

ECOSOC

*United Nations Economic
and Social Council*



Committee: United Nations Economic and Social Council (ECOSOC)

Topic: Addressing the Unstable Economic Status of the United States

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Hello delegates! Welcome to our incredible SPISMUN (San Patricio International School) External Model of the United Nations. I am very excited and extremely happy for you to participate in this memorable experience! I hope you learn new abilities and have lots of fun while practicing your debating skills. Your moderator will be Isabella De León Aguilar, director Jorge Cervantes, and secretary Esteban Villareal.

Please feel comfortable to tell us about any of your questions, suggestions, or commentaries you may have. I hope you have an excellent experience and time during the debate, and learn more about your skills and solutions to the global problem. See you soon!

If you have any questions, feel free to contact us at:

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Sincerely, Jorge Cervantes

I. COMMITTEE BACKGROUND

The Economic and Social Council, mostly known as ECOSOC, is one of the main organs of the United Nations. ECOSOC was originally established in 1945 and later set to be formed by 54 member countries, each elected by the General Assembly for a three-year term; 14 specialized agencies; and 5 regional commissions.



ECOSOC serves as a platform for collaboration and coordination among various factors involved in economic, social, and environmental issues, including governments, civil society organizations, and private sector entities. The Council is responsible for providing guidance and recommendations on a wide range of development issues, including poverty reduction, gender equality, sustainable development, and human rights. ECOSOC's work is supported by a range of bodies, but mainly the UN Secretariat, which provides research and analysis on economic, social, and environmental issues; and the High-Level Political Forum on Sustainable Development, which monitors progress towards the Sustainable Development Goals (SDGs).

ECOSOC functions as a host to some of the most important UN meetings. In January 2023, the council had a special meeting on “Social and economic measures to prevent genocide, war crimes, ethnic cleansing and crimes against humanity”. Later that month the 2023 ECOSOC Partnership Forum took place, where UN Member States and stakeholders shared innovations on how partnerships contribute to achieving the Sustainable Development Goals.

Last July in New York City, the United Nations High-level Political Forum on Sustainable Development held its annual meeting under the auspices of ECOSOC. The theme discussed this year was “Accelerating the recovery from the Coronavirus disease (COVID-19) and the full implementation of the 2030 Agenda for Sustainable Development at all levels”.

II. HISTORY OF THE TOPIC

The economic story of the United States has seen its fair share of ups and downs. One crucial chapter unfolded during the 1930s with the Great Depression, triggered by the 1929 stock market crash and this period brought about widespread job losses, bank failures, and an overall economic slump.



In response to the Great Depression, President Franklin D. Roosevelt rolled out the New Deal—a comprehensive set of programs and reforms designed to steady the ship. These initiatives included job creation through infrastructure projects, the establishment of social security, and the implementation of regulations to prevent the recurrence of financial crises.

The post-World War II era ushered in a noteworthy period of economic growth often dubbed the "Golden Age of Capitalism." The U.S. emerged as an economic powerhouse, boasting increased consumer spending, suburban expansion, and advances in technology.

However, challenges persisted, such as the 1970s oil crisis marked by skyrocketing oil prices and inflation. Policymakers responded with measures like tightening monetary policies to rein in inflation.

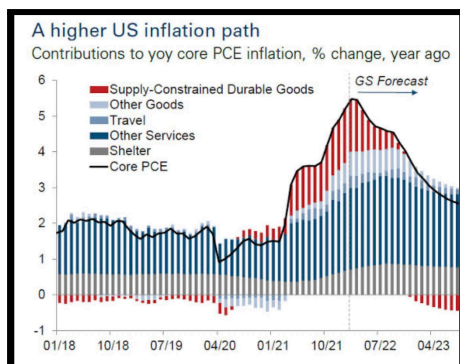
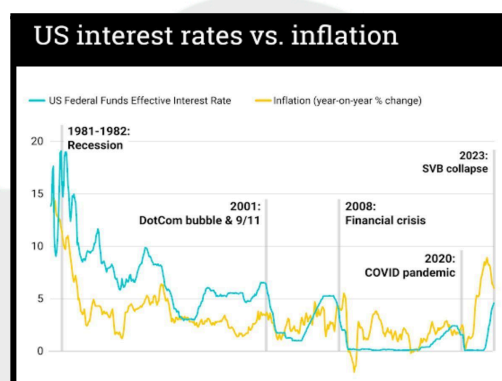
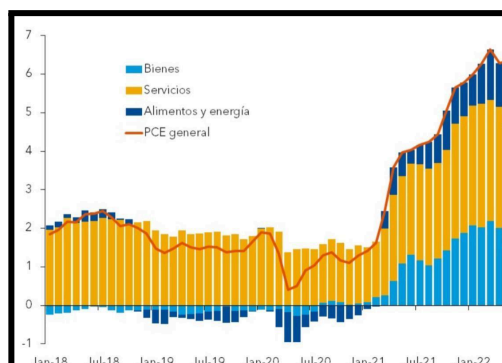
The 2008 financial crisis marked another significant juncture. The collapse of the housing market, the failure of major financial institutions, and a spike in unemployment prompted government interventions like the Troubled Asset Relief Program (TARP) to stabilize the financial system.

Recently, issues like income inequality, job displacement due to automation, and the impacts of global economic shifts have taken center stage. Policymakers grapple with the task of maintaining economic stability while tackling these intricate challenges.

Understanding this historical narrative allows us to grasp the strategies employed to stabilize the U.S. economy and underscores the ongoing need for adaptable policies in navigating the ever-evolving landscape of economic complexities. The economic story of the United States has seen its fair share of ups and downs. One crucial chapter unfolded during the 1930s with the Great Depression, triggered by the 1929 stock market crash and this period brought about widespread job losses, bank failures, and an overall economic slump.

III. CURRENT ISSUES

In the United States, an enduring issue of economic instability has recently escalated due to the significant impact of COVID-19. Despite the country managing the pandemic effectively, it continues to grapple with economic challenges, particularly inflation. Among the Group of Seven (G7) economically developed nations, the United States has been singled out as the most affected, experiencing a high inflation rate of 8.6% in May 2022 – one of the highest globally. In contrast, countries like England saw a modest increase of 2%.



While the U.S. economy has swiftly recovered from the pandemic, a surge in demand has strained supply chains, leading to a notable inflation spike. This has repercussions on people's wages, food prices, and housing indices, all of which are affected and experience a rise in prices.

The Federal Reserve (FED), responsible for all U.S. economic matters, aims to achieve a 2% personal consumption expenditure index by the end of the year. They are pursuing this goal through monetary tightening, but a more stringent restriction might be necessary if initial measures prove ineffective. Doubts linger about the FED's ability to meet this target,

especially since an August study revealed a 3.7% personal consumption expenditure, up from 3.2% in June.

Despite wage increases in the United States in 2022, the surge in inflation resulted in a 2.3% loss of purchasing power. The scarcity of labor in the world's leading economy led to a surge in wages, consequently driving the upward trajectory of prices, also energy prices are falling, and gasoline is increasing the price.

IV. UN ACTION AND RESOLUTION

The United Nations (UN) does not have a direct role in managing the economic policies of individual countries, including specific measures to address inflation in the United States or other nations. Although the UN is an international organization focused on global issues, international cooperation, sustainable development, human rights, and other matters, it does not have direct executive powers over the internal economic policies of its member states.

Economic stability and the management of inflation are primarily the responsibilities of national governments and, in the case of the United States, institutions such as the Federal Reserve. However, the UN can provide a forum for dialogue and collaboration among member countries on economic issues and offer technical assistance and guidance in areas related to sustainable economic development.

In situations of global economic crisis, such as the COVID-19 pandemic, the UN may play a facilitating role by coordinating international efforts, sharing best practices, and mobilizing resources to support economic recovery in different regions of the world.

Here are some of the best solutions that the United States (US) has been using or used to solve this problem of its unstable economy:

1. Federal Reserve (FED) Monetary Policy:

Strategy to guide the economy through the FED, adjusting interest rates, and considering more stringent measures as needed.

2. Financial Stimulus:

Implementation of economic packages during the pandemic to support individuals and businesses, sustaining demand and preventing deeper economic downturns.

3. Labor and Workforce Policy:

Measures to address labor shortages through wage increases, improving working conditions, and mitigating inflationary pressures linked to labor demand.

V. ESSENTIAL QUESTIONS

- 1.** What particular measures can be taken to address unemployment prices and sell process introduction within the United States?
- 2.** How can the government decorate economic balance through monetary policies to mitigate the impact of financial fluctuations?
- 3.** What techniques may be carried out to lessen profit inequality and make certain honest distribution of wealth?
- 4.** In what approaches can the U.S. Encourage innovation and technological improvements to enhance monetary increase?
- 5.** How do the authorities exchange guidelines to stabilize monetary hobbies locally and globally?
- 6.** What steps can be taken to make certain low-cost healthcare and schooling, contributing to a healthier and greater professional staff?
- 7.** How can the U.S. Foster commercial enterprise-pleasant surroundings to attract investments and aid entrepreneurship?
- 8.** What function can sustainable and inexperienced initiatives play in addressing monetary challenges even as selling environmental responsibility?
- 9.** How can the government collaborate with industries to develop resilient delivery chains, especially in instances of worldwide financial uncertainty?
- 10.** What measures have to be taken to manage and reduce countrywide debt without compromising critical public offerings?

VI. CONCLUSION

In conclusion, we can have a look at the fact that the US economy has been unstable for several years, posing a chronic issue that continues to be addressed nowadays. However, this undertaking was properly controlled till the pandemic, which strained delivery chains and caused a boom in non-public spending. The government has attempted to lessen this percentage by enforcing spending measures, increasing the workforce, and creating more jobs. While some of these restrictions are effective, they fall short of the deliberate expectations, aiming for a 2.5% personal spending reduction with the aid of December of the final year. The latest record in August discovered a 3.7% boom, up from the preceding document at 3.5%. If those regulations are useless, the government is ready to put into effect extra stringent measures.

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