

Connecting the Dots

Jubilee Peoples' Forum and the Debt Cancellation Campaign

On Sunday June 15, I attended a **Rally and March** in Calgary to draw attention to the need for debt cancellation for highly debt distressed countries in the Global South. At the rally, a bystander came up to me and said, "Your group is concerned about a lot of issues."

I looked at the signs the people around me were holding: Turn Debt into Hope. Climate Justice. Reform the Financial System. People before Profit. Who owes whom?

Where he saw different issues, I saw the multifaceted and interconnected aspects of the Jubilee Debt Campaign.

So how do these messages fit together?



At the **Jubilee Peoples' Forum** in Calgary, people came together from across Canada to explore how debt cancellation, reform of the financial system, development issues, climate change, and ecological debt are connected, and why we need to address them concurrently.

Notice how the issues below reveal the interconnections:

Why are the debt levels so bad?

(a) Economic shocks connected with the COVID pandemic and war in Ukraine pushed dozens of low-income countries into debt distress. (Globally, these crises led to increases in interest rates to combat inflation, but this policy hurts the economies of borrower nations).

(b) The global structures currently in place to deal with unsustainable debt, such as the International Monetary Fund, pressure low-income countries to prioritize paying creditors over investing in development (spending on health, education, industrial strategy, and infrastructure -- including climate

adaptation and mitigation). This approach is problematic because debt-distressed countries need investments in development to grow their economies and pay debts.

(c) There are no clear international rules for responsible lending and borrowing, and no effective mechanism for resolving crises. As a result, predatory private lenders (some private banks, asset managers, and hedge funds) can operate in ways not unlike an unscrupulous “Pay Day Loan” outfit, lending to distressed debtor countries on onerous terms.

Ecological Debt

The climate crisis adds even more urgency to the need to reform the global financial systems. It also points to the issue of the ecological debt the Global North owes to the Global South.

In calling for a Jubilee Debt campaign, Pope Francis raised the question of ‘who owes whom’ when he talked about ecological debt. [Ecological debt](#) is the cumulative environmental harm and overuse of ecological systems caused by intensive resource extraction in the Global South to meet consumer demands in the Global North.

Climate debt is one aspect of ecological debt.



Who owes whom?

The Global South is disproportionately affected by the climate change impacts caused by greenhouse gases that are primarily emitted by the world’s wealthiest countries. For this reason, the Global North owes a growing climate debt to the Global South and to Indigenous communities who are playing a vital leadership role in protecting biodiversity. The Global North can make payments on this climate debt by funding climate adaptation and mitigation

in the Global South and by contributing to the Loss and Damages fund. The cancellation of unsustainable debts is another way of freeing up money so countries badly impacted by climate change can invest in climate adaptations and mitigation. If the Global North cancelled debt payments to low and lower-middle income countries, it could free up approximately \$109 billion for climate action globally ([Canada’s Fair Share Platform](#)).

This is not charity, but a commitment made in the 2015 Paris Agreement which states that countries must fund global climate actions according to their responsibility for the climate crisis and their ability to pay. Countries like Canada (wealthy, large historic climate polluter, and a key producer of crude oil

and gas) must contribute our fair share towards addressing the impacts of climate change in the Global South ([Canada's Fair Share Platform](#)).



What can be done?

Here are some of the solutions discussed at the **Peoples' Forum in Calgary**:

(a) The Global Jubilee Campaign calls for a fairer system shaped around **three core principles**: giving priority to human and environmental rights and development goals over debt payments; the participation of all creditors in debt relief; and fair representation for both debtors and creditors within the structures that govern global debt.

(b) Canada should **cancel all the unjust and unsustainable debts** held by Canada, without conditions, and take a leadership role in encouraging other wealthy industrialized countries to do the same i.e., advocate for further debt cancellation measures and financial reforms by G7 and G20 members.

(c) Canada should **support the creation of a new UN Global Debt Framework Convention on Sovereign Debt** with the purpose of creating fair representation for both debtors and creditors, constructing and managing a transparent, public global debt registry as well as a body for debt resolution, and establishing an automatic mechanism for cancelling debt payments following catastrophic events.

(d) Canada, and other wealthy industrialize countries, must **pay our fair share** to address devastating climate change impacts in the Global south. To make a good faith start on this payment Canada should triple our post-2025 climate finance pledge to \$15.9 billion a year until 2031. This financing should be primarily grants, not for-profit loans, conditional investment or private investment ([Canada's Fair Share Platform](#)).

(e) Create **Global Tax System Reform**: Rather than using taxpayer money to subsidize the oil and gas sector, as Canada has been doing, Canada should work with other G7, G20, and UN members to enact a windfall profits tax of 15% on profits above \$1 billion for oil and gas companies ([the Bridgetown Initiative](#)).

(f) **Global Trade Reform**. Trade agreements have tilted the balance of power towards multinational corporations over nation states by creating preferential rules for "investors", or multinational corporations. In many cases, these preferential rules grant corporations more legal and economic power than the nation states in which they operate.

Trade agreements must prioritize human rights, land, water and health over profits. Canada should remove the harmful Investor-State Dispute Settlement (ISDS) mechanism from all Canadian bilateral

trade agreements and use our G7 and G20 leadership to advocate for the banning of ISDS from global trade.

The **Office for Systemic Justice** will be advocating, in collaboration with [ORCIE](#), to urge the federal government to cancel the unsustainable debts owed by low-income countries and to do our fair share.

Conclusion:

At the Peoples' Forum in Calgary, it was clear that the solutions exist. We just need to create the political will for governments to act together to create change.

Some of this work is happening right now at the UN Finance for Development meeting in Seville Spain. This is a forum for nations to negotiate, among other items, the reform of the international financial architecture and ways to address the financing challenges that are preventing urgently needed investments in the Sustainable Development Goals.

You are invited to be part of the growing global conversation for change. On **Monday July 14, 2025 at 8:30 am** (EDT) the **Office for Systemic Justice** is collaborating with the Mary Ward Centre, ORCIE, D&P, Centre Oblat, Martha Justice Ministry, Caritas Internationalis, and the NGO Committee on Financing for Development to host an official online Side Event as part of the **UN High Level Political Forum**.

Online Event

Official Side Event for the UN High Level Political Forum



Beyond Default: The Liberating Power of Debt Reform

The online Side Event is called “Beyond Default: The Liberating Power of Debt Reform” (SDG 17). It will explore more deeply the interconnections between development and debt cancellation and will feature a panel of international speakers.

You can register for the online event here: [Meeting Registration - Zoom](#)

