Massachusetts Institute of Technology

Model United Nations Conference

Background Guide

Letter from the Secretary General

Dear Delegates,

I am very excited to welcome you to Massachusetts Institute of Technology's 17th annual Model United Nations Conference - MITMUNC XVII! After months of planning, training and organizing, we hope this conference will be a new, challenging, and enriching experience for you.

With all the difficulties the world has experienced last year and is currently still experiencing, we still look forward to a brighter future. Building a sustainable future requires a lot of collaboration and effort and we are all hopeful to see that from you, the leaders of tomorrow.

This year, we decided to focus on technology and its impact on our societies and the whole world to test the pros and cons of technological advancement. Tech diplomacy is an important theme that defines MITMUNC XVII, especially with the prevalence of Artificial Intelligence. Technological advancements have paved the way for great and helpful solutions, yet they also opened up space for tech-abuse, which really makes us think, where are we heading? What's next? Dialogue, international relations and collaborations create the backbone of tech diplomacy and we are all looking forward to see your creativity spark during the conference to help implement tech diplomacy around the world, and fight technology-abuse that harms the international community.

Having experienced MITMUNC as a chair, then as a Secretary General, I am humbled and thrilled to guide MITMUNC into its best conference yet. Do not hesitate in contacting me or the secretariat team should you encounter any doubts along the way. I wish you the best of luck!

Sincerely,

Your Secretary General, Jad Abou Ali

For further inquiries, do not hesitate to contact us at sg-mitmunc@mit.edu.

MITMUNC XVII 2025

Letter from the Chairs

Dear Delegates,

It is an honor to welcome you to SOCHUM at **MIT Model United Nations Conference XVII 2025!**

My name is Harnoor Singh, and I will be your chair for Topic A: Digital Privacy in the Age of Mass Surveillance. I first want to take the time to thank you all for taking the time out to prepare for and attend this amazing conference. This will be my first time chairing an MUN debate, however I have been a part of the MUN community for over 6 years now, founding the club in high school, debating every year and finally coming here to MIT to chair one! I'm currently majoring in Nuclear Science and Engineering with a minor in Philosophy and CS and I play tennis. I'm from sunny Southern California so I'm a big surfer as well. I look forward to seeing all the creative and unique solutions you will be able to come up with, all while demonstrating the leadership skills that are absolutely needed in today's society.

My name is **Erion Ruhani,** and I'm thrilled to serve as your Chair for our discussions on Topic B "**Striking a Balance: Regulating Cryptocurrency to Foster Innovation While Mitigating Risks of Anonymity and Untraceability in Global Transactions."** This is my first year chairing, and I couldn't be more excited to guide such a relevant and dynamic debate. With a passion for global **policy, economics, and technologies**, I'm confident we'll navigate this complex issue with insight and creativity. I'm looking forward to seeing your diplomatic skills, innovative solutions, and thoughtful discussions shape our committee.

We hope you all enjoy this committee and hope that this year's topics interest you as much as they interest us!

Sincerely,

Your Chairs: Erion Ruhani & Harnoor Singh

For further inquiries, do not hesitate to contact us at sochum-25@mit.edu

MITMUNC XVII 2025

Committee Introduction

The Social, Humanitarian, and Cultural Committee (SOCHUM) is the Third Committee of the United Nations General Assembly (GA), established alongside the UN in 1945 by the Charter of the United Nations. As one of the six main committees of the GA, SOCHUM focuses on issues relating to human rights, humanitarian affairs, and social and cultural development.

SOCHUM is tasked with tackling a wide range of topics, including the protection of fundamental human rights, addressing humanitarian crises, and promoting global equity and cultural understanding. The committee operates as a forum for discussing international norms and standards, reporting its recommendations to the GA Plenary for final voting. While the resolutions adopted by SOCHUM are not legally binding, they play a critical role in shaping international norms and fostering consensus on pressing global issues.

Each member state of the United Nations has an equal vote within SOCHUM, ensuring that all voices are heard in the decision-making process. Most decisions require a simple majority, although more significant matters may require a two-thirds majority. SOCHUM works closely with specialized UN agencies, such as the Office of the High Commissioner for Human Rights (OHCHR) and the United Nations High Commissioner for Refugees (UNHCR), to support its recommendations with technical expertise and resources.

SOCHUM's focus areas include addressing human rights violations, advocating for the rights of marginalized groups, promoting cultural cooperation, and providing guidance on humanitarian responses to crises. These responsibilities reflect its commitment to fostering peace, justice, and inclusivity worldwide.

TOPIC A: Digital Privacy in the Age of Mass Surveillance

I. Key Terms

- **Digital Privacy:** The right to protect personal information and maintain control over how data is collected, stored, and shared in a digital context (OECD, "Guidelines on the Protection of Privacy").
- **Mass Surveillance**: Large-scale monitoring and collection of information about individuals by governments, corporations, or other entities, often without explicit consent (Greenwald, "Edward Snowden and the NSA Files").
- **General Data Protection Regulation (GDPR)**: A European Union regulation that sets strict data protection standards, ensuring transparency and control for individuals over their personal information (European Parliament, "GDPR Overview").
- **Surveillance Capitalism**: A system where private corporations collect and monetize user data to generate profits, often at the expense of individual privacy (Zuboff, *The Age of Surveillance Capitalism*).
- **Data Breaches**: Incidents where sensitive information is accessed or disclosed without authorization, typically compromising individual security and privacy (Cadwalladr, "The Great Hack").
- **Biometric Data**: Personal data derived from physical or behavioral characteristics, such as fingerprints, facial recognition, or voice patterns, often used for identification or authentication (Maryville University Online, "Understanding Biometrics").
- **Encryption**: The process of encoding data to protect it from unauthorized access, ensuring secure communication or storage (Rodrigues, "Overview of Encryption Standards").

https://www.oecd.org/en/topics/policy-issues/privacy-and-data-protection.html

II. Topic Background

a. Historical Evolution of Digital Privacy

The concept of digital privacy has undergone significant transformations over the decades, driven by technological advances and shifting societal priorities. Initially, privacy concerns centered around physical spaces and personal boundaries, but the advent of computers and databases in the 20th century brought data privacy to the forefront. In the 1970s, the growing use of computing systems led to the creation of frameworks such as the OECD Guidelines on the Protection of Privacy and Transborder Flows of Personal Data, which established foundational principles for international data protection (OECD).

The early 2000s marked a pivotal shift with the emergence of mass surveillance programs following the September 11 attacks. Governments, particularly in the United States, prioritized national security over individual privacy, culminating in initiatives like the PRISM program. This program, revealed by Edward Snowden in 2013, exposed extensive data collection practices by the U.S. National Security Agency, sparking global outrage and calls for greater transparency (Greenwald).

Figure 1. *Infographic on the use of location data by companies. Adapted from* *https://clario.co/blog/which-company-uses-most-data/*

In recent decades, the rise of the internet and social media platforms has amplified privacy concerns. Companies like Facebook and Google pioneered data-driven business models that leverage user information for advertising and profit, often without explicit consent. The Cambridge Analytica scandal in 2018 highlighted the dangers of such practices, showcasing how personal data could be exploited to manipulate political outcomes (Cadwalladr). These historical developments have laid the groundwork for current debates about the balance between innovation, security, and privacy.

b. Contemporary Challenges in Digital Privacy

In the modern era, digital privacy faces unprecedented challenges as technology advances faster than regulatory frameworks can adapt. One of the primary concerns is corporate data exploitation. Tech giants like Meta and Google collect vast amounts of personal data to refine algorithms and target advertising, raising ethical questions about consent and transparency (Zuboff).

Governments also play a central role in privacy debates. Authoritarian regimes often use surveillance technologies to monitor and suppress dissent, while democratic nations grapple with the balance between security and individual rights. For example, China's Social Credit System exemplifies the use of data to enforce behavioral compliance, while Western democracies face scrutiny for surveillance programs like the Five Eyes alliance (United Nations, "Privacy Reports").

Emerging technologies, including artificial intelligence, biometrics, and facial recognition, present further challenges. These tools enable more invasive data collection, often without robust safeguards. Cases of misused facial recognition software in law enforcement, for instance, highlight the risks of bias and discrimination inherent in these systems (World Economic Forum).

Lastly, disparities in privacy protections across regions exacerbate vulnerabilities. Developing nations with limited resources often lack the infrastructure to enforce robust data protections, leaving their citizens exposed to exploitation by both corporations and state actors (Ahmed).

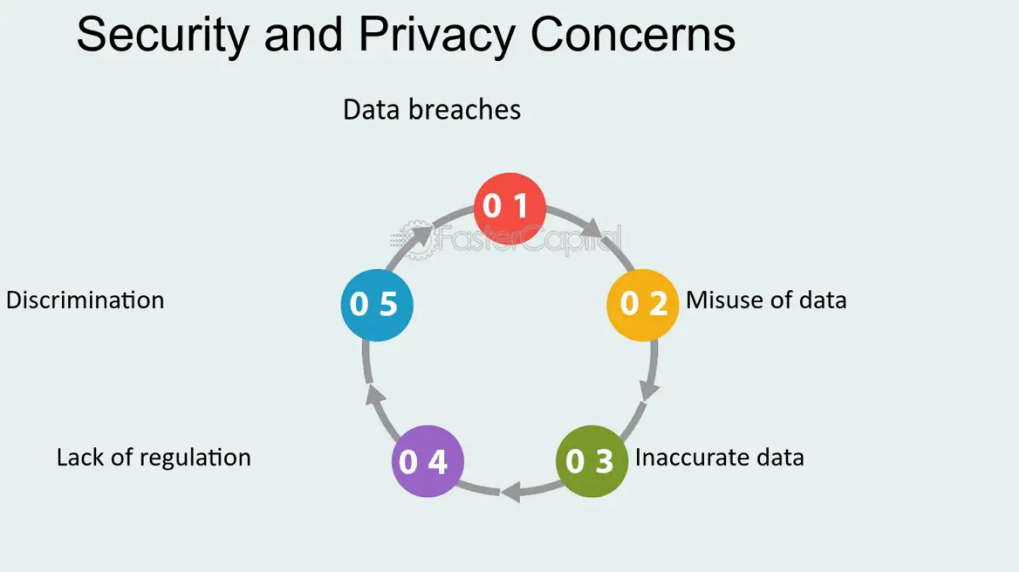

Figure 2. *Infographic on security and privacy concerns adapted from* *https://fastercapital.com/topics/government-surveillance-and-privacy-concerns.html*

c. The Global Impact of Privacy Regulations

Privacy regulations have become a cornerstone of the global response to digital privacy challenges. The European Union's General Data Protection Regulation (GDPR), enacted in 2018, has set a global benchmark, introducing stringent requirements for data handling, consent, and user rights (European Parliament). GDPR has inspired similar laws worldwide, including the California Consumer Privacy Act (CCPA) in the United States and Brazil's Lei Geral de Proteção de Dados (LGPD). These frameworks aim to empower individuals with control over their data while holding corporations accountable (Rodrigues).

Despite these advances, implementation and enforcement remain uneven. Many countries struggle to align their legal systems with international standards, leading to fragmented protections. For instance, while GDPR has led to significant fines for non-compliant companies, enforcement in less developed regions is hindered by resource constraints (World Economic Forum).

International cooperation has also emerged as a key aspect of privacy regulation. Initiatives like the Asia-Pacific Economic Cooperation (APEC) Cross-Border Privacy Rules seek to harmonize standards across borders, facilitating global trade while respecting individual rights (OECD). These efforts highlight the growing recognition that privacy is a universal concern requiring collective action.

III. Recent Developments

a. Advances in Privacy Laws and Frameworks

In response to the rapid expansion of digital technologies, governments and international organizations have sought to strengthen privacy protections through updated legal frameworks. Recent advancements in regulations reflect a global shift toward prioritizing transparency, accountability, and user rights. The European Union continues to lead with ongoing enhancements to GDPR, emphasizing stricter penalties for non-compliance and clearer guidelines for data handling. Similarly, other nations, including Brazil with its Lei Geral de Proteção de Dados (LGPD) and India's proposed Personal Data Protection Bill, highlight the growing recognition of privacy as a fundamental right (European Parliament; Rodrigues). These efforts aim to create comprehensive structures that address the complexities of modern digital ecosystems.

b. Technological Innovations Impacting Privacy

Technological advancements continue to shape the digital privacy landscape. Innovations in encryption technologies and privacy-focused tools, such as virtual private networks (VPNs) and privacy-respecting browsers, empower users to secure their data against unauthorized access. At the same time, advancements in artificial intelligence, biometrics, and blockchain introduce both opportunities and risks. While these technologies offer enhanced security features, their misuse for invasive surveillance or discriminatory practices remains a significant concern (World Economic Forum). Governments and organizations worldwide are grappling with finding ethical boundaries for deploying such tools.

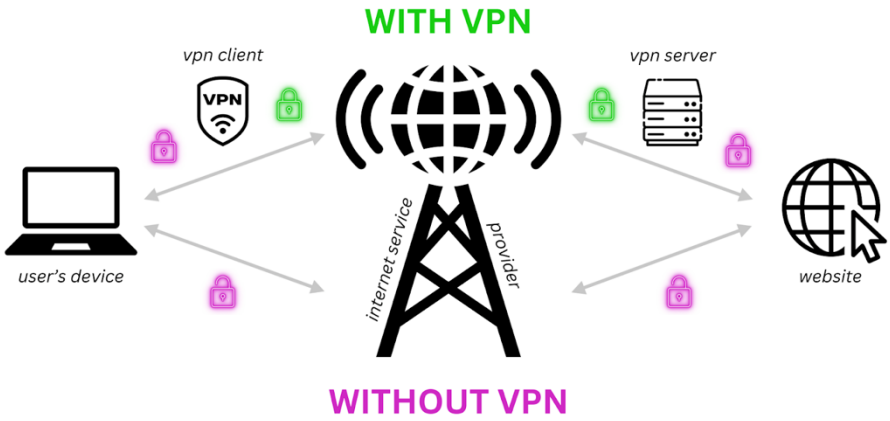

Figure 3. *Infographic on VPN and privacy protection adapted from* https://informationsecurity.wustl.edu/the-power-of-virtual-private-networks-vpn-in-privacy-protection/

c. High-Profile Cases and Global Responses

Recent years have seen increasing global attention to digital privacy through high-profile incidents and collective responses. Data breaches affecting millions of users have emphasized the vulnerability of even the most secure systems. These events have prompted international dialogue, pushing stakeholders to collaborate on measures that enhance cybersecurity and mitigate potential harms. Countries and regions have responded with stronger enforcement mechanisms, including fines, audits, and calls for transparent data policies (United Nations, "Privacy Reports"). These developments underscore the urgency of addressing privacy issues within an interconnected global framework.

IV. Bloc Positions

a. Global North (Developed Nations)

Countries in the Global North, including members of the European Union, Canada, Japan, and Australia, lead the charge in establishing robust digital privacy frameworks. The European Union's GDPR serves as a global model, setting high standards for transparency, consent, and accountability. These nations prioritize balancing privacy with innovation, promoting stringent regulations while fostering technological advancements (European Parliament). However, challenges remain in harmonizing privacy laws across regions and addressing global compliance, particularly with multinational corporations.

b. Global South (Developing Nations)

Developing nations in the Global South, including many in Africa, Latin America, and Southeast Asia, face unique challenges in addressing digital privacy. Limited resources, weaker legal infrastructures, and dependency on foreign technology hinder the implementation of robust privacy protections. These countries often rely on international assistance and capacity-building efforts to create and enforce data protection frameworks. Despite these barriers, regional initiatives, such as Africa's efforts toward a unified data protection protocol, demonstrate growing awareness and action (Ahmed). Ensuring equitable participation in global privacy discussions remains a priority for these nations.

c. Technological Superpowers (Mixed Policies)

Technological superpowers, including the United States, China, and India, occupy a unique position in the global privacy landscape. While these nations drive innovation and influence international norms, their policies often reflect competing priorities. The United States balances privacy regulations like the CCPA with national security interests, leading to debates over surveillance practices (United Nations, "Privacy Reports"). China employs extensive data monitoring systems as part of its governance model, raising concerns about individual freedoms. India, as an emerging technology

leader, seeks to navigate privacy protections through its proposed Personal Data Protection Bill, striving to balance economic growth with individual rights (Rodrigues). These nations' approaches significantly shape the global discourse on privacy norms and practices.

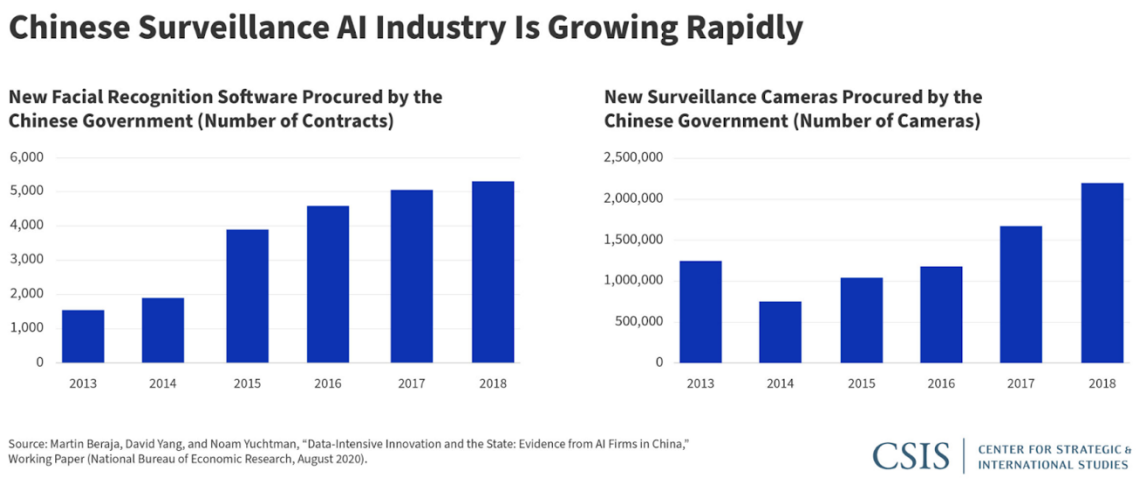

Figure 4. *Chinese surveillance AI Industry: numbers and trends; adapted from https://bigdatachina.csis.org/the-ai-surveillance-symbiosis-in-china/*

V. Concluding Remarks

As digital technologies continue to advance at an unprecedented pace, the challenge of protecting digital privacy has become one of the defining issues of our time.

While innovation has brought immense benefits—enhancing global connectivity, improving access to information, and driving economic growth—it has also created significant vulnerabilities. These vulnerabilities demand immediate attention and collaborative solutions. Delegates must carefully balance three critical priorities:

- **Fostering technological progress**
- **Safeguarding individual freedoms**
- **Ensuring national security**

The disparities in privacy protection across regions underline the need for inclusive dialogue and equitable frameworks. Countries with advanced regulatory systems have a responsibility to support developing nations in building robust data protection infrastructures. Similarly, the international community must work toward harmonizing standards to address cross-border challenges in data security and privacy enforcement.

The decisions made within this committee have the potential to shape the global trajectory of privacy rights for years to come. By fostering open discussion and innovative thinking, delegates can contribute to solutions that respect individual rights while embracing the transformative potential of technology. The task ahead is not just to protect privacy but to define a shared vision of digital integrity that upholds the values of dignity, security, and fairness in an interconnected world.

VI. Questions to Consider

1. To what extent should digital privacy be considered a fundamental human right, and how can this be balanced with national security needs?
2. What level of privacy is necessary in a digital society, and should governments regulate how much data private companies collect?
3. How can nations address disparities in privacy protections between developed and developing countries while respecting sovereignty?
4. Should international frameworks establish universal privacy standards, or should regulations remain flexible to accommodate regional and cultural differences?
5. How can individuals be empowered to take control of their own digital privacy in an increasingly data-driven world?
6. What role should emerging technologies like artificial intelligence and blockchain play in protecting or potentially compromising digital privacy?
7. How can countries prevent the misuse of mass surveillance tools while ensuring public safety and combating crime?
8. What are the ethical considerations of data monetization practices by corporations, and how can these be addressed in global discussions?

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Topic B: Regulating Cryptocurrency to Foster Innovation While Mitigating Risks of Anonymity and Untraceability in Global Transactions

I. Introduction

Cryptocurrencies have revolutionized global finance, enabling peer-to-peer transactions without intermediaries like banks. Bitcoin, Ethereum, and countless other digital currencies have created opportunities for financial inclusion, decentralized finance (DeFi), and technological innovation. Transactions are faster, cheaper, and accessible to people who are traditionally excluded from banking systems. However, these benefits come with significant risks, including money laundering, financing of illegal activities, tax evasion, and financial instability (Chainanlysis Team).

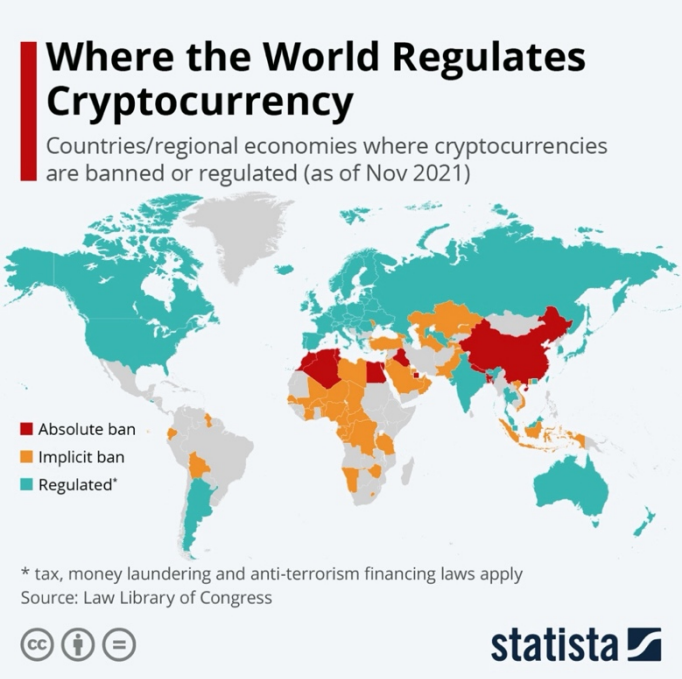

Figure 5. *Infographic on geographical spread of cryptocurrency adapted from https://www.statista.com/chart/27069/cryptocurrency-regulation-world-map/*

Governments worldwide are grappling with how to regulate this new financial landscape. Some countries have embraced cryptocurrencies with open arms, seeing them as tools for economic growth, while others have imposed strict bans due to fears of misuse (PwC). Balancing the promise of innovation with the need for oversight is a complex task that requires international cooperation, national policies, and adaptive strategies.

We will explore the historical development of cryptocurrencies, examine international and national regulatory responses, and analyze potential future pathways for cryptocurrency governance. By providing a thorough understanding of the opportunities and challenges posed by digital currencies, we at MITMUNC seek to equip delegates with the insights necessary to contribute meaningfully to discussions on this pressing global issue.

II. History

A. The Rise of Cryptocurrencies

In 2009, Bitcoin emerged as the first decentralized cryptocurrency, introduced by the anonymous Satoshi Nakamoto. Its underlying blockchain technology promised secure, transparent, and tamper-proof transactions without reliance on central authorities. Over the years, other cryptocurrencies such as Ethereum, Ripple, and Litecoin have introduced smart contracts, cross-border payment systems, and advanced features that expanded the use cases of blockchain technology (Statista).

Bitcoin's meteoric rise in 2017, where its value peaked near $20,000, attracted global attention. However, this surge also revealed the vulnerabilities of the market, such as high volatility, security breaches, and fraudulent Initial Coin Offerings (ICOs). Incidents like the Mt. Gox hack, where millions of dollars were stolen, underscored the risks associated with poorly regulated cryptocurrency exchanges (NewHedge).

B. Regulatory Responses

Regulatory responses have varied across the world. Japan became one of the first countries to recognize Bitcoin as legal tender, establishing a licensing system for exchanges. In contrast, China has repeatedly cracked down on cryptocurrency trading and mining operations, citing concerns about financial stability and illicit financial flows (Atlantic Council). One of the most notable events highlighting cryptocurrency misuse was the Silk Road scandal. Silk Road was an online black market operating on the dark web from 2011 to 2013. It used Bitcoin as its primary currency to facilitate the anonymous sale of illegal drugs, firearms, and other contraband. The marketplace was eventually shut down by the FBI, and its founder, Ross Ulbricht, was arrested. The incident underscored the challenges of tracing illicit cryptocurrency transactions and served as a wake-up call for regulators worldwide (Reuters). It demonstrated both the potential and risks of digital currencies and pushed governments to prioritize anti-money laundering (AML) measures and Know Your Customer (KYC) requirements.

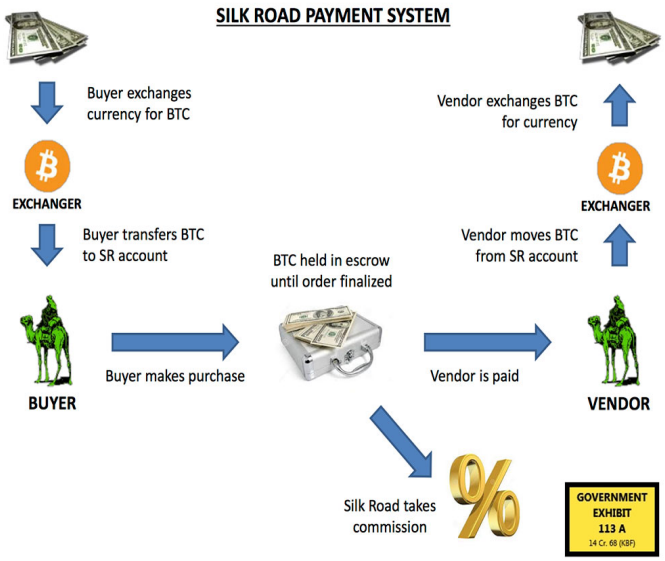

Figure 6. *Infographic on the silk-road payment system adapted from* https://img.tineye.com/result/6663d0a143d6243833ce97d4a24788cec4ff6f83bf855dbe66e19cc1496449ed-12?size=160

III. International Actions

A. Financial Action Task Force (FATF)

The FATF plays a central role in global cryptocurrency regulation. In 2019, the FATF introduced the 'Travel Rule,' which requires cryptocurrency service providers, including exchanges, to collect and share transaction details for amounts exceeding a specific threshold. This measure aims to prevent money laundering, terrorism financing, and other financial crimes (PwC).

FATF conducts mutual evaluations to assess how well member states implement its recommendations. Non-compliant countries risk being added to the FATF grey list, which can lead to economic isolation.

Countries like Japan and South Korea have implemented strict licensing requirements for cryptocurrency exchanges, including mandatory KYC protocols and real-time transaction monitoring

systems. However, resource constraints have made it difficult for some developing nations to fully comply with FATF standards (Atlantic Council).

The FATF also promotes partnerships between public and private sectors to enhance real-time monitoring tools and data-sharing systems for tracking suspicious financial activity.

A. G20 and Global Summits

The G20 has recognized the global nature of cryptocurrency markets and the need for international cooperation. Through multiple summits and joint declarations, G20 members have emphasized the importance of standardized regulations, cybersecurity, and robust AML policies (Statista).

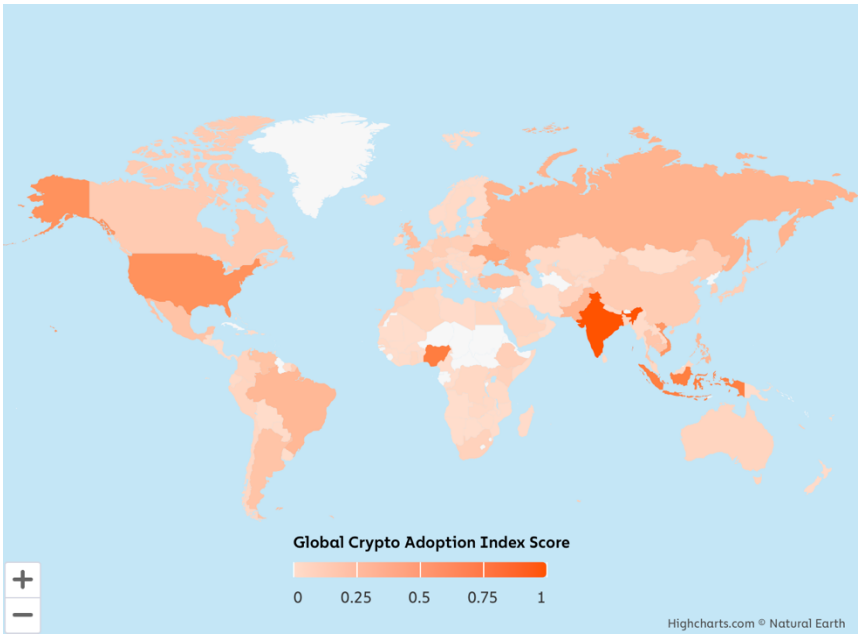

Figure 7. *Global Crypto Adoption Index Score by country adapted from https://www.chainalysis.com/blog/2024-global-crypto-adoption-index/#:~:text=The%202024%20Global%20Adoption%20Index,Terms%20of%20Global%20Cryptocurrency%20Adoption*

The International Monetary Fund (IMF) has played a significant role in advising countries on the financial and economic risks associated with cryptocurrencies.

Reports from the IMF have highlighted how cryptocurrencies can disrupt monetary policies, impact cross-border transactions, and introduce new financial vulnerabilities (Atlantic Council).

The World Bank has launched pilot programs, such as regulatory sandboxes, which allow governments to test cryptocurrency technologies in controlled environments before scaling regulations nationally (NewHedge).

Additionally, the Financial Stability Board (FSB) has created reporting frameworks to improve transparency in cryptocurrency markets. However, geopolitical differences and varying priorities among G20 nations have slowed progress toward a truly unified global regulatory framework (PwC).

IV. Countries' Positions

A. Pro-Regulation Stance (e.g., European Union, United States)

The European Union introduced the Markets in Crypto-Assets (MiCA) regulation to create consistent standards across member states. These rules aim to protect consumers, prevent market manipulation, and ensure transparency. Similarly, in the United States, agencies like the SEC and CFTC oversee cryptocurrency markets, focusing on investor protection and preventing fraud (Chainalysis Team).

European nations have also taken additional steps to address environmental concerns linked to crypto mining. Countries like Sweden have advocated for limiting energy-intensive proof-of-work mining (Reuters).

A. Restrictive Approaches (e.g., China, India)

China has banned cryptocurrency trading and mining to maintain control over financial markets and prevent capital flight. Meanwhile, India has oscillated between proposing strict bans and developing regulatory frameworks (Atlantic Council).

In both countries, central bank digital currencies (CBDCs) have emerged as government-backed alternatives. However, these digital assets differ significantly from decentralized cryptocurrencies, as they remain under full state control (New Hedge).

V. Projections and Implications

A. Technological Innovation vs. Regulatory Control

Governments face the challenge of balancing technological progress with regulatory oversight. Overregulation can stifle innovation, discouraging startups and reducing investment in blockchain technologies. Entrepreneurs may migrate to jurisdictions with more favorable regulatory environments, creating uneven global adoption. On the other hand, under-regulation leaves gaps that can be exploited by bad actors, leading to increased financial crimes, fraud, and volatility (Atlantic Council).

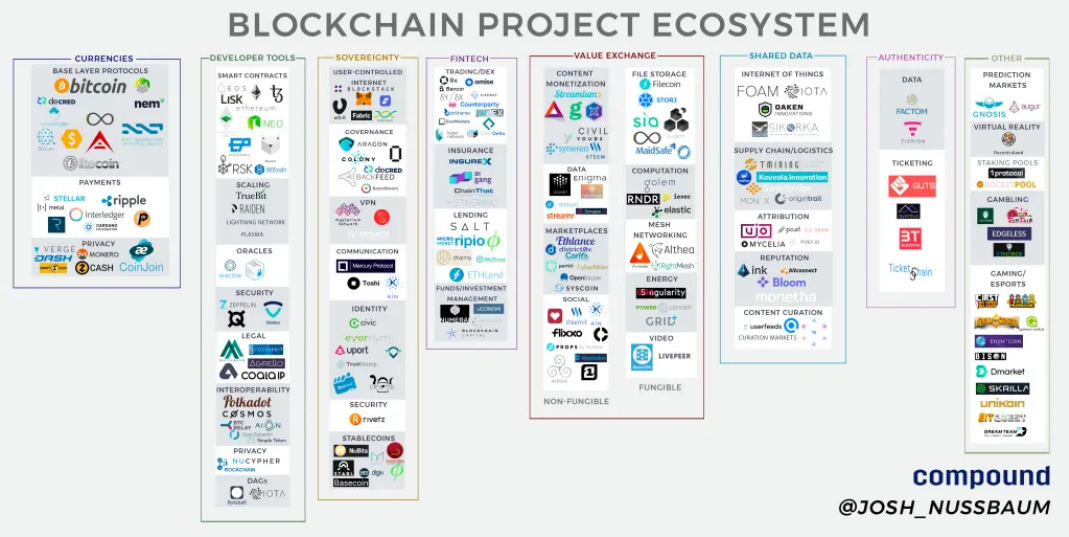

Figure 8. *Infographic on blockchain project ecosystem adapted from https://img.tineye.com/result/69483c73a3b1230a1c07e9d7b745f2882d89e08fb3d930c175fa59738f4db07a-12?size=160*

Collaborative regulatory models, such as 'regulatory sandboxes,' have shown promise in striking this balance. These controlled environments allow financial authorities to monitor cryptocurrency technologies in real-time while minimizing risks (World Bank).

B. Financial Inclusion and Equity

Cryptocurrencies offer financial services to unbanked populations, particularly in regions with limited banking infrastructure. Digital wallets and blockchain-based financial systems allow people to send, receive, and store money securely. However, access barriers, such as digital literacy, limited internet connectivity, and high transaction fees, continue to hinder adoption (PwC).

To address these issues, public-private partnerships are emerging as a solution. Collaborations between governments, NGOs, and tech companies aim to improve internet access, provide financial education, and design user-friendly digital wallets (World Bank).

VI. Conclusion

Cryptocurrency regulation stands at a crossroads, requiring careful navigation between fostering innovation and maintaining financial security. Effective regulation cannot rely on a one-size-fits-all approach; instead, it demands collaboration among governments, private sectors, and international bodies. Policymakers must remain adaptable, responding to emerging technologies and unforeseen challenges. With thoughtful regulation, cryptocurrencies have the potential to reshape global finance, promote inclusivity, and drive economic growth, provided that risks are addressed responsibly (Chainalysis Team).

VII. Questions to be Addressed

1. How can international organizations ensure consistent cryptocurrency regulations?
2. What role can public-private partnerships play in building secure cryptocurrency systems?
3. How can countries address the challenges posed by cross-border cryptocurrency transactions?
4. What are the long-term economic implications of Central Bank Digital Currencies (CBDCs)?
5. How can cryptocurrency regulation encourage innovation while preventing misuse?

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