



American Model United Nations
General Assembly Second Committee

GA 2nd/I/2

SUBJECT OF RESOLUTION: Macroeconomic Policy Questions

SUBMITTED TO: The General Assembly Second Committee

SUBMITTED BY: Ireland, Greece, Austria, Lithuania, Nigeria,
Norway, United States of America

The General Assembly Second Committee

- 1 *Noting* with great concern the current global economic situation,
2
- 3 *Emphasizing* the sovereignty of every nation in regards to their economic policy,
4
- 5 *Recognizing* the struggles of many nations in the quest to repay external debt
6 accredited to high interest rates on loans,
7
- 8 *Keeping in mind* that high interest rate loans yield virtually no return to lending
9 nations due to the high rate of defaults by countries receiving the loan,
10
- 11 *Acknowledging* that inaction could lead to the default of many countries who have
12 been deeply affected by the global recession,
13
- 14 *Taking into consideration* that internal debt of states is a barrier to the payment of
15 external debts,
16
- 17 *Noting with great concern* the issue of capital flight and its correlation and
18 causation to external debts,
19
- 20 *Viewing with appreciation* the recognition of the United Nations report A/64/178
21 on the need for the governing body of the International Monetary Fund (IMF) to reflect
22 representative the nations of the world,
23
- 24 *Commending* the progress of the Multilateral Debt Relief Initiative in aiding
25 debtor nations in alleviating the stresses of high interest rates,
26
- 27 1. *Encourages* the IMF, World Bank, and European Union to decrease the interest rate on
28 loans to countries with high levels of debt for the next six years;
29
- 30 2. *Further encouraging* a dialogue between the IMF, World Bank and European Union to
31 engage in dialogue with indebted nations for an appropriate interest rate level;
32

- 33 3. *Advises* the IMF to restructure their decision making-body to reflect a more
34 representative make-up of the world;
35
36 4. *Encourages* the IMF, the World Bank and indebted nations to participate in dialogue to
37 prevent future debt crises;
38
39 5. *Welcomes* international financial institutions to reduce the discount rate for the
40 purpose of increasing the multiplier effect and liquidity on a global scale;
41
42 6. *Desires* a global summit on internal debt structuring and solutions for nations;
43
44 7. *Invites* indebted nations to collaborate with the IMF, World Bank, African
45 Union, Arab League, Association of South East Asian Nations, Union of South American
46 Nations, Commonwealth of Independent States, and European Union, as well as any other
47 organizations, such as international think tanks, to find ways to reduce their debt.

Passed, Yes: 42 / No: 18 / Abstain: 23