News
Social Justice



Delegates arrive at the G20 Finance Ministers and Central Bank Governors meeting in Cape Town, South Africa, Feb. 26, 2025. (AP/Nardus Engelbrecht)



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More than 100 faith leaders — including dozens of Catholic sisters — are using this Jubilee Year to call for G20 finance ministers to end the global debt crisis. (G20 is an international forum representing the world's largest economies.)

A Feb. 25 announcement from the Catholic Agency for Overseas Development, known as CAFOD, says 125 faith leaders, from every continent but Antarctica, signed a letter calling for G20 to reform crippling debt that is forcing low-income countries to spend more repaying loans than on health, education, or critical climate measures.

CAFOD is the official agency of the Catholic Church in England and Wales, and part of Caritas International. Its announcement says debt reform has become especially critical with recent cuts to aid funding in the United Kingdom and the freezing of the U.S. Agency for International Development (or USAID). Officials say private lenders in the U.K. own 90% of debts owed by low-income countries.

At least 35 sisters are signatories, including provincial leaders, representatives of international organizations, and United Nations representatives.

The G20, an informal gathering of many of the world's largest economies, restructured debts under a common framework in 2020 to help countries hit by the economic shock of the global pandemic. But the letter says the restructuring is failing to produce needed results, and in some ways has made things worse.

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"Debt restructurings under the framework take three times longer than previous processes, while private creditors — now the largest creditor group globally — are able to delay negotiations and demand higher repayments than debtor countries can afford," the letter says. This leaves citizens "to endure hunger, lack of access to essential services, crumbling infrastructure and the worst impacts of the climate crisis."

The letter notes that the jubilee tradition "calls for debts to be forgiven, land restored, and slaves freed," and advocates for a debt-cancellation framework and for suspending debt payments while cancellation is being negotiated.

"Taking these steps will not only address the immediate debt crisis but also lay the foundation for a more just and resilient global financial system," it says.

Maria Finnerty, lead economist at CAFOD, said the Global South will have a prominent voice in the G20 this year. The group meets this week in South Africa.

"Under the first ever African Presidency of the G20, the South African and other global South governments are calling on countries like the U.K. to create a more functional global debt system as African countries face historic levels of debt distress," Finnerty said in the announcement. "Tinkering around the edges is not sufficient: the world needs functional debt resolution mechanisms that reduce debts down to a genuinely sustainable level and prevent predatory and irresponsible lending and borrowing."