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I. Letter from the Secretary-General

Dear participants and fellow guests,

I can not state how excited I am to serve you the second annual of the EGIMUN conference.

Last year, we had an amazing experience with our wonderful committees and delegates. For that, we owe the inspiration for EGIMUN 2019 to the last year's conference.

This year, with our academic and operations team and our esteemed teachers, we have learned so much about what is on the other side of the MUN. For that, we can surely say that it is an extremely wonderful experience.

At EGIMUN'19, we have 5 committees one of them being for our juniors which we will discuss a variety of topics. I am excited for all of our committees and I am sure that you will be satisfied with the debates and the agenda items.

Our first committee is the Security Council, which is the committee where the most spirited discussions take place.

Our second committee is the OECD, which our honourable will discuss financial literacy in developing countries and using blockchain technology to increase government transparency. Both of these agendas are incredibly significant in our modern world.

Our third committee is the Historical Committee which we will experience World War **II** in an alternate universe.

Our fourth committee being the Special Conference, I am sure that Harry Potter fans out there or the people just wanting to experience a whole different part of the MUN, will love this committee.

The last but definitely not the least committee of ours belongs to our fellow juniors, which will be our future and surprise us with their brilliant ideas.

Now that I have introduced our committees, I want to state my excitement for this conference. I can say, with my highest hopes, the students of our school and the members of our MUN Club will sustain the EGIMUN spirit in our school and will keep doing MUNs. This is just the second time of EGIMUN, but with my highest hopes, I wish this conference to be a tradition for our school. I want to thank you all for joining EGIMUN'19. I hope that you will add a wonderful memory to your life

İrem ARMAĞAN-

Secretary-General

II. Letter from the Under-Secretary-General

Esteemed Participants,

I have the utmost pleasure and honour of welcoming you to EGIMUN 2019. I am Selin Cengiz and I am a junior student at Gelisim College High School. It is my honour to serve as the Under-Secretary-General responsible for this year's Organization for Economic Co-operation and Development (OECD) Committee. I have been participating in several conferences in the last 2 years such as Y-MUN 17, ESOGU MUN, ESMUN and NAMUN.

Education, health and safety are some vital problems in the 21st century particularly in developing and under-developed countries. In this year's committee, delegates and members are responsible for finding a common ground for all countries' economic well being in particular without exiting their political interests.

This year the OECD Committee will be taking an extended look at the matter of "Using Blockchain Technology to Increase Government Transparency: Pros and Cons." and "Financial Literacy in Developing Countries". The committee is expected to come up with innovative ways to solve the challenges arising from the spread of blockchain technology and cryptocurrencies. Moreover, the committee is expected to promote financial literacy as it takes a huge role in modern-day life.

This document will be a guide to your research and discussions in the committee. I wish you all a rewarding and enjoyable experience. If you have any questions, please feel free to contact me via selincengiz@gmail.com .

Selin CENGIZ

Under-Secretary-General for OECD

III. Agenda Item: Using Blockchain Technology to Increase Government Transparency: Pros and Cons

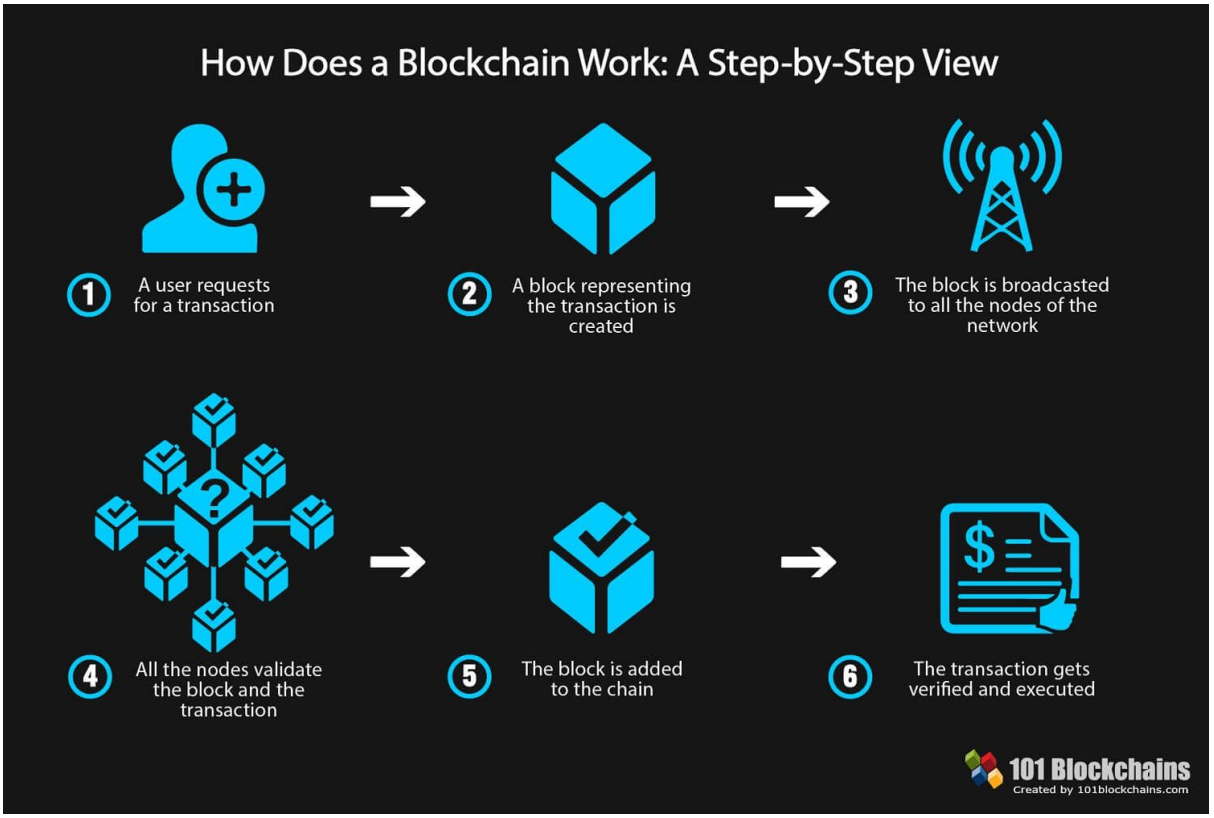
A. The Organization for Economic Co-operation and Development (OECD)

The Organization for Economic Co-operation and Development was founded in 1961 with 36 member countries as an intergovernmental economic organization working to increase economic well-being and world trade. The majority of its members are the world's most economically advanced nations, but also emerging countries are part of the OECD. The mission of OECD is to promote policies that will improve the economic and social well-being of people around the world. It works as a forum in which governments can work together to find solutions to common problems.

The OECD works together with governments to track and understand economic, social and environmental change. It measures global flows of trade and investment. Moreover, the OECD sets international standards on a wide range of areas such as agriculture, tax, and chemicals. By looking at issues that directly affect everyone's daily life, like how much people pay in taxes and social security the OECD can recommend policies drafted to improve the quality of people's lives. Today, the OECD focuses on assisting governments around the world to reinstate confidence in markets and financial institutions and also encourage and support new sources of growth through innovation, environmentally friendly ‘green growth' mechanisms and the development of emerging economies.support new sources of growth through innovation, environmentally friendly ‘green growth' mechanisms and the development of emerging economies.

B. Introduction to Blockchain Technology

Technology researchers all over the world alike are discussing how blockchain technology is going to be spread across industries from finance to healthcare in the next few years. But what is this technology that has all banks, insurance companies, and even Bill Gates in awe over its use? It is commonly known as the technology behind Bitcoin, but these two, while they may have a lot in common, in essence, are different. While Bitcoin is a digital currency, blockchain, on the other hand, is a decentralized database or a "digital ledger" of transactions, accessible to everyone on the network. This network is made of a chain of computers that have to approve an exchange before it gets recorded. Blockchain has the potential to revolutionize industries in little time: trading settlement, back office, payment transfers, trade financing, and even government networks and tamper-proof voting systems.



a. Blockchain Privacy

With the invention of the internet, the privacy of each one of us has seen a sharp decline and Blockchain technology is trying to regain this basic human right. Now we will discuss how blockchain technology plays a role in rebuilding privacy and its importance to the user.
On a daily basis, internet users agree to share some of their most intimate information on social media platforms, and they accept any cookies which record their activity. This information is then used to set up detailed profiles for each user, and the problem here lies in the fact that organizations use this personal information without a user's permission and full understanding. Blockchain, on the other hand, does not ask for any identity information. Meaning that no name, surname or email address is needed to download and start using this technology. The user is closely connected to the device and not to its identity.

Corporations especially have shown an increased interest in this technology because they have come to notice how traditionally large storages of data while helping them in marketing products more efficiently at the same time put them in high risk of being hacked.

When using blockchain technology, the identity of each user is hidden which it makes hard to determine who the account belongs to therefore making it harder for the system to be hacked. Privacy is one of the inner qualities of this technology and one of the main reasons why so many people have started to use it. Furthermore, levels of privacy vary between private and public blockchain technologies. The private blockchain offers a much higher level of privacy than the public one. But there are still many problems to be tackled, while with blockchain technology we get to control what kind of information we share and where it gets stored that nonetheless doesn't change the fact that our data will be saved everywhere, more precisely in a big network of computers which makes it stir away from the notion of privacy.

b. Blockchain Transparency

It can be confusing to explain how privacy and transparency can exist together in one technology. The transparency of a blockchain comes from the fact that all records of transactions and receipts are open to everybody on the network. If a user were to transfer

funds to another address, this transaction could be entirely tracked by anyone. This level of transparency did not exist in financial systems before, especially in corporations. This adds a level of accountability and responsibility that hasn't existed before because with this technology everybody is held accountable for their actions and transactions. In the past, corporations and other large businesses would use their customer's fund in whatever way they liked resulting in misuse of funds, of course, they could easily do that because nobody had access to the information on how that fund was spent, with the best example being the financial crisis of 2008 which emerged from this very issue. It is in this way that blockchain gives corporations a chance to conduct business with integrity towards their community and customers. Moreover, blockchain has the potential to add transparency not only to the financial sector but also to the public sector such as healthcare, government both federal and local and so on.

C. Pros of Using Blockchain Technology

1. Blockchain Uses in Government

The blockchain technology has received a large amount of hype because of its transformative qualities and its utilization in multiple industries, services, and areas. While interest in this technology keeps growing, governments have also started to take notice. Governments have taken into consideration and put into practice the adoption of this distributed ledger to address their public sector challenges. Government officials and blockchain advocates believe that incorporation of blockchain into the public sector can help create a government-connected to its citizens that would be paperless, transparent, protected and distributed. Blockchain can offer governments an efficient, effective and secure means of providing governments services all done in real-time and in a completely transparent way.

For these reasons, and much more the governments of different countries have started to show extensive interest in this technology, many of them have already piloted different programs for public services based on the blockchain. In developing countries, blockchain

technology could be used as a great tool in the elimination of some significant issues such as corruption while also providing a more efficient and even distribution of resources. Now at this point, delegates are wanted to find some possible ways where blockchain technology can be applied to improve services in order to support the upsides they will be coming up with.

D. Disadvantages of Using Blockchain Technology

Some researchers have started to point out to the blockchain technology has many limitations they think that all this hype around this technology might be overrated when taken hand in hand with the issues it carries. With the help of research, we are now able to identify some of the current issues and limitations of this distributed ledger technology.

1. Issues with Standardization

With the rapid development of blockchain technology and its incorporation into different industries, has made the problem of the lack of standards urgent. Therefore, international standards organizations have spearheaded the process of standardization of the blockchain. In 2016, ISO, the world's largest standardization organization, created the Blockchain Technical Committee (ISO/TC 307) to promote the development of international standards in the field of blockchain technology. On May 2018, the third meeting of ISO/TC 307 was held in England. This meeting discussed the latest developments and work plans for the international standards currently under development, new proposals for standardization in various areas, and the establishment of close relations with other international organizations.

While the work of different international organizations on the standardization of this technology continues, issues related to the lack of standards remain. The most obvious one being the issue with the definitions, requirements, and capabilities of the Blockchain, there is too much confusion on the meaning and the capabilities of technology, and this requires immediate standardization.

Moreover, the data connectivity interfaces between the Blockchain and data sources should be standardized to use existing blockchain platform globally for application development. There is a growing belief that standardization between different countries is the key to unlocking the potential of the blockchain. Common industry standards will be essential if we want to realize the full benefits of this technology.

3. Issues with Security

There is no denying that blockchain represents a secure solution for many industries. However, we must not forget that this technology is still not thoroughly explored. Like any system, blockchain also has much vulnerability. Starting from the complexity of the technology, blockchain systems are difficult for the average person to understand, they are even more challenging to work with, and one small mistake can compromise the whole system. Moreover, for the blockchain system to work we need hundreds and thousands of computers working in sync with each other because of this massive size of the network it possesses, blockchain is exceptionally vulnerable to attacks. In tech language this is also known as the “51 percent attack “was mentioned by Satoshi Nakamoto when he launched blockchain and bitcoin. This means that if more than half of the computers working on the network tell a lie, then that lie becomes truth. For example, if a group of users gets control of 51 percent of the computers on a system, then they can approve illegal transactions, conduct double-spending and would be able to control the outcomes of the system as a whole. Blockchain can also be used by cybercriminals to attack other third-party systems. In this case, blockchain can serve as a tool for cyber-attacks which in turn undermines its security. Although blockchain user passwords are nearly impossible to be hacked on their own, cybercriminals could get ahold of those passwords through different means such as by accessing your emails and inbox.

F. Conclusion

To conclude, the European Parliament stated that “the fact that the blockchain protocol provides platforms for both good actions and bad actions does not mean that it is a neutral technology." And, yes while this technology in its simplest form offers a redistribution of power from the centre to the periphery and a promise of transparency, efficiency and decentralization we must not forget that the potential of this technology for good or bad remains in our hands. While regulations for new technologies have historically been matters of national-level governments, this has brought a significant number of inefficiencies among different nations. Keeping in mind the transnational nature of the blockchain technology and also its opportunities and challenges global cooperation of the international community on its implementation and regulation is necessary.

IV. The Second Agenda Item: Financial Literacy in Developing Countries

A. What is Financial Literacy?

Financial literacy is the education given to people to understand the basic usage of money, how to make investments, how the tax systems work and how could they use money wiser.

B. The History of Financial Literacy

a. Financial Literacy in the 19th Century

In the 19th century, financial literacy still lacked a venue for formal instruction. However, money management was just as important as it is today, and records show early attempts at financial education.

b. Financial Literacy in the 20th Century

In the 20th century, financial literacy was starting to be taught in lessons and the establishments for extension programs and provided funds for research made these teachings easier. However, in the 20th century, it was not called as ‘’financial literacy.’’ It was taught in courses of different names. These generally fell under the category of home economics, with courses that might have been titled “household finances,” “family finances,” or “consumer economics.” The basis for incorporating financial literacy into these courses originated at the University of Chicago.

c. Current State of Financial Literacy

The recent war against the financial illiteracy epidemic is being waged worldwide. In 2002 Japan’s Central Council for Financial Services Information published guidelines for a national financial literacy strategy. Similarly, the Financial Services Authority of the United Kingdom began a national strategy for financial capability in 2003. Today, the importance of financial literacy has been recognized by many countries, and efforts continue to improve financial education. But, there are still thousands of people who are financially illiterate. For example, only in the US, statistics show us that two-third of the citizens would struggle to cover a 1000$ crisis, 54% of millennials expressed worry that they would not be able to pay back student loans.

d. Governments Issues Within the Subject of Money Arrangement

i) Youth Development in FinancialArrangements

One of the biggest issues is for young people who just started to live on their own and try to afford a house, pay back student loans, cover their living expenses.

ii) Helping Low-income Families

This issue is a bigger crisis for the developing and undeveloped countries because of their higher rate of unemployed and homeless people.

iii) The Ageing Population

Since the number of elderly people has increased and most of them are unable to work, governments should take actions for their health care, living expenses and decrease the burden from their family members that are working.

e) Financially Literate Countries

Being a financially literate country means tackling most of the issues that could be listed in the financial drawbacks. If we were to give examples:

Australia

The PISA 2015 assessment of financial literacy shows us that even at the age of 15, have the financial knowledge and skills needed to make a successful transition from compulsory schooling into higher education, employment or entrepreneurship. For many 15-year-olds, finance is part of everyday life, as they are already consumers of financial services, such as bank accounts, and earn money from formal or informal small jobs. As they near the end of compulsory education, students will face complex and challenging financial choices, including whether to continue with formal education and, if so, how to finance such a study.

Canada

Canadians score well on measures of financial literacy compared to their peers elsewhere. For example, the 2015 Organisation for Economic Co-operation and Development (OECD) Survey on Measuring Financial Literacy and Financial Inclusion measured respondents' financial knowledge, attitudes and behaviours. It ranked Canadians' overall financial literacy third out of 29 countries. However, the same survey found that only 61% of Canadians — roughly the OECD average – could correctly answer five of seven financial knowledge questions. Domestic results from the federal government's Canadian Financial Capability Survey (CFCS) also suggest that Canadians' financial knowledge may be incomplete. CFCS respondents answered 14 objective-knowledge questions, earning an average score of 60.6%. The results show financial knowledge gaps between different groups within Canada.

G. Points a Resolution Should Cover

- How can the lessons learned from the countries that have implemented blockchain so far be used to assist its implementation in other countries?
- What are the possible ways to minimize the disadvantages of the implementation of this technology?
- What are the possible ways we can make blockchain technology more appealing to the average citizen? How can this be linked to Financial Literacy?
- How can we minimize the so-called human error effect in the implementation of this technology?
- How can the committee encourage governments to pursue blockchain technology standardization?
- How can the committee raise awareness on the issues concerning personal data security and the right to be forgotten?
- How can the committee solve the issues both on a national and international basis?

H. Further Readings

- https://www.oecd.org/finance/OECD-Blockchain-Primer.pdf
- http://www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?cote=DAF/CA/CG/RD(2018)1/REV1&docLanguage=En
- https://www.oecd-ilibrary.org/governance/blockchains-unchained_3c32c429-en
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