

Boundaries of Global Market Extension

RCIMUN 2013 focuses on the political, social and economic outcomes of the diversification of goods and services and further questions the sociopolitical limits of purchasing power.

During the course of 20th century, numerous social, economic and political changes took place due to incessant industrialization, technological progressions and scientific breakthroughs. These paradigm-shifting innovations include the invention of the airplane, the television and the computer, as well as the scientific endeavors that made antibiotics readily obtainable and the Moon accessible. All of these inventions and changes became common fixtures in our everyday life and altered our evolving perceptions of what is right, wrong and possible.

Parallel to these adaptations to our collective understanding, humanity's understanding of the term "commodity" has also expanded and diversified at an increasing pace. Conventionally, a commodity is a tradable item or service that is produced to satisfy the needs of a consumer. This shift in contemporary consumers' and producers' perceptions of what indeed can be bought or sold has led to the commodification of unprecedented goods and services, which, in turn, incontrovertibly resulted in an unforeseen extension of global markets. Consequently, ideas, political influence, exertion of violence and even individuals themselves became commodities in the global market. Hence, the aftermath of these seemingly abstract economical phenomena is not only financial but also sociopolitical. In the light of this realization, RCIMUN 2013 aims to provide a medium in which participants are encouraged to examine the echoing consequences of this global transformation and subsequently challenge the limits of purchasing power.

The production and provision of an increasing variety of products in a certain field is called market extension. This trend, due to its nature, is propelled by evolving consumer demand: As global demand of a good or service surges, the market equilibrium price of the said commodity falls, making it even more accessible to the masses. Consequently, the social, economic and political repercussions of this phenomenon can be easily traced in modern societies.

A controversial social example to market extension is commercial surrogacy. Commercial surrogacy, also known as surrogate motherhood, is a process in which a woman is paid to carry and deliver a child for a person who is unable to conceive one. Despite being frowned upon in some quarters, due to transforming the process of delivering a baby to a service and a fetus to a commodity, surrogate motherhood is legal in certain states including India, the Russian Federation and Ukraine. In the case of India, a combination of legal liberation regarding surrogate motherhood, relatively low costs and the entrance of Western companies that facilitate international surrogacy arrangements into the market has made commercial surrogacy an economically competitive, 2.5 billion dollar industry. Mainly preferred by couples who are unable to conceive a child, same sex couples and single individuals who want to become parents, commercial surrogacy is perceived as a way of providing people with an alternative to adoption while proliferating a market that employs thousands. However, parties on the contrasting side of the issue, likening it to slavery, claim that this process commodifies human life. The issue of surrogacy itself raises questions like the matter of custody in the case that the birth mother break the conditions of the arrangement, clearly illustrating the intricate social and legal effects of market extension and extensive commodification and commercialization.

Another similar social controversy revolves around the issue of financially compensated organ, blood, plasma and stem cell donation. Organ transplantation has become safer during the last century, making it a common surgical procedure. This scientific advancement inevitably led to a market of human organs. This market, for the majority of states, is strictly controlled and monopolized by governments through legal instruments. There are a plethora of supporters and examples of free trade organ markets both in Western and Eastern civilizations. The National Organ Transplant Act of 1984 rendered organ sales illegal in United States of America, undeniably leading to the proliferation of an organ black market. Demand for this market is rather low due to legal and health concerns. Furthermore, supply is also limited, since its only means are coerced donations by organ mafias and voluntary donations by economically devastated individuals. Therefore, the market equilibrium prices of black market organs are extremely high: the estimated price of a black market human kidney in United States is \$120,000. This price may be as high as \$300,000 in the case of Singapore or as low as \$650 in the case of Kenya.

Further exploration of the US black market leads to greater insight on the potential legalization of such a market. The Economist and the Ayn Rand Institute are among the Western advocates of a legalized, free trade organ market. Specifically, The Economist states that the legalization of such a market would eliminate national waitlists for organs and subsequent deaths due to organ failure. Both authorities point out the Iranian example, which serves as a proper case study for the legitimization of an organ market. The market price of a kidney in Iran's legal organ market is \$1,200. This price, when compared to the median value of life approved by the Food and Drug Administration of USA, \$7.9 million, is a justifiable one. Furthermore, this price has proved to be low enough to eradicate a substantial national organ waiting list in Iran. In addition, voluntary organ donations became more available to economically powerless Iranians. There are unavoidable ethical concerns regarding legal organ markets rooting from the partial commodification of the human body. However, states should also consider the health benefits and the rapid potential eradication of black markets and control of mafia, similar to that following the legalization of alcohol after its decade long prohibition in 1920s' USA.

The political repercussions of the extension of global markets and the diversification of goods parallel socioeconomic reverberations. Vote buying is a relatively direct and simple example since almost all governments claim to exercise their judicial power to prevent it. However, clientelism and patron-client systems in modern politics constitute a major proportion of controversial issues regarding the commodification of votes. Clientelism is the trade of goods and services for political support, i.e., casting votes. Clientelism, unlike other instances of the diversification of goods, has its roots in Ancient Rome. This political system was partially adopted in medieval Europe, and the term bastard feudalism was coined to express the nature of the political structure behind it. Today, Mexico and People's Republic of China are illuminating examples of governments with incorporated clientelism systems. Similar to the politburo of the Union of Soviet Socialist Republics (USSR), China recruits the Communist Party of China's (CPC) heads, therefore, the country's leaders, through a system called nomenklatura. During this process, party members from lower levels are chosen for promotion based on their contributions to the CPC. However, the transparency of this political system is challenged since it is intertwined with the Chinese patron-client network called guanxi. Guanxi is based on the simple economic terms of ancient clientelism and is dominant in both local and politburo politics. Since the politburo consists of the individuals who single-handedly determine China's national and international policies, guanxi plays a direct role in Chinese politics.

Similarly, Mexico's political system is also incorporated with a patronage system. Patron-client networks called camarillas are dominant factors regarding political power trends. Until recently, Mexican cabinets consisted of heads of camarillas that support the majority party, PRI (Partido Revolucionario Institucional - The Institutional Revolutionary Party). Both People's Republic of China and Mexico face international challenges regarding the transparency of their political systems and the corruption within their governments. These issues manifest themselves through the interminable corruption and bribery issues in the Communist Party of China and the election fraud accusations in Mexico. The aftermath of the commodification of votes and political power is similar in these states since Chinese and Mexican governments are both facing serious issues regarding political efficacy and legitimacy. These rather obvious cases of political collusion are paralleled in developed states like the U.S. by the chains and shackles of intricate money markets.

The last century has been marked by an ever-accelerating diversification of goods and subsequent expansion of markets. Therefore, RCIMUN 2013 aims to assist delegates in questioning the mentioned effects of this unique phenomenon. The issues of mercenaries, conscientious objection and the subsequent privatization of armies, the international ivory trade ban, the consolidation of media ownership, the commodification of online user information, match fixing, human trafficking and the legalization of narcotics are among the other issues RCIMUN 2013 addresses under the umbrella of these market and commodity trends. Like other sociopolitical phenomena, the extension of markets has both beneficial and unfavorable consequences. The commodification of previously untradeable goods may facilitate unprecedented ameliorations in the median human life quality, yet, to quote New Jersey Supreme Court Chief Justice Wilentz's ruling regarding the 1988 Baby M surrogacy case, "there are, in a civilized society, some things that money cannot buy".