

Letter from the Dais

Esteemed Delegates,

Welcome to this convening of the microstates of the world. We are looking forward to introducing you to the world of crisis pads and political intrigue, as well as to the all-too-real horrors of today's world: climate change, isolation, and exploitation threaten the small states of the world, whom you represent today.

In this committee, you will be asked to represent countries which are often overlooked by the global community, but which are nevertheless important in a number of realms. You are responsible for accurately demonstrating the policy aims of your country, casting off your own views and substituting them for those of your country's leadership.

It is likely that this is your first introduction to the world of crisis in Model United Nations. As your chairs and sims, we will happily assist you in your endeavors, and aim to make this introduction easy to understand and enjoyable. If you have any questions, you may ask us through a note in committee, or through our emails, which will be listed below.

You should place emphasis on the following in your first crisis committee: keeping a good balance between your crisis notes and in-committee presence; providing detail in your notes and striving towards a consistent goal; maintaining decorum in both the front-room (committee itself) and the back-room (the crisis arena); and working to secure solutions which benefit both the collective and bring your country out on top.

The following links have helped many delegates whom we have seen in the past, and may serve to help you as well: [How to Survive Your First Crisis Committee](#); [Everything You Need to Know About Crisis Committees](#); [How to Do Well in a Model UN Crisis Committee](#).

Delegates, we look forward to seeing you in committee this November. We wish you luck in all of your research and preparations.

Best,

The Dais

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Introduction to the Summit

Welcome all, to the first session of a new summit aimed at recognizing and addressing the unique—and numerous—challenges that small nations face regularly. As your nation has a population of under one million people, your delegation was invited here to discuss issues similar to those considered by the larger UN body, such as the ongoing effects of harsher weather conditions due to climate change, the economic challenges of being a small nation with a poorly developed financial sector and the effects of each of these on the microstates of the world. At the personal request of the UN Secretary General, we, as a committee, are to report in the form of directives the actions our collective nations consider critical. Please remember that in this committee, our delegations represent a wide array of cultures, diverse in a great many ways, hopefully all aligned with the same goal: sustainable growth. Additionally, as the individual representative of your state, you are also allowed to take actions relevant to the summit's topics as well as the welfare of your nation through crisis notes to the sim. Remember the limitations of your power and be specific.

Topic 1- Climate Change

Climate change is a pressing issue across the world, but its impacts will be especially severe on many of your nations. While several of the microstates represented in this committee are landlocked, most border an ocean, and many are islands. These states are at extreme risk of facing catastrophic damage. Many, such as Kiribati, are threatened with total or near-total submergence. Rapid action is necessary to halt carbon emissions. While most microstates have a negligible carbon output, you will face some of the harshest impacts of climate change.

Though the Earth's climate goes through naturally occurring climate cycles, man-made climate change represents an unprecedented shift. Atmospheric carbon levels are significantly higher than ever before in Earth's history. Greenhouse gasses emitted by human activity, like the burning of fossil fuels, deforestation, and large-scale agriculture, are responsible for this spike in atmospheric carbon. This increase has caused a rise in global temperature, driven oceanic acidification, and increased the severity and commonality of natural disasters.

Today, the islands of the Pacific face particularly dire circumstances. In 2016¹, the president of the Marshall islands declared a national emergency due to a combination of flooding and drought; Kiribati has purchased land in Fiji², as Kiribati is estimated to be uninhabitable within less than 100 years; Tuvalu and the Solomons face the issue of seawater being introduced into wells by tides and storm surges³. These problems, though, are far from exclusive to these countries. We can expect that many low-lying island atolls will face these issues. More well-off countries, such as Liechtenstein, may be expected to weather the changes somewhat better, but will still face sizeable impacts from things such as increased rock falls, impacting tourism to the country⁴. Though the extent of the impact may vary, microstates face climate threats which tend to be similar across borders.

Questions to Consider

How will you:

- leverage your limited influence to protect your nation from climate-related catastrophes?
- react to climate-related catastrophes as they impact your nation?
- balance sovereignty and foreign assistance in dealing with these issues?
- attempt to bring the largest carbon emitters to the table to make them accountable?

¹ <https://reliefweb.int/report/marshall-islands/rmi-declares-drought-state-emergency>

²

<https://www.theguardian.com/world/2021/feb/24/kiribati-and-china-to-develop-former-climate-refuge-land-in-fiji>

³ <https://borgenproject.org/climate-change-and-food-security/>

⁴ <https://archiv.llv.li/files/au/anpassungsstrategieklimawandel-li.pdf>

Topic 2- Economic Development

While microstates represent a diverse economic range, many are economically disadvantaged. Even those with stronger economies cannot match the economic power of a larger industrialized state. With small populations, low production bases, and fixed exchange rates⁸, microstates are given an economic disadvantage. Tackling your unique economic challenges, while faced with global economic crises will require knowledge of your state's economic situation, creativity, and cooperation with other members of the committee.

The disadvantaged situation of Pacific microstates, for example, was by design. These states were some of the last in the world to be colonized, but their resources were nonetheless harshly exploited by powers such as the United Kingdom and other European colonial empires. The economic advantages these countries could have gleaned by exporting minerals has thus been diminished⁵. In the Caribbean, many microstates had plantation- or tourism-based economies in the 1970s, preventing the growth of industry and other areas of formal labor not sustained solely by outside states⁶. These countries also, of course, experienced colonialism. Meanwhile, the European microstates struggled to join the United Nations⁷, but tended to experience few of the colonial challenges of the other aforementioned states. Liechtenstein and San Marino, for example, are known for their statuses as tax havens and banking countries, contributing to extremely high per capita incomes. This is a different sort of dependence on other nations, but it is a kind of dependence nonetheless.

Presently, a majority of the nations in this committee rely on tourism or foreign aid to keep their economies afloat. The tourism industry can be shaky and unreliable, as demonstrated by the COVID-19 pandemic, and becoming dependent on foreign aid can inhibit a nation's growth. One example of the effect reliance on another nation can have is Australia's detention center for refugees in Nauru. Despite many reports of human rights abuses, health crises, and suicidal behavior among detainees, Nauru has been running this facility since 2012 because the money they receive in return has become essential. The last of the detainees has been taken off of Nauru, but the detention center remains open.⁹

⁵ <https://www.jstor.org/stable/24357390?seq=4>

⁶ <https://www.jstor.org/stable/pdf/44643156.pdf>

⁷ <https://deepblue.lib.umich.edu/bitstream/handle/2027.42/79466/snydrism.pdf>

⁸ Jahan, Sarwat, and Ke Wang. "A Big Question on Small States." *International Monetary Fund*, Sept. 2013, www.imf.org/external/pubs/ft/fandd/2013/09/pdf/Jahan.pdf

⁹ Ritchie, B. H. (2023, July 2). Nauru: Why Australia is funding an empty detention centre. *BBC News*. <https://www.bbc.com/news/world-australia-66027565>

One of the most common occurrences in small states is to peg their exchange rates to another currency since they are closely tied to larger economies that account for most of their export earnings. The main goal of this action is to eliminate exchange rate volatility, which helps with smooth export earnings and leads to trade openness as the majority of small states have large Trade-to-GDP ratios. On the other hand, microstates need to hold higher reserves than their larger counterparts in order to insulate themselves from the negative backlash of outside events as well as defend their currencies. Those reserves, however, are more often than not considered lamentable due to the limited ability some microstates have to conduct their monetary policy, some of which lack a central bank. Another way to offset the size disadvantages is to create bigger markets through regional integration and cooperation. For example, the Eastern Caribbean Currency Union (ECCU) was created to integrate existing national securities markets into a single regional market to exploit economies of scale in financial markets. In a similar fashion, the Eastern Caribbean Central Bank uses a reserve account of contingency funds to assist its member countries that face economic challenges. Furthermore, the involvement of the international community assists with identifying common solutions to regional problems, as seen by programs orchestrated by institutions such as the World Bank, the International Monetary Fund, and the World Trade Organization, among others.

Questions to Consider

How will you:

- balance economic development with national self-reliance?
- ensure prosperity in the long-term, given an increasingly uncertain global situation?
- increase your regional, or even global, economic power?

Position List & Country Profiles

**sim assignment subject to change depending on sim workload*

Communicating with Sim *Charlotte Neumann*:

Andorra

Andorra is a small principality located between France and Spain. Previously ruled by France and Spain, it passed a constitution in 1993 establishing its own government. The economy is almost entirely dependent on tourism, making up 80% of its economy. In addition, it has a strong financial sector as a partial tax haven.

Antigua and Barbuda

Antigua and Barbuda is made up of two islands in the Bahamas that gained independence from Britain in 1981. A focus on tourism and offshore finance make Antigua and Barbuda's economy prosperous, but

unreliable. The country has long struggled with corruption, the most famous examples being the politically dominant Bird family, and major investor Allen Stanford, both accused of corruption and fraud.

Barbados

Barbados is one of the larger and more prosperous islands in the Caribbean. Barbados was formerly very dependent on exporting sugar, but has diversified in recent year to include finance and tourism as major industries. Despite being relatively wealthy, it still has a large public debt, and is reliant on United States imports and currency.

Cabo Verde

Cabo Verde is a former Portuguese colony off the west coast of Africa. Due to severe droughts in the 20th century, most of the people living in Cabo Verde left, making money sent home by Cabo Verdeans abroad essential to the country's people. Drought still remains a problem for Cabo Verde today, as well as overfishing and habitat loss.

Comoros

Comoros is a group of islands in the Indian Ocean that gained independence from France in 1975. Since their independence, Comoros has been in a constant state of political instability, with more than 20 coups in the last 50 years. The current regime is very strict on media control, and is prone to jailing journalists. Comoros's major exports are vanilla and cloves, which are unreliable markets. Comoros relies heavily on on money sent back by Comorans living abroad

Dominica

Dominica's economy relies heavily on the export of bananas, a market in which they now face increased competition due to an EU ruling about preferential treatment for producers. Dominica aims to decrease reliance on bananas, but has few other natural resources to turn to. It has great potential for tourism, but is held back by poor infrastructure and the lack of a large airport. In order for Dominica to maintain its economy, it may have to invest heavily in this sector.

Federated States of Micronesia

The Federated states of Micronesia consist of hundreds of islands grouped into four states. Micronesia was formerly administered by the United States under the Trust Territory of the Pacific Islands, but became independent in 1986. In 2003, the FSM signed a new compact with the United States To receive foreign aid averaging \$100 million annually in exchange for allowing the U.S. to run military bases.

Fiji

Fiji is an archipelago in the South Pacific Ocean that gained independence from Britain in 1970. The country has become central to the pacific nations, hosting the Pacific Islands Forum and welcoming the most tourists. The economy is tourism based, and has suffered in the wake of the COVID-19 pandemic.

The current coalition government is aiming to cool relations with China over concerns of China's increasing interests in the country.

Grenada

Grenada is a small island in the Caribbean that gained independence from Britain in 1974. Grenada has a large tourism industry, like many in this committee, but is also one of the largest exporters of spices such as nutmeg, mace, cinnamon, ginger, and cloves. Grenada is currently struggling with deforestation and resulting habitat damage, as well as coastal erosion and pollution.

Guyana

Guyana is a former British colony in South America that gained independence in 1966. Guyana struggles with fierce polarization and rivalry between two parties situated in a history of ethnic conflict. Guyana has untapped natural resources, but was unable to overcome poverty until the discovery of oil in 2015.

Kiribati

Kiribati is made up of three island groups in the South Pacific Ocean that gained independence from Britain in 1979. Many of the atolls are very low-lying and susceptible to rising sea levels, so Kiribati has bought land in Fiji for security and refuge. Kiribati has a very weak economy, composed of copra and coconut exports, fishing licenses, and foreign aid.

Liechtenstein

Liechtenstein is a small country in Europe working to shake its reputation as a tax haven, and move towards legitimate finance work. The country is a constitutional monarchy that has long struggled with the role and powers of the hereditary monarch. The constitution was rewritten in 2003, giving the prince the power to veto laws, propose legislation, dissolve parliament, and represent Liechtenstein internationally.

Maldives

The Maldives is a chain of nearly 1,200 islands south of India, most of them uninhabited. The islands struggle with political instability, with their current constitution being written in 2008 after a coup, and many politicians found guilty of corruption. High reliance on tourism has resulted in massive economic struggles caused by the COVID-19 pandemic. Public debt and deflation rose, and poverty tripled. The Maldives are also at great risk of rising sea levels, as none of the islands sit more than six feet above sea level. The Maldives must figure out how to simultaneously prioritize climate change and resurrect their economy.

Marshall Islands

The Marshall Islands are two chains of atolls in the North Pacific Ocean. After World War II, the United States took control of The Marshall Islands as part of the Trust Territory of Pacific Islands, and used them to conduct 67 nuclear tests, leaving four atolls uninhabitable. The Marshall Islands declared

independence from the United States and drafted their own constitution in 1979, but they rely on the U.S. for financial aid and defense, and America still has a military base and missile test range on the Kwajalein atoll. Many of the atolls are barely a meter over sea level, making climate change a serious threat to the existence of the nation.

Communicating with Sim *Livia Machado*:

Monaco

Monaco is unique on this list in being a constitutional monarchy. With only 2 square kilometers of land, its economy functions off of tourism and banking. A beautiful location and complete lack of income tax has attracted wealthy people from all over the world, resulting in a majority of Monaco's population being immigrants. Due to having no military forces of its own, it receives defense from France.

Montenegro

One of the youngest nations on this list, Montenegro opted for independence from Serbia in a referendum in 2006. Montenegro has an upper-middle income economy, with a growing offshore banking industry. The country struggles with pollution of coastal waters and serious air pollution caused by power plants and tourist areas.

Nauru

Nauru is the world's smallest island country, with a population of just 9,852 and a GDP of \$149.5 million. Due to a history of phosphate strip mining, most of Nauru's land is uninhabitable, and its natural resources exhausted. Nauru relies heavily on foreign aid, and licenses out fishing rights in its EEZ in order to maintain its economy. Nauru receives military defense from Australia, having no military of its own, and relies on them in many ways. Nauru receives money from Australia in exchange for running a detention camp for asylum-seekers, which has received numerous allegations of human rights abuse.

Palau

Palau is made up of more than 200 volcanic and coral islands grouped together by a single barrier reef in the North Pacific Ocean. Palau has long been controlled by outside influences, and even after gaining independence in 1994, still relies on financial and defense aid from the United States. Palau has agreed to host U.S. military bases in return. Due to many of the islands being low-lying, Rising sea levels pose a great threat to the habitability of the nations land.

Saint Kitts and Nevis

Saint Kitts and Nevis are islands working in a shaky federation since gaining independence from Britain in 1983. Although a secession referendum failed to pass in Nevis, many citizens still feel the government in St. Kitts is ignoring their needs. St. Kitts and Nevis have a strong tourism industry, bringing in high income, but their island status and Caribbean location leave them at great risk of hurricanes.

Saint Lucia

Saint Lucia is a Caribbean nation that gained independence from Britain in 1979. Tropical fruits have historically been Saint Lucia's greatest industry, until it was recently taken over by tourism. Banana exports still remain a vital part of Saint Lucia's economy.

Saint Vincent and the Grenadines

Saint Vincent and the Grenadines is a multi-island Caribbean nation with a primarily agricultural economy. In 2021, the eruption of the La Soufrière volcano did tremendous damage to infrastructure and agriculture, and the economy had to function off of foreign aid while repairing the damage. Many of the Grenadine islands are home to the ultra-rich, who use them for diving and yachting. These yachting practices are responsible for a large part of the pollution the country struggles with, pollution strong enough to make swimming in many areas.

Samoa

Formerly governed by New Zealand, the Independent State of Samoa gained independence in 1961. The economy has historically been focused on fishing and agriculture, with recent years seeing diversification into tourism and offshore banking. Many Samoans are still leaving the country, with a net migration rate of -7.19/1000. Money sent home from those who left the country is still an essential source of income for Samoan families.

San Marino

San Marino is a landlocked country occupying a small enclave in northern Italy. San Marino has a relatively high income for its size, with a GDP of \$1.9 billion USD. Its economy is based on manufacturing and banking, and supported by tourism. While it is a wealthy nation, it has recently taken on a great amount of debt, which reached 98% of their GDP in 2020.

Seychelles

Seychelles is a collection of islands in the Indian Ocean enjoying prosperity after recovering from a period of political instability. 2020 saw the first peaceful transfer of presidential power since 1976. It is a high income country, with success in fishing, tourism, banking, and oil. The Seychelles are environmentally fragile, mostly due to its island status, and is currently investing in mitigating rising sea levels.

São Tomé and Príncipe

Sao Tome and Principe are islands off the coast of Africa. The islands were colonized by Spain in the late 15th century to export sugar, coffee, and cocoa, and gained their independence in 1975. They have recently had to explore new economic ventures, as both cocoa and tourism have become less profitable for them in recent years. Sao Tome and Principe look to replace supplement with oil, starting a joint venture with Nigeria in 2007.

The Bahamas

The Bahamas is a chain of islands in the North Atlantic Ocean that gained independence from Britain in 1973. The Bahamas has a growing tourism and financial services economy, causing many to transition away from fishing and farming. The country has a high per-capita income, marred by a high level of income inequality.

Tuvalu

Tuvalu is a group of nine islands located in the South Pacific. The islands are low-lying, reaching no more than 4.5 meters above sea level, and they have very little freshwater, making rainwater collection necessary for drinking. Because of this, Tuvalu faces a higher risk from climate change than most nations, as rising sea levels and salination of the soil could make the land uninhabitable. Tuvalu's government revenue fishing licenses, foreign aid, and selling the rights to its internet suffix, .tv.

Vanuatu

Vanuatu is a string of islands in the South Pacific Ocean, just off the coast of Australia. The country gained independence from France in 1980. Most of the people live in rural areas and practice subsistence farming, and tourism is the basis for their economy. Vanuatu is extremely vulnerable to natural disasters, being prone to earthquakes, tidal waves, and most recently cyclones.

Notes from your Sims / Chairs

From Sim Charlotte Neumann:

Hello, delegates! I'm very excited to be your sim for this committee. I have been doing Model UN since middle school, and I'm a sophomore in college now (you do the math), studying Linguistics and either Communication Sciences & Disorders *or* International Studies. This is my fourth year staffing MADMUN. In high school, I was the first two-term president of Middleton's MUN club. As your sim, what I'm looking for comes down to two main things: details and creativity. I want to see you putting your country first in your crisis notes, using the unique circumstances you find yourself in in order to come up with creative solutions. Don't be afraid to make the notes personal. Put in details that make it seem like an actual instruction to one of your aides and I'll be more likely to put your devious plans into action.

From Sim Livia Machado:

Greeting delegates! I'm thrilled to be your sim for this committee. This is the fourth time I'm staffing MADMUN, but the first time I will act as a sim. I have been doing Model UN since freshman year of high school, and now I'm a freshman at UW Madison as well as the former Vice President of the Middleton High School MUN club, so don't worry, I'm not incompetent, but if any issues arise, my amazing co-sim will be sure to help me. When writing your crisis notes, make sure to address them to someone and be creative! Don't be afraid to try out your ideas and be detailed in your plans.