



Martingrove Model United Nations

Martingrove Collegiate Institute

Telephone: (416) 394-7110
Principal: R. Palermo

50 Winterton Dr,
Etobicoke, ON
M9B 3G7

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RESOLUTION ADOPTED BY THE TRADE AND ECONOMIC DEVELOPMENT COUNCIL

Regarding Trade Protectionism

The Trade and Economic Development Council,

Observing the economic, political, and social implications of various incarnations of Trade Protectionism, while prominent ongoing trade wars have led to a marked increase in world trade uncertainty,

Alarmed by increasing deglobalization, economic nationalism, and isolationism that has led to a significant increase in Trade Protectionism since 2018, opposite to the downward trend in global tariff rates before this year,

Emphasizing the historical precedent of Trade Protective measures, such as its effect in catalyzing the collapse of international trade during the 1930s along with the past influence in beginning Trade Wars,

Noting with deep concern that high tariffs and trade restrictions could cost the global economy \$10 trillion USD in GDP per year by 2025,

Taking into account the lack of substantial and sound economic reasoning in instituting tariffs, trade quotas and other forms of protectionism,

Having considered the potential innovations which may be spurred by a lack of imported products via trade disagreements, such as developments in American automobile manufacturing during the 1960s,

Recalling the ongoing trade war between the United States and China, which has resulted in a 0.7% reduction in global GDP and could cumulatively reduce global GDP by 2.2% as a result of an all-out trade war, albeit tensions have slightly suppressed,

Noting further the institution of COVID-19-related economic measures across the world and the stifling of global trade as a result of the ongoing pandemic,

Further deploring the marginalization of 75 transition and developing countries from global world trade, as conceptualized by a decline in their respective global world trade share,

1. *Calls upon* applicable countries to reduce protective measures by reducing imposed tariff rates by 0.5% and trade quotas by 70% over the next 3 years;
2. *Endorses* developed member states to commit 0.1% of GDP towards developing nations in building the capacity of institutions in investment promotion and export development, for the promotion of free trade;
3. *Authorizes* the introduction of a global surveillance mechanism in conjunction with the World Trade Organization, to monitor new protection measures by member states;
4. *Further requests* the creation of an autonomous committee to monitor claims of unethical trading practices and nationalistic economic policies, and hold countries who are found to practice unfair trading policies accountable through penalties deemed fit by the World Trade Organization, unless adequate reasoning is provided by the guilty country;
5. *Urges* Member States to create a detailed report to be submitted to the UN and WTO regarding the effect any protective measures have on microeconomic factors of their economy.

Submitter: Luxembourg

Seconded: Lichtenstein

Negator: Pakistan