



## Maryknoll Office for Global Concerns



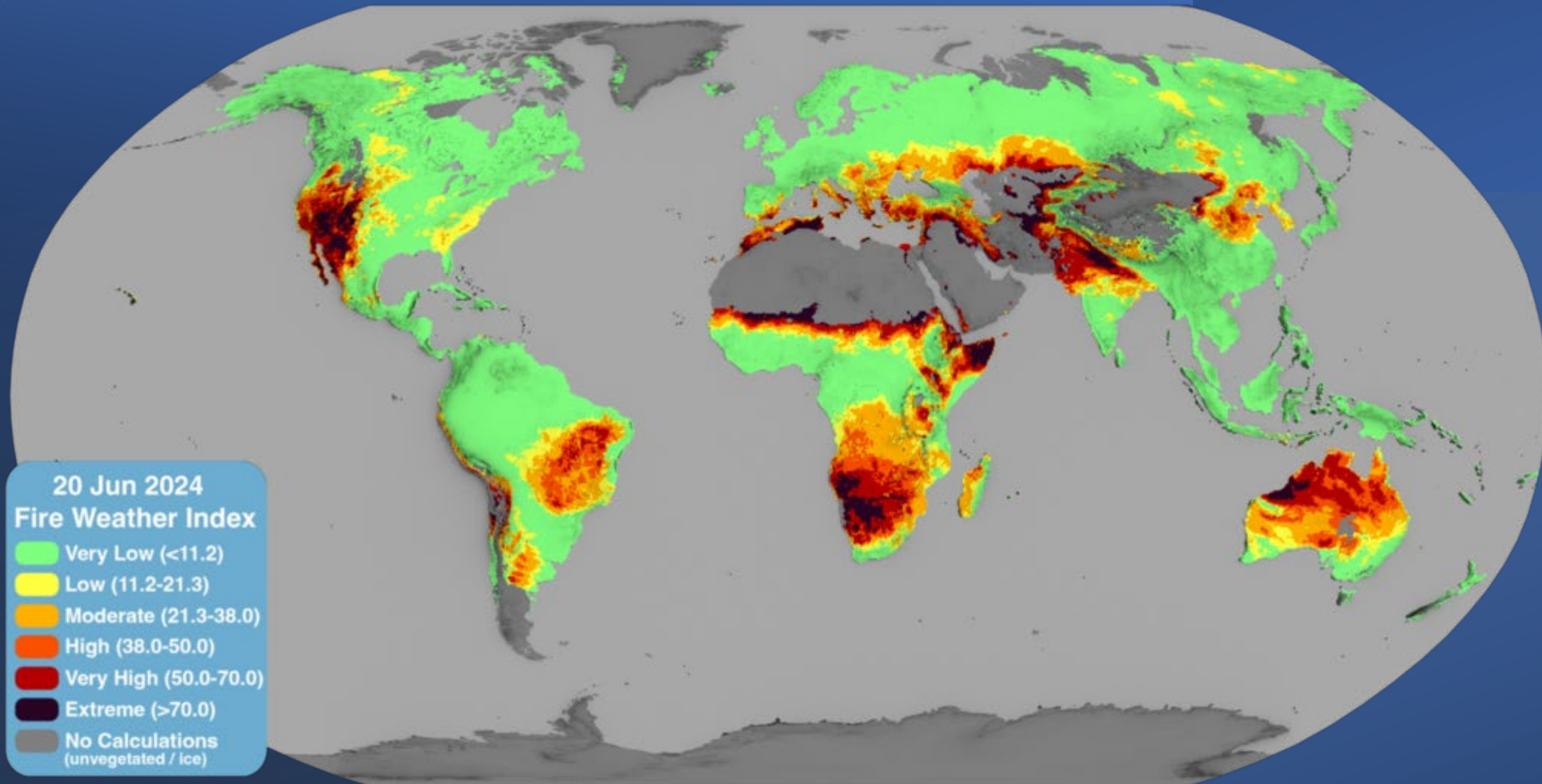
# U.S. Elections Webinar: Debt Relief in a Jubilee Year

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Director

**October 16, 2024**  
Starting at 6 p.m. ET



# GLOBAL CLIMATE CRISIS



Daily Fire Weather Index Forecast for June 20, 2024 by NASA





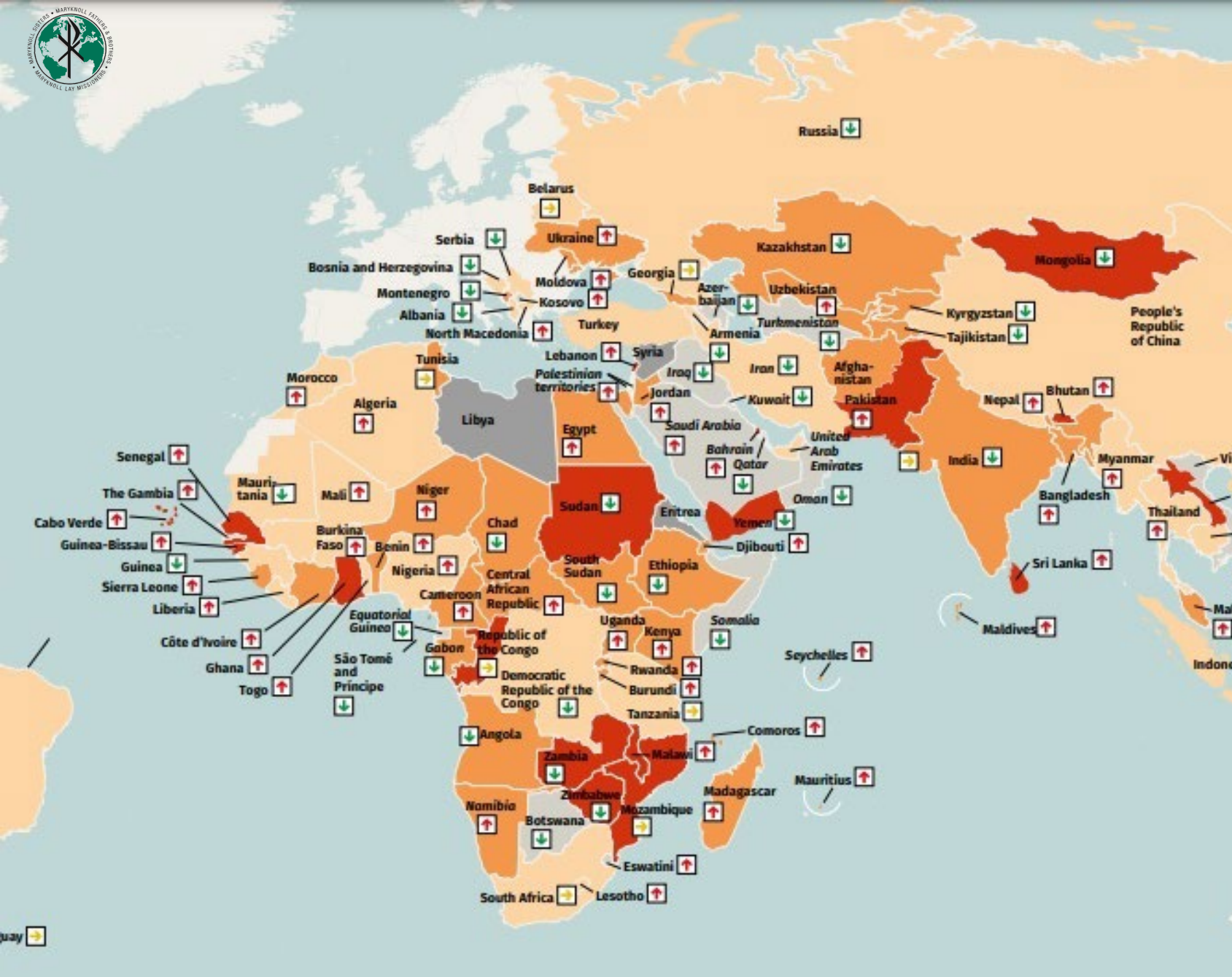
# LOOK AT THE NUMBERS

- **130 of 152 countries:** debt situation is at least slightly critical (light orange).
- **24 of these countries,** the situation is very critical (red color).
- **54 countries** spend heavily on interest, mainly in **Africa**.
- **55%** of countries surveyed are critically or very critically indebted (in contrast to only **37%** before the pandemic).



# LOOK AT THE NUMBERS

- More than **USD 1 billion** a day is needed for debt service payments.
- More than **3.3 billion** people – almost half of the world's population – live in countries that spend more on debt service than on education or healthcare.
- This downward spiral is a '**systemic failure**' of the global community – UN Secretary General.



# DEBT SITUATION IN AFRICA

- Very critical in **11 countries**
- Critical in **22 countries**
- **67%** of sub-Saharan Africa
- **repaying debts** > healthcare or education spending.
- In **South Sudan**, 10 times more is spent on debt than healthcare.
- In **Malawi**, twice as much is spent on debt than education.
- In **Kenya**, deadly protests erupted after the government attempted to raise taxes to make debt repayments.



# Debt Situation in Latin America and the Caribbean

- Reliance on **commodities**.
- **Argentina, Bolivia, Brazil, and El Salvador** currently stand above the sustainable debt limit set by the Inter-American Development Bank of 80.5% of GDP.
- **Guatemala, Peru, Chile, Paraguay, Nicaragua, and Honduras** have managed to sustain public debt below prudent levels.
- Are they providing for their people and addressing climate change?



## Debt Situation in South Asia, Southeast Asia and the Pacific

- High level of debt in over **60%** of countries since 2019.
- **Bhutan, Laos, Sri Lanka and Pakistan's** debt situations are rated as very critical.





# HOW DID WE GET HERE?



Jubilee 2000 Campaign for Debt Cancellation



# ECONOMIC VULNERABILITY

- Dependence on **commodities** for income.
- Post 2008 financial crisis **wave of lending**.
- **Rise in interest rates** after 2022.
- **External shocks** (Pandemic recovery, Climate shocks, War in Ukraine).

*Men bundle tobacco leaves for drying in Malawi. Photo Credit: Mitchell Maher / International Food Policy Institute, 2016.*



## IMPACT ON WOMEN & GIRLS

- Triply disadvantaged
- Lose access to social benefits
- Lose public service jobs in health and education sectors
- Take on unpaid care

*Math teacher assists student measuring with ruler at the Government Girls Primary School Nishtar Colony, Lahore, Pakistan.*

*Photo Credit: GPE/Sebastian Rich, 2024.*



# CLIMATE VULNERABLE COUNTRIES AND DEBT DISTRESS

- **Almost all** of the 63 countries most vulnerable to climate crisis are in debt distress, or at significant risk.
- **38 out of the 63** most climate vulnerable countries are already spending so much on debt servicing that they are likely to cut spending on public services, making it impossible to invest in a just transition.
- **“The Vicious Cycle”** of debt-extractive policies-climate crisis-more debt. The solution is climate grants instead of loans. (Action Aid, 2023).

	Most vulnerable countries in sequence	Climate vulnerability index score (from <a href="#">Notre Dame</a> )	IMF assessment of Debt Risk in 2022 (from <a href="#">Debt data portal</a> )
1	Niger	0.673	Moderate
2	Somalia	0.658	In debt distress
3	Chad	0.658	In debt distress
4	Sudan	0.618	In debt crisis
5	Liberia	0.603	Moderate
6	Mali	0.598	Moderate
7	Ken.African Rep	0.593	High
8	Eritrea	0.591	In debt distress
9	Rwanda	0.586	Moderate
10	DRC	0.586	Moderate
11	Micronesia	0.585	High
12	Uganda	0.580	Moderate
13	Tonga	0.579	High
14	Afghanistan	0.579	High
15	Benin	0.572	Moderate
16	Solomon Islands	0.571	Moderate
17	Mauritania	0.571	High
18	Sierra Leone	0.563	High
19	Ethiopia	0.563	High
20	Madagascar	0.561	Moderate



# WHAT DOES OUR FAITH TEACH US?



*“Hope does not disappoint”*  
JUBILEE 2025  
ANNOUNCEMENT  
BY POPE FRANCIS





# The Vision of Jubilee

Cancel debts

Restore equality

Set free from debt bondage



A group of people, including men, women, and children, are wading in the shallow ocean water, pulling a long, wide pink fishing net. The net is stretched across the water, and the people are holding onto it with wooden poles. The sky is blue with some clouds, and the ocean is a deep blue. The scene is set on a beach with waves breaking in the background.

# Catholic Social Teaching of Jubilee

Dignity  
Common Good  
Solidarity  
Option for the Poor  
Care for Creation



# Justice of Jubilee

Commutative justice requires fairness.

Distributive justice requires just sharing.

Social justice requires participation.







**December 24, 2024**  
**Jubilee 2025**  
**End Unjust Debt – Restore Hope**

