural disasters,
      - ii. Give communities, especially rural ones, more independence and allows them to provide their own energy;
5. *Requests* all Member States, especially MEDCs and those with high carbon footprints, take more significant measures against climate change in order to reduce the frequency and severity of natural disasters;
6. *Calls for* the creation of a consultation body within UN Department of Economic and Social Affairs (DESA) composed of representatives from each member state by 2024, which would:
  - a. Examine discriminatory policies or social norms that create barriers to marginalized group's full participation in the community,
  - b. Report back to member states and the United Nations to the government annually;
7. *Urges* all members states to establish social protection by promoting universal access to essential social transfer and services guided by the UN Agencies International Labor Organization (ILO) Social Protection Floor (SPF) by:
  - a. Providing social assistance such as, but not limited to:
    - i. Health insurance that prioritizes demographically lower income class,
    - ii. Assets in working families such as encouraging enrolling working-classes in retirement plans and offers,
  - b. Ensuring social insurance which offers assistance in the event of contingencies including injury, death of family member, maternity or paternity,
  - c. Providing labor market programmes which provides active promotion of labor market participation with minimum employment standards;
8. *Strongly encourages* Less Economically Developed Countries (LEDCs) to actively implement microfinance institutions which are dedicated to assisting small enterprises, the impoverished, and households who lack access to the institutionalized financial system, in an effort to:
  - a. Providing financially marginalized, who are not intended to use microloans to pay for basic necessities, saving accounts with no minimum balance to start the business,
  - b. Improving financial literacy of the entrepreneurs by providing training courses of bookkeeping, cash flow management, and other knowledge necessary to effectively run a business,
  - c. Subsidizing the start-ups that are restrained from receiving loans from financial institutions that will create new employment opportunities,
  - d. Storing information and database on borrowers, credit history, and repayment records with the growth of the microfinance sector to aid the circulation of the sector revenue;
9. *Suggests* that the United Nations (UN) partner with International Monetary Fund (IMF) to create a fund in which MEDCs provide financial assets that LEDCs can easily access by 2025, while ensuring that aid funds are used wisely by creating a consultation body to determine whether the aid is necessary, going to benefit the recipient, and going to be used for the correct purposes;

10. *Recommends* collaboration with UNICEF with the aim of achieving greater awareness on the subject of economic inequality by establishing:
  - a. Creating communication strategies where economically marginalized groups can easily access to financially improve, such as:
    - i. Establishing Community Information Centers in each region of member states to raise awareness about the causes and the effects of the economic inequality and how to aid the financially marginalized communities, where all the information of employment opportunities in the community accessible,
    - ii. Forming a communication team who visit the financially marginalized groups and provide information about job opportunities or starting small businesses,
  - b. Training and educational programs and courses for young generation on economics and finance that will allow early exposure to the strategies to lessen the economic inequality,
  - c. Implementing workshops that reach out to the financially marginalized and provide them with tools for improving financial status taught by specialists of institutional financial systems and NGOs, in which the importance of and returns to education should be emphasized,
  - d. Noting the following regarding the campaigns:
    - i. These campaigns will have a particular focus on girls' education,
    - ii. These campaigns should aim at producing a positive intergenerational impact on educational attainment in the states;
11. *Requests* Member States to provide incentives to foster women's participation in the labor force in which member states will put in place proper day-care options as married women have far less chances of participating in the labor market, mostly because of the burden of taking care of children;
12. *Invites* all Member States to provide safety net programs that assist the less fortunate through methods such as, but not limited to:
  - a. Offering a flexible programme allowing university students in need to work on campus to cover their expenses,
  - b. Subsidizing school supplies based on on parents' income and wealth,
  - c. Offering better targeted scholarships to less advantaged children.