

Forum: Economic and Social Council
Issue: Developing alternative local economic structures and industries
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I. Introduction

The pursuit of globalization has increasingly positioned itself as a binding necessity in civilisation, industrialization and an international future. In recent years a call for higher quality has brought this long-existing paradigm to being reevaluated. Taking the agriculture industry, a distaste for mass produced products has been developing, bringing light and interest to localized productions with higher quality ingredients and new social standards. Ingredients which are only regionally grown, produced and sold have become popular around the globe. Nations appear to become more sustainable and self-sufficient, when in fact trade bonds still remain essential to the production of many items as they are not always acquired within said geographic range. The changing value chains - consisting of sourcing, producing and selling - influence the price tag put on a product and the cultural values attached.

II. Definition of Key Terms

A. Localization

Localization is a term used to describe something being retained within regional boundaries and those influencing the disposition of a said item.

B. Globalization

The process in which something is operated on a global scale or an increase in international trade

C. Autarky

When a nation becomes self-sufficient, independent and does not require trade with other member states

III. General Overview

A. Contributing Factors to Localization

1. Source of Materials

In order to manufacture a product, it is essential to source the necessary appliances and ingredients. When limiting the production of a certain artifact regionally, it is vital for the required elements to be accessible within that geographical measure. The availability of raw materials abates importation costs and limits trade with external businesses.

a) Climate Conditions

Considering the range of climates globally, not every industry is suitable to be adapted in all regions. Many crops require specific environments and are difficult and costly to relocate. In the often referred to as „extreme“ localization, all steps on the value chain are local, from the conception of the artifact, to the sale. However, often a slight method is obtained in which ingredients are imported though still processed and sold locally.

B. The ties between Globalization and Localization

Over centuries member states have increasingly established closer contact and progressively expanded global integration. Pursuing industries on a global scale has brought on extensive trade relationships and access to external resources. These relationships commonly initiate the mass production of products sold internationally. From centuries of striving for global trade and manufacture, people have begun to second guess their

health and the source of what they're consuming. This instigated an appeal to regionally produced products, given their more qualitative work value.

A common example would be the third generation coffee movement, one that is turning the industry on its head. The coffee beans are roasted locally, however the beans themselves are from another region where they are able to grow. With this, they are keeping trade relationships, but sell to a more limited population. As seen in Ethiopia, less economically developed countries can profit immensely from „Fairtrade“ and other individual production services, with more specific and less generic relationships. The concept of working on a global scale is relayed in different forms that potentially have real health benefits. Despite the costly aspects and exclusive accessibility for most consumers, it still acts as a multi-beneficial system for countries, in spite of their economical development.

C. Influential Industries

1. Coffee

Coffee has become a sort of luxury product that attracts many to the third wave coffee business. Through the novel method of consuming the beverage, introduced in the beginning of the twenty-first century, it has been institutionalized to rave about and drink the locally roasted coffee. The influence of the coffee industry on widespread localization is extensive, illustrated by the 1.4 billion cups of coffee consumed a day.

2. Cultural Adaptations

Within different member states, throughout the years, different cultural traditions have been established and carried out. Given the intercontinental trade relationships and immigration, many regional industries and products have been exported to a foreign location, inspiring the beginning of a similar industry in that new location. Though initiated through globalization, those industries become local industries in their new homes, once again geographically bound to certain areas. An example would be native cuisines. A culturally specific food, such as Neopolitan pizza, travels to a new place, such as Chicago, only to be adopted by that new place, produced there on a small scale, and made its own.

D. The Value Chain

A Value Chains models the range of steps from the conception till the distribution of a product When a product is advertised as local, it often only refers to it from a manufacturing standpoint as the initial ingredients are often imported. Such as coffee beans that are later sold in regionally restricted “Third generation/wave coffee” shops.

IV. Major Parties Involved and their Views

A. Ethiopia

Ethiopia is the top exporting coffee industry in all of Africa, and sixth in the global market. With hundreds of millions of earnings, coffee is the provider of 70 percent of Ethiopia’s foreign trade salaries and therefore provides income for approximately 15 million ethiopian smallholder farmers. The governmentally instituted coffee plantations have around 8000 permanent employees and 50 000 casual annual jobs.

B. United Nations Development Programme (UNDP)

The United Nations Development Programme has many goals and routes regarding localization. The Urban Agenda and Sustainable Development Goal 11 states “to make cities inclusive, safe, resilient and sustainable.” It ties sustainability and localization in its goal to implement the Sustainable Development Goals (SDGs) on local scales, hoping to ensure sustainability in less economically developed countries. The 2030 SDGs are to become realities in communities and their households. Among other examples of how to integrate the 2030 SDGs, one of the main ones entails increasing the growth of local economic development, sensitization and partnerships such as with the UNDP.

V. Timeline of Events

DATE	EVENT
1492	Commonly agreed on beginning of globalization
1780s	Beginning of Industrialization
25 September 2015	The 2030 Agenda for Sustainable Development and the Sustainable Development Goals (SDG) were adopted

VI. Questions to Consider

1. How much access does a country have to certain resources regionally and if those are sufficient
2. What is the necessary trade for individual member states?

3. The extent things can follow in the value chain for individual member states, their reliance on certain importation/exportations
4. Question of the extent in which countries cooperate and make an industry functional
5. How to follow in ecologically conscious methods?

VII. Conclusion

Clear ecological, economical and social benefits can be produced by being fully immersed in local infrastructure or through a system comprised of alternative regional structures and sourcing foreign material. It is important to reflect on the trade bonds and how those are strengthened by these systematic expressions. Smaller business entities can be highly profitable for both economically developed and developing countries. Localizing not only production industries, but also the UN sustainable development goals provides the possibility of developing alternative local economic structures. Member states can direct themselves to a new path of progress, creating items of much higher quality and sustainability.

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