

DAWN *Informs*

RETHINKING
TAX
POWER

THE
DEBT
CRISIS

PLANET OVER
PROFIT

REIMAGINING
MACROECONOMICS:
A FEMINIST
PERSPECTIVE
FROM THE SOUTH

THE
GRIP
OF FINANCE

CHALLENGING
IFIs
POWER



DEVELOPMENT
ALTERNATIVES
WITH WOMEN
FOR A NEW ERA

DAWN Informs is DAWN's periodical publication showcasing the organisation's latest analyses, critiques and commentaries.

DAWN provides an analytical framework that has changed the terms of the debate on women's issues worldwide. Its continuing analyses of the interlocking, systemic crises of debt, deteriorating social services, environmental degradation, food insecurity, religious fundamentalisms, militarisms and political conservatisms grow out of the experiences of poor women living in the countries of the economic South.

DAWN Informs is a space for the free circulation of these ideas and has been issued since the 1980s.



DAWN is a network of feminist scholars and activists from the economic South, engaged in feminist research and analysis of the global environment, working for sustainable development, economic and gender justice.

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INTRODUCTION

by Corina Rodríguez Enríquez



GLOBAL SOUTH FEMINIST PERSPECTIVES ON MACROECONOMICS

Feminist Economics has, for a long time already, contributed to macroeconomics analysis. At the same time, over the last decades, the world has undergone significant transformational processes. Therefore, it seems necessary to update and strengthen the feminist analysis of these tendencies, of their main issues and of the challenges they impose. For that, it is also necessary to update the conceptual framework we apply.

A systemic view

The starting point of a feminist approach to macroeconomics is a systemic view, that identifies the different economic actors and the relationships among them. We can start with the basics of capitalist relations of production, i.e. those between capital and labour. In this relationship, labour is exchanged for wages. With this labour, capital is put to work, which makes it possible to produce the set of goods and services that society needs and wants.

Feminist economics has long shown that this basic capitalist relationship between capital and labour is only possible because it is sustained by the reproductive work of households, which guarantees the reproduction of the labour force. The sexual division of labour means that a large part of this reproduction is guaranteed by women's unpaid work. Social reproduction is not only feminised, but also racialised and falls disproportionately on the poorest women both as more unpaid care work, or as precarious care and domestic jobs.

In capitalist societies, the state is another key actor in this system. Feminisms warn that the State is not a neutral actor. On the contrary, it is a contested terrain where actions will depend on power relations. In many cases or in many aspects, the state is patriarchal, in

the sense of operating by sustaining regulations and dynamics that perpetuate gender subordinations. Also, we understand that the current capitalist state is state-captured – or, at best, constrained by the interests of corporations.

This brings us to the other two key players in this system: global financial capital, and the International Financial Institutions (IFIs). Originating from productive capital's need for financing to sustain and expand its activities, financial capital has expanded and become an autonomous and dominant actor. That is why we say that this is the era of global financial capitalism because this intangible, delocalised capital has succeeded in subordinating the real economy (that which produces goods and services) to financial logic. This has led to a process of economic concentration.

A feminist systemic approach contests the perspective of nature as a resource and of technology as a potential solution to current resource depletion.

In recent times, financial logic has been exacerbated by the development of technologies that facilitate digital transactions, contribute to the proliferation of digital financial assets, facilitate the monetisation of all kinds of activities, and have created a “new” economic elite in what some authors identify as techno-feudalism.

Also on the financial side, we have the International Financial Institutions (IFIs) that, relying on the tools around sovereign debt, play a strong role in supporting conventional narratives and imposing the austerity paradigm all around the world. Using the same recipes for very different contexts, they end up restricting national policy spaces, both through extracting resources as debt payment, and by imposing economic policies through conditionalities. Feminist economics has also pointed out the gender dimension of debt, both by revealing the gender and socio-economic impacts of austerity policies imposed by IFIs, and by contesting IFIs' mainstream gender narratives and strategies.

Finally, all the above processes do not take place in a vacuum. Planetary boundaries are there. A feminist systemic approach contests the perspective of nature as a resource and of technology as a potential solution to current resource depletion. Instead, it agrees with ecological views around the importance of understanding the link between human life and the planet, and around the imperative need to restore and protect ecosystemic balances.

A feminist political economy (FPE) approach

An FPE perspective is one that considers the overlapping patriarchal and economic power structures and systems. It explores together the way in which economic and gender relations are mutually determined. It analyses not only how the processes of production, distribution and appropriation of economic value are carried out, but also how capitalism constitutes an institutional order that shapes culture, polity and even subjectivity, all to prioritise capital accumulation which translates into power accumulation.

An FPE approach from the South also needs to locate, as a relevant point, the specific characteristics of the dynamics of production and reproduction in these countries. For example, the fact that: i) in many countries salaried forms of employment are not dominant and instead there is a high participation of self-employment as well as non-capitalist forms of production; ii) the social organisation of care continues to fall mainly within the domestic sphere of households and on unpaid care work performed by women; iii) social provisioning is weak; and iv) public institutions lack accountability and transparency mechanisms, and are corporate captured. Thus, an FPE approach needs to consider other ways of surplus extraction (from workers/people to capital), such as interest, debt-bondage, tax abuse, and dispossession of resources (particularly land). Linking this conversation to that of financialisation as well as to that of plundering planetary boundaries seems evident.

A historical perspective

A feminist perspective also recognises the importance of history in understanding the current situation. In macroeconomic terms and from a Southern perspective, this means revisiting the structuralist views that early on accounted for the unequal economic relations between countries, resulting from historical processes of conquest, domination, and colonisation. These perspectives must be adapted and updated to reflect the current situation. However, the fundamental argument regarding the historical nature of economic relations of domination and subordination between countries remains valid, with new mechanisms and new actors, which are now probably more subtle, complex, and changing. These theoretical approaches can also be complemented by the perspective of decolonial feminism.

Methodological creativity

Applying a feminist perspective to macroeconomic analysis cannot avoid a critical look at the indicators and methodologies that are usually used for this purpose. Since it aims to account for the economic results of social power relations, it requires at least combining disciplinary perspectives and methodological approaches. As it aims to make visible the non-commercial and non-monetary aspects of economic relations, it must at least mark the limits of the usual data systems.

A feminist methodological approach also adds to the growing consensus around setting the limits of the Gross Domestic Product (GDP) as the main indicator of economic progress, including for assessing fiscal stances. In methodological terms, complementing the quantitative view of the study of macroeconomics with qualitative views that allow accounting for the political dimension of the economy (understood as power relations) is also essential.

Applying this framework and allowing for creative methodologies will bring a lot of new questions as well as some new answers to the effort of understanding current macroeconomics and building proposals to change it, in order to serve the purpose of sustaining life and expanding people's well-being.

This issue of **DAWN Informs** is an attempt to apply this kind of framework to different macroeconomics topics. It highlights issues raised in a series of discussion papers that examine key questions and deepen our Southern feminist analysis. The articles focus on the financialisation of life, the growing debt crisis in Ghana and Sri Lanka, the role of international financial institutions, global tax governance and ecological justice. The full discussion papers are available at <https://www.dawnfeminist.org/feminist-macroeconomics>



Corina Rodríguez Enríquez

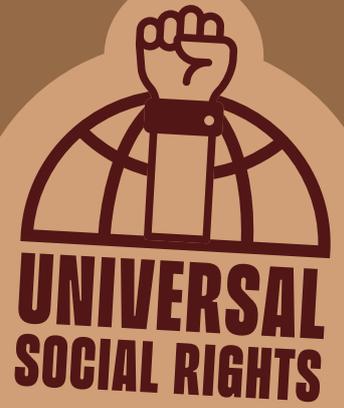
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**FROM
FINANCIALISATION
TO ASSETISATION:
Grasping the
Challenges Posed
by Contemporary
Capitalism from a
Feminist Perspective.**

by Lena Lavinas

**FINANCIAL
MARKETS**



**UNIVERSAL
SOCIAL RIGHTS**



**DIGITAL
REVOLUTION**

**CRISES
POLYCRISES**



AUSTERITY



FARMLAND



**WEALTH
PYRAMID**



**SHADOW
BANKING**

INEQUALITIES

INDEBTEDNESS





Since the turn of the century, and especially after the 2008 global financial crisis, it has become quite evident that changes in the capitalist accumulation regime under neoliberalism have been driven significantly by finance. Even more troubling, nothing seems to escape the grip of finance. To make sense of the continuous restructuring of global capitalism, and the crises, uncertainties and asymmetries that have come about in such a disruptive context, a vast and constantly updated academic scholarship has sought to identify and analyse the most varied forms and consequences of the dominance of finance using the concept of financialisation.

From a Marxist perspective, financialisation is seen as the expansion of interest-bearing capital in intensive and extensive forms, to the point where it comes to dominate the organisation of the economy and virtually all dimensions of life. Put differently, financialisation expresses the rising prevalence of interest-bearing capital in the process of capital accumulation. Interest-bearing capital is typically associated with debt instruments, be they loans, bonds, securities or other income-generating assets. It refers to money or assets that are invested with the expectation of earning interest over time. It means that a debt is incurred which will require the payment of interest in addition to the principal borrowed. Interest-bearing capital cannot prosper unless debts are escalating. Therefore, the basis of the accumulation of interest-bearing capital is indebtedness.

With the rise of finance, financial markets and financial institutions have become a hub for innovation, benefiting immensely from the digital revolution and all its developments. More complex and diverse financial products have emerged, reflecting the creation of new asset classes paving the way to the expansion of interest-bearing capital. As the classes of assets proliferate and diversify, opportunities expand for capital holders to exercise a claim (a right), legitimised by asset ownership, to portions of the value to be produced in the future. This is the

social engineering behind what is referred to as assetisation, which is the source of growing inequalities caused by the uneven distribution of asset ownership.

Financialisation is a global phenomenon, marked by heterogeneous forms but a single logic, and it has not spared the periphery of capitalism. How peripheral economies are impacted and seized by financialisation has been labelled “subordinate financialisation”. It hinges on two factors: the productive structure of peripheral countries (the position they occupy in global production networks, whether as exporters of raw materials or intermediate and more complex goods) and the monetary-financial asymmetries resulting from the currency hierarchy. When a country’s currency has low liquidity, it has to offer extra guarantees to

Financialisation is a global phenomenon, marked by heterogeneous forms but a single logic, and it has not spared the periphery of capitalism.

attract foreign investors, which usually translates into a much higher return (interest) on the capital invested. This is why interest rates applied in the peripheral economies are generally much higher than in the advanced economies (de Paula et al. 2024), draining resources from the periphery to the centre.

The bottom line is that financialisation is damaging from the point of view of the development of the real economy, and in the periphery, its consequences are even more devastating.

Financialisation further aggravates emerging and developing countries’ dependence and fragility vis-à-vis the global financial system, reinforcing power asymmetries between rich countries and the global South. Financialisation blocks industrial catching-up policies and productive diversification and ultimately “stalls the South’s long-promised economic transformation” (Bretton Woods Project, 2024) by eroding States’ capacities.

Financialisation also comes with the increasing engagement of households in the financial sector driven both by the chronic indebtedness needed to finance the consumption of goods and services necessary for their reproduction and by the desire to expand asset ownership as a

safeguard against difficult times. Put differently, the wellbeing of families and even their most basic levels of survival have become mediated by the financial system, one of the most striking trends of financial globalisation, as it has spread to almost the entire planet. In this context, social policy has now been transformed into a tool for promoting financial inclusion (by pushing and facilitating access

to credit and insurance markets) and as a channel for the “democratisation” of control and ownership of assets (such as housing, pensions, shares, etc.).

... The erosion of social ownership corresponds with the progressive exclusion of rights from the public budget.

↑ Thus, in times of financialisation, the deterioration and precariousness of working conditions are perversely accompanied by mechanisms of financial expropriation - two sides of the same coin - that enable wage appropriation through predatory credit relations and financial forms of dependence, under the rule of interest-bearing capital. There is a process of financialisation of social reproduction, understood as “the mediation of social reproduction through financial markets and interest-paying financial transactions” (Roberts, 2015, p. 113). This process also includes the financialisation of social policy, concerned more specifically with the changes social provisions have undergone by being shackled to the rationale of financial accumulation (Lavinás et al., 2023). Social policy during the twentieth century was concerned with collective forms of risk management; under financialised capitalism, social provision has moved away from risk-sharing prerogatives towards assuming individual risk-taking responsibilities. Seen as expenditures, social rights are turned into objects of expropriation—through restrictions on their scope, reductions in guarantees, and the privatisation of their provision—setting in motion the process of de-universalisation. The erosion of social ownership corresponds with the progressive exclusion of rights from the public budget. This exclusion is countered, under an individualising logic, either through the “democratisation” of access to credit, now the cornerstone of financing social reproduction, or through the issuance of securities that, by promising financial returns, transform what was formulated as an inalienable right into an investment. Both trajectories lead to assetisation processes, where collective/universal rights—or legal guarantees that cannot be traded—are supplanted by individual rights, now expressed as property rights that can be negotiated (Lavinás & Gonçalves, 2024). In Federici’s words, social reproduction has become “self-investment” (2016:4).

Financial inclusion has been the spectacular driving force behind the financialisation of the lives of the working and popular classes in the periphery of capitalism, profoundly transforming women's lives. Captured by the financial industry, the most disadvantaged women, having become rights-holders, now face a new, almost permanent condition: that of being debt-holders.

If paid work alone was not enough to ensure women's financial independence due to being relegated to lower-paid jobs or unpaid work, their eligibility to participate in the world of finance carries the false promise of immediately alleviating hardship without seemingly submitting to the patriarchal order. ▲

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**AUSTERITY,
SOVEREIGN
DEBT, AND
SOCIAL
DEVELOPMENT:
Lessons from
Ghana**

*by Dzifa Torvikey
and Kofi Asante*





Ghana emerged from the Covid-19 pandemic with a severe debt crisis that compelled the country to seek its seventeenth bailout programme with the International Monetary Fund (IMF). Secured in May 2023, the programme proposes a set of reforms intended to increase government revenue, cut spending, and promote more private sector participation. Ghana's experience is not unique. The post-Covid-19 context has witnessed a sharp increase in debt-distress across the global South, with the IMF playing a key role in countries' debt restructuring efforts. The market-oriented reforms proposed under Ghana's current IMF programme continue the legacy of the structural adjustment programmes (SAPs) that introduced harsh austerity measures that dismantled social safety nets and worsened poverty, particularly for women, youth, rural dwellers, and the urban poor. More fundamentally, these market-oriented reforms fail to address the underlying cause of the country's cycles of indebtedness and economic crises, a problem that is rooted in the extremely unequal structure of the international economic and financial system that reproduces the centuries-long inequalities between the developing countries and the Western countries that colonised them.

Ghana's position within this system creates the conditions for perpetuating the economic legacies of colonialism, particularly the heavy dependence on primary commodity exports. The economic constraints created by the country's adverse position in the international

system are exacerbated by the imprudent policy choices that prioritise regime survival in the context of extremely competitive elections over the needs of the economy. Given the immediate visibility of the issue of corruption and economic mismanagement, the mainstream discourses on Ghana's debt crisis have largely elided the role of the unequal international economic system, focusing almost exclusively on the domestic policy choices that, although important, are not the primary cause of the crisis.

Under the new austerity regime, social spending is going to decline even further.

While the seventeenth IMF bailout programme's austerity policies would certainly increase hardships, they neither break the vicious cycle of debt distress nor address the country's need for structural economic transformation that would enable it to overcome its dependence on primary commodity exports. As a precondition for securing an IMF bailout programme in 2022, the government had to undertake a painful domestic debt restructuring exercise that imposed a haircut (i.e., reduction in the value of interest or principal) on the investment of domestic creditors, including pension funds and individuals, while prioritising full payments to external creditors. Moreover, even before the current debt crisis, government spending as a share of Gross Domestic Product (GDP) has been declining as its public debt stock grew. Under the new austerity regime, social spending is going to decline even further. While gross public debt grew from 40 per cent of GDP to close to 80 per cent between 2004 and 2021, social spending followed a downward trend reaching under 10 per cent of GDP by 2021.

To secure the agreement, the government also had to demonstrate to the IMF that it was making serious efforts at revenue mobilisation. This led to the introduction of a raft of regressive taxes, including a widely unpopular tax on mobile money services that the government began implementing in May 2022 despite public outrage and serious parliamentary opposition. The tax primarily targeted workers in the informal economy who were regarded as outside the tax net despite paying a disproportionate amount of their earnings in tolls and fees compared to what many formal sector workers pay in income tax. In December 2023, the government announced a 15 per cent value-added tax (VAT) on residential electricity which was expected to contribute 0.17 per cent to the GDP but had to withdraw it because of strong public opposition and the threat of a nation-



Photo by Ricardo D'Aguiar | 2023

wide strike by organised labour. However, the IMF (2024) expects the government to reintroduce “this measure when the inflation dynamics are more conducive” (p. 10). While attention remains focused on extracting more taxes from the poor, the state continues to lose revenue because large corporations and wealthy individuals can avoid paying taxes. Between 2002 and 2011 alone, Ghana is estimated to have lost USD14.39 billion through illicit financial flows (IFFs) linked to trade misinvoicing in the extractive sector (Africa Centre for Energy Policy, 2015). And in 2022, while the State was imposing widely unpopular regressive taxes, it was simultaneously attempting to grant tax relief of GHS5.5 billion to 45 companies.

The cost of these efforts at debt sustainability and economic recovery has fallen heavily on women and girls. The reduction of social spending has shifted the costs to households and increased the burden of social reproduction, which tends to fall on women and

girls. The following example illustrates how the crisis, the conditionalities and the focus on debt servicing affect women. In early 2024, Ghana was affected with power cuts due to multifaceted problems linked to the management of and the low investment in power production, transmission and supply. The crisis loudly resonated in households in a number of ways. Without power, households that have access to labour-saving technology dependent on electricity have been unable to use this equipment which affects reproductive work, mostly done by women. For example, power outages affect the use of essential household gadgets such as washing machines, blenders, microwave ovens, rice cookers, refrigerators and water pumps which lessen the reproduction work burden. At the national level, almost all social protection programmes, namely National Health Insurance, the School Feeding Programme and the cash transfer grant, Livelihood Empowerment Against Poverty (LEAP), have been affected by the crisis.

An equitable and just recovery requires a socially conscious and gender-sensitive approach to policymaking in Ghana. However, this analysis makes clear that individual countries cannot on their own tackle the root causes of the problem because the roots lie in the very structure of the international system. This context, then, calls for solidarity

An equitable and just recovery requires a socially conscious and gender-sensitive approach to policymaking in Ghana.

across the global South. As a first step, it may be time to revisit Thomas Sankara's proposal of a debtors' cartel to give indebted countries a unified front in negotiating with the creditor cartel. However, the ultimate goal of such a unified front should be to push for a total overhaul of the IMF and other multilateral financial institutions that continue to serve the interests of private financial capital and Western hegemony. Building solidarity will not be easy because a class of economic and political elites exists in developing countries that benefit from the current extremely unjust system (Valiani, 2023). In the short to medium term, governments can take many steps domestically to increase the fiscal space for social spending, including tightening the lax tax system for corporations and sealing existing loopholes. These changes must be done as part of broader efforts at capital account regulation to curb IFFs. ▲



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AN ANALYSIS OF DEBT ISSUES IN MIDDLE- INCOME COUNTRIES: The Sri Lanka case

*by Vagisha Gunasekera,
Tharundi Illeperuma, and
Danidhu Vithanawasam*

**COMMERCIAL
BORROWING**

**FISCAL
MISMANAGEMENT**

**AUSTERITY
MEASURES**

**REGRESSIVE
TAXATION**

**MIGRANT
REMITTANCES**

**PRIVATE
CREDITORS**

**BALANCE
OF PAYMENTS**

Sri Lanka's debt challenges stem from a decades-long reliance on foreign borrowing, particularly after transitioning to a middle-income country post-2008 global crisis. This shift reduced access to concessional loans and drove the country to rely on expensive commercial borrowing, notably through International Sovereign Bonds (ISBs). Between 2007 and 2019, Sri Lanka's ISB issuances skyrocketed, exposing the economy to high interest rates and short repayment periods. The composition of debt shifted significantly, with ISBs comprising 4.1 per cent of total external debt in 2007 and rising to 37.8 per cent by 2019, amplifying the risk of fiscal instability.

The sharp increase in amortisation payments from 2019 to 2021 had to be serviced in a context of severe losses in tourism, remittances and export revenue after the Easter Sunday attacks in April 2019, the Covid-19 pandemic and the subsequent global economic slowdown. These put unprecedented strain on Sri Lanka's foreign reserves, eventually spiralling down to an economic crisis and debt default in April 2022.

Sri Lanka's post-default reform agenda: the problem-solution mismatch

The influence of international financial institutions (IFIs) and private creditors in shaping Sri Lanka's debt restructuring agenda was a thorny issue. The International Monetary Fund (IMF)-led debt sustainability analysis, together with the restructuring framework devised by Sri Lanka's debt advisors and adopted by the government, prioritised international creditors and wealthy domestic bondholders. As part of this process, domestic debt restructuring was carried out, directly affecting workers' retirement savings and the future earnings of

their pension funds. More broadly, these choices undermined the prospects for an equitable economic recovery. The incorporation of macro-linked bonds—tying repayments to Gross Domestic Product (GDP) performance—risks perpetuating cycles of indebtedness and increasing the propensity to repeated debt defaults in future. Additionally, the lack of a statutory global debt governance framework creates inequities, with private creditors often extracting favourable terms at the expense of public welfare.

IMF-backed austerity measures have hit Sri Lanka’s most vulnerable the hardest, amplifying economic disparities. A regressive tax overhaul—shrinking the direct tax base while hiking value-added tax (VAT)—along with the rollback of fuel and energy subsidies, has driven up living costs and strained social safety nets. Micro, small, and medium enterprises (MSMEs), which employ 75 per cent of the workforce, have been forced to shut down, triggering widespread job losses. Women, disproportionately represented in informal sectors, have borne the brunt of these disruptions, deepening gender-driven economic inequalities.

The debt restructuring process in Sri Lanka was dominated by the Central Bank, advised by the government’s debt advisory firms, international financial institutions, representatives

of both local and global finance capital, and aligned think tanks, which together formed an ecosystem that framed and steered the negotiations. Importantly, these actors are not elected officials and are not accountable to the public, even though decisions on public finance constitutionally fall under the mandate of Parliament. Yet the entire restructuring exercise was deliberately cast as “purely technical,” keeping parliamentarians and the wider public at the margins, while even the official “explainers” were produced within this closed ecosystem. Although alternative approaches to debt restructuring



Cartoon by Hasantha Wijenayake

were put forward, they were often muted, and restructuring on terms favourable to bondholders was consistently presented as a “no-choice” scenario. This process transferred the costs onto working-class populations and, more broadly, underscored the structural democratic deficit in development financing while exposing the limits of pursuing just and equitable debt solutions under creditor-dominated frameworks.

A global South and feminist perspective to build pathways to equitable crises recovery and fair debt solutions

Alternative approaches must prioritise sustainable financing for the global South while preserving national autonomy and, most importantly, sovereignty. For Sri Lanka, this entails creating space for industrial- and aligned fiscal and monetary policies focused on emerging markets and fostering greater security in food and essential supplies, so as to withstand external shocks without compromising the basic needs of its people. Global priorities remain fixated on extraction rather than fostering industrialisation, with a heavy emphasis on debt repayments, land acquisitions, resource control, and takeover of strategic assets like ports and energy sources. While political regimes may come and go, the contradictions that brought them to power and the controlling influence of international finance capital are here to stay. Industrialisation, once seen as the bedrock of liberal democracy, a robust welfare state, and national sovereignty, has all but disappeared from the national discourse in Sri Lanka, regardless of class or political affiliation.

Sri Lanka’s debt crisis is a wake-up call, not just for its own citizens, but for the global community to fundamentally rethink the international financial architecture (IFA) established in the Great Depression’s aftermath as it remains ill-suited to address the pressing challenges of the twenty-first century. Exposed by the COVID-19 crisis, inequities in financing access are stark: wealthier nations secure low-cost funding, while developing countries face crippling debt burdens and escalating socio-economic vulnerabilities. The IMF and World Bank’s underrepresentation of the interests of the global South exacerbates these disparities.

The ongoing debt servicing crisis in developing countries underscores the urgent need for systemic reforms. The impact of rising global interest rates and inequitable borrowing costs amplifies these challenges, forcing heavily indebted nations to prioritise creditor payments over essential development needs in health care, education, and climate action.

Beyond anti-corruption narratives, towards systemic reform

The dominant political narrative continues to blame widespread corruption for Sri Lanka's economic crisis. While the anti-corruption rhetoric holds merit, it serves as a distraction and oversimplifies a more complex reality. The rhetoric masks or dilutes a tangle of legal frameworks and financial instruments that has emerged as the new face of conditionality, tying governance reforms to debt restructuring in what increasingly looks like a testing ground for policy experimentation.

Key legislative reforms now anchor the IMF programmes' structural benchmarks, spanning fiscal management, central banking, commercial banking, utilities, and public-private partnerships. While these measures are intended to reinforce discipline, they also tighten fiscal and institutional rules in ways that restrict the state's flexibility to manage budgetary pressures, effectively leaving external borrowing as the default response when fiscal gaps arise.

Informed by the IMF's *Governance Diagnostic Assessment*—which highlights “governance weaknesses and corruption vulnerabilities” as obstacles to recovery—and building on the Good Governance agenda initiated in 2015, additional reforms have been introduced under the banner of strengthening transparency. In practice, however, these measures have created an environment of surveillance, policing, and litigation, where bureaucrats, wary of being accused of overstepping discretion, are reluctant to approve public investment initiatives, further impeding implementation of public programmes and services.

The dominant political narrative continues to blame widespread corruption for Sri Lanka's economic crisis.

Fueled by the Aragalaya movement, anti-corruption populism remains a powerful electoral force amid economic turmoil and public discontent. Coupling neoliberal ideals and the Good Governance agenda, this rhetoric often falls short of delivering meaningful reform. Instead, it exploits public frustration, stoking anger and instability that undermine both national and

regional stability—turning economic recovery and growth into a distant prospect. Past international economic reform efforts have fallen short, offering piecemeal solutions rather than addressing systemic inequities. The path forward hinges on bold action to correct structural imbalances. A reimagined international financial architecture (IFA) that prioritises inclusivity and sustainability is not just a moral imperative but a strategic necessity to meet modern development needs and mitigate future crises in Sri Lanka and other developing countries. Whether the international community rises to this challenge or allows disparities to persist and hatred to grow will define the trajectory of global progress for decades to come. ▲



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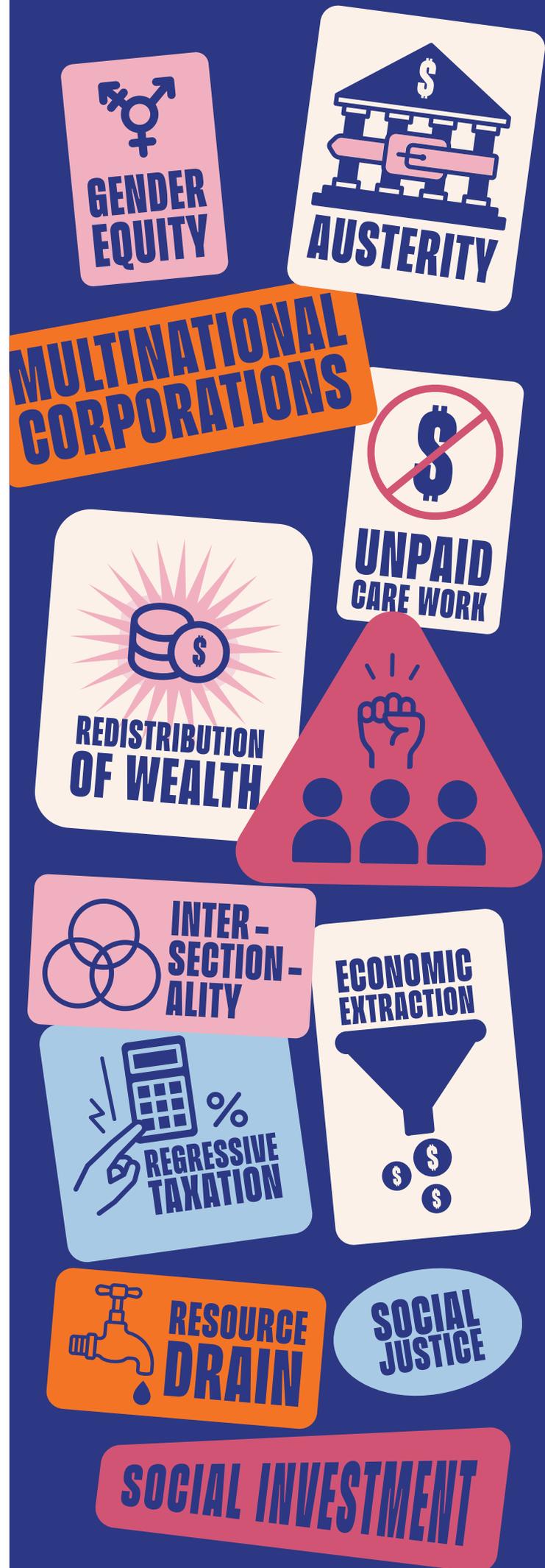
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THE ROLE OF INTERNATIONAL FINANCIAL INSTITUTIONS (IFIS) IN CURRENT MACROECONOMIC TRENDS: A case Study of the Global Tax System

by Chenai Mukumba





Historically, institutions like the International Monetary Fund (IMF) and World Bank have implemented policies emphasising austerity and privatisation, disproportionately affecting women in the global South. Feminist approaches advocate for public investment in health, education, and social protection to alleviate these impacts, while addressing gender disparities exacerbated by the current global tax system.

Feminist economics challenges traditional economic theories that prioritise profit over wellbeing, overlooking unpaid care work and the gendered impacts of economic systems. It argues for systems that recognise care work as a fundamental human right, remunerating and supporting it through robust public services. These systems would also address economic inequalities rooted in race, gender, and class, emphasising collective wellbeing and sustainability.

A feminist approach to international financial institution (IFI) reforms includes rejecting neoliberal policies and focusing on social investment. IFIs have historically promoted structural adjustment programmes that led to social spending cuts, privatisation, and deregulation, deepening poverty and gender inequality. These policies burdened women with increased unpaid labour to fill gaps left by reduced public services, reinforcing traditional gender roles and limiting their economic opportunities.

Privatisation and trade liberalisation further marginalised women by reducing employment opportunities and increasing costs for essential services.

IFI reforms have prioritised the global tax system, which perpetuates inequalities by enabling tax avoidance and illicit financial flows (IFFs), which deprive developing countries of essential revenue. Feminist economists advocate for progressive, context-specific tax policies that close loopholes and increase fiscal space for social investment. Current tax systems in developing countries rely heavily on regressive indirect taxes, such as value-added tax (VAT), which disproportionately burden low-income households and women.

↑ IFFs, defined as financial flows illicit in origin, transfer, or use, drain resources that could fund gender-transformative sectors. For example, Africa loses an estimated USD89 billion annually due to IFFs. These losses undermine governments' capacity to provide essential services further entrenching gender disparities.

Established during the 1944 Bretton Woods Conference, the IMF and World Bank were designed to support post-war reconstruction and economic development. However, developing countries, particularly in Africa, were excluded from shaping these institutions. During the 1980s, structural adjustment programmes imposed by IFIs included austerity measures that reduced social spending, privatised public services, and liberalised trade. These policies weakened state capacities, exacerbated poverty, and disproportionately harmed women by increasing their unpaid care responsibilities and limiting access to services.

Privatisation and trade liberalisation further marginalised women by reducing employment opportunities and increasing costs for essential services. Women in the informal economy faced lower wages, poor working conditions, and limited social protections. Feminist critiques emphasise that these policies failed to account for the value of unpaid care work and reproductive labour, crucial for sustaining economies but invisible in traditional economic frameworks.

A feminist restructuring of IFIs involves prioritising human wellbeing over profit-driven models. This includes comprehensive debt cancellation to free resources for social investment and democratising IFIs to ensure inclusive decision-making. A feminist state would actively regulate the economy to promote gender equity, ensuring access to essential services and addressing systemic inequalities.

In the global tax system, feminist reforms emphasise progressive taxation, wealth taxes, and reduced indirect taxes on necessities. These measures aim to alleviate the financial burden on women while funding public goods and services that support gender equity. For example, taxing multinational corporations and high-net-worth individuals can reduce global inequality and provide resources for gender-transformative investments.

Shifting global tax governance to the United Nations (UN) can address the exclusion of developing countries from decision-making processes dominated by the Organisation for Economic Co-operation and Development (OECD). A UN-led framework would create an

In the global tax system, feminist reforms emphasise progressive taxation, wealth taxes, and reduced indirect taxes on necessities.

inclusive platform for developing countries and marginalised groups, such as women, to shape tax policies that reflect their needs. This approach could ensure fairer distribution of taxing rights and resources, enabling investments in social services that reduce gender inequalities.

However, challenges remain. Power asymmetries within the UN and potential conflicts with existing tax standards could hinder effective reforms. Building technical expertise and ensuring meaningful participation from developing countries are critical for the success of a UN-led tax body.

IFFs exacerbate economic and gender inequalities by depriving governments of revenue needed for social investment. Redirecting these flows to the official economy could fund education, healthcare, and infrastructure, benefiting women and marginalised communities. Feminist economists argue that tackling IFFs is a gender justice issue, as it affects women’s access to essential services and economic opportunities.

IFFs also undermine governance and economic stability, increasing dependency on foreign aid and, increasingly, on private creditors. Addressing these issues requires international cooperation, robust enforcement mechanisms, and progressive taxation to prevent tax avoidance and evasion.

Feminist economics provides a roadmap for transforming global financial governance to prioritise equity, sustainability, and wellbeing. By addressing the structural inequities perpetuated by IFIs and the global tax system, feminist reforms can empower women, reduce poverty, and promote sustainable development. Key actions include:

1. Comprehensive debt cancellation and sustainable financing to support social investments.
2. Progressive and gender-responsive taxation to alleviate financial burdens on women.
3. Democratic global tax governance under the UN to ensure inclusive and equitable policies.
4. Tackling IFFs to expand fiscal space for gender-transformative investments.
5. By redirecting economic priorities from profit maximisation to human wellbeing, IFIs can contribute to a more inclusive and equitable global financial system.

A feminist agenda challenges the status quo, advocating for a reimagined global economy that centres on social justice, gender equity, and environmental sustainability. These reforms hold the potential to dismantle systemic inequalities and create a more inclusive global economic order. ◡



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GLOBAL TAX GOVERNANCE FROM A FEMINIST PERSPECTIVE

by Andrea Larios Campos





Taxation serves a dual purpose: it funds states to provide essential services that societies rely on, and it acts as a powerful tool for redistributing wealth and addressing systemic inequalities. However, tax systems often fail to achieve these goals, perpetuating inequalities, particularly for women. From gender-biased consumption taxes to global tax rules favouring global North countries, the current global tax architecture does not promote equity. In today's globalised economy, international tax rules allow multinational corporations (MNEs) and ultra-rich individuals to engage in tax abuse, draining public resources from the countries where they are most needed (Tax Justice Network, 2021).

The consequences are severe for women, particularly in the global South. Chronic underfunding of public services undermines access to essential human rights, notably the right to care, recently recognised by the Inter-American Commission on Human Rights (IACHR), and, more broadly, economic and social rights. To compensate for revenue losses due to tax abuse, states often resort to regressive taxes that disproportionately burden lower-income groups, most of whom are women. This global tax system not only deepens socioeconomic inequalities within and between countries but also exacerbates gender disparities.

Current global tax cooperation proposals fail to adequately address the gendered impacts of taxation and largely overlook the unique perspectives of the global South. The global tax agenda continues to be shaped by power dynamics that favour global North countries, which maintain considerable influence over the rules and norms of international

taxation. This influence often comes at the expense of global South countries, which are disproportionately affected by tax abuse. Ultimately, this translates as violations of international human rights obligations.

A human rights approach is closely aligned with the feminist perspective on taxation, as both emphasise the role of inclusive fiscal policy and international cooperation in eradicating inequalities, ensuring human rights, and shifting the focus from mere economic growth to guaranteeing the sustainability of life. Both approaches also stress the importance of diverse stakeholder participation, including civil society and grassroots organisations, in creating a global fiscal system that reflects the needs and priorities of all, particularly those most affected by the current status quo (ECLAC, 2017; 2022). Furthermore, the feminist perspective allows for introducing a political economy approach, which is central to analysing global tax governance as a system entrenched in power dynamics.

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Historically, the Organisation for Economic Co-operation and Development (OECD) has dominated the setting of international tax standards, as evidenced by its Base Erosion and Profit Shifting (BEPS) project, aimed at curbing tax avoidance by MNEs. While the introduction of the Inclusive Framework on BEPS sought to broaden participation in international tax rulemaking, concerns persist about the framework's true inclusivity. Similarly, although there has been progress towards creating a more democratic and representative structure through the United Nations Tax Convention (UNTC), which aims to give all countries a fair say in global tax policy, explicit gender considerations remain absent, while a consensus across global South countries and regional blocs on



Photo by Lizbeth Gutiérrez

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Mexico City, March 8th 2024.

the motivations behind fighting illicit financial flows (IFFs) and reshaping taxation is still lacking. Furthermore, the current crisis of multilateralism has raised broader concerns about the functioning of the United Nations system.

What would a feminist global tax system look like from the global South?

The feminist perspective on global tax discussions underscores the need for a new social contract that integrates fiscal legitimacy, human rights obligations, gender equity and the sustainability of life as core principles. This vision calls for a transformation of global tax governance, prioritising democratic and inclusive international cooperation that redistributes resources both across and within countries.

Four key issues are central to this transformation: i) entrenched power dynamics between the global North and South; ii) depoliticisation and technification of tax policy; iii) concentration of wealth and financialisation and iv) fragmentation among global South actors.

How can these challenges be addressed?

Addressing Financialisation Through Radical Proposals, such as a broader version of the Tobin Tax (commonly referred to as a Financial Transactions Tax (FTT)) or redefining fiscal concepts such as fiscal sovereignty. An FTT aligns with a feminist approach to taxation by addressing financial market excesses while redistributing resources. Revenues from such a tax could fund care and equitable climate policies, helping global South countries build resilience against the climate crisis without incurring additional debt -or social- burdens (for example, underfunded public services lead to increased unpaid care work when care policies shrink due to austerity).

Reimagining Global Tax Governance to prioritise inclusivity, equity, and sustainability. A feminist approach advocates for transitioning from OECD-centric frameworks to a truly inclusive platform, where the principles of human rights and gender equity are explicitly incorporated as guidance.

Addressing Climate and Ecological Justice through integrating ecological sustainability into global tax systems. However, market-based solutions pushed by global North countries in international discussions should not be the solution. For instance, carbon trading privatises environmental goods and exacerbates inequalities. Green Taxes are contrary to a feminist framework, which emphasises reparative historical climate justice and public investment.

Tackling Structural Inequalities by using taxation's dual purpose and its potential to redress power dynamics while aligning its implementation and governance with human rights. This includes effectively taxing wealth and capital while addressing non-monetary inequalities, such as the undervaluation of care work and the disproportionate burden on women.

Building Alliances and Empowering Civil Society. A feminist approach underscores the importance of democratising fiscal knowledge and mobilising grassroots movements.

In conclusion, a feminist global tax system envisions taxation as a means to foster equity, sustainability, and human rights. It seeks to dismantle colonial power dynamics, address gender and racial inequalities, and ensure that tax systems catalyse systemic change. Achieving this vision requires technical reforms and a fundamental shift in power dynamics and priorities. Indeed, this feminist vision of global taxation ultimately calls for rebalancing colonial power dynamics, ensuring that the interests of economic elites do not overshadow states' human rights obligations and that the needs of both global North and South countries are equitably addressed.



Photo by Andrea Larios

Mexico City, March 8th 2024.

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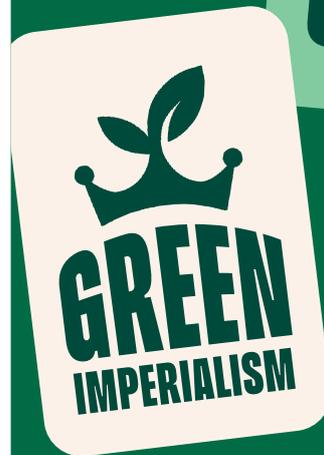
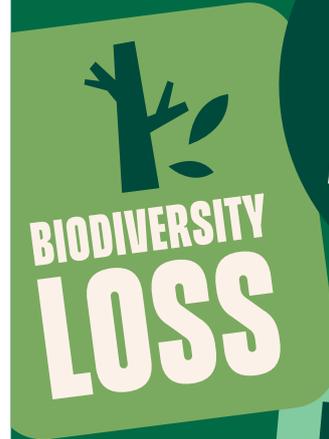
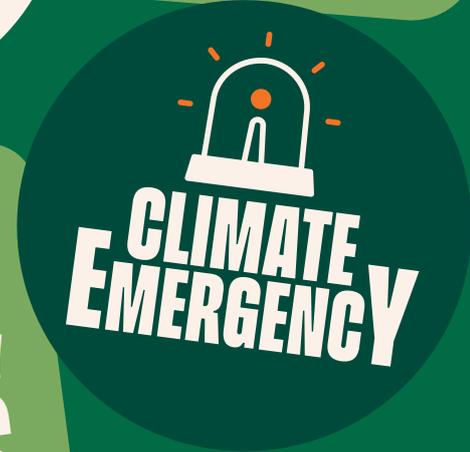
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SYSTEM CHANGE BEFORE PLANETARY COLLAPSE: A Feminist's Perspective on Ecological Justice and Macroeconomics

by Emilia Reyes



The ecological crisis extends beyond the climate emergency to the overshooting of planetary boundaries. This framework, developed by the Stockholm Resilience Centre (n.d.), highlights interlinked global systems that ensure life's sustainability. The Planetary Boundaries are the safe limits for human survival. The nine critical processes or boundaries together maintain a stable and resilient Earth and include: Climate change, Novel entities, Stratospheric ozone depletion, Atmospheric aerosol loading, Ocean acidification, Modification of biogeochemical flows, Freshwater change, Land system change and Biosphere integrity.

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Humanity has surpassed six of nine boundaries, risking systemic collapse. There are interrelated and interdependent processes which raise the risk; for example, plastic pollution exacerbates climate change, biodiversity loss, and ocean acidification. As well, climate change and biodiversity integrity are cross-cutting and have a major added impact on the internal processes of all the other boundaries, while also affecting each other. This shows that Planetary Boundaries cannot be considered in isolation in any decision-making on sustainability. Only by respecting all nine boundaries can we maintain the safe survival space for human civilisation. Addressing these challenges requires systemic change rather than isolated technical fixes.

Colonial and imperial roots of exploitation and failures and betrayals of current economic and environmental approaches

A feminist approach to this issue underscores the historical colonial and imperial causes that facilitated resource exploitation, labour extraction, and ecological harm. Cases, such as Haiti's debt to France and Britain's draining of wealth from India, illustrate the long-standing plunder of global South countries. Meanwhile, contemporary financial systems perpetuate these dynamics through mechanisms like debt traps, unequal trade, and climate finance conditionalities. Since the Paris Agreement in 2015, established under the United Nations Framework Convention on Climate Change (UNFCCC), developed countries have been leveraging forced interpretations of signed agreements to evade historical responsibilities and financial obligations to developing countries. This trend

reinforces colonial and imperial imbalances in power. This bad-faith approach resulted in a disappointing outcome at the 2024 Conference of the Parties (COP) in Baku, Azerbaijan.

The financial agreements reached were even less ambitious than those previously signed. The obligation of developed countries to provide climate finance to developing nations was undermined, major commitments for public finance were shifted away, and the scope of action for international financial institutions (IFIs) in developing countries was expanded. These actions betray the principles of justice and equity that are fundamental to multilateral frameworks.

Economic growth and profiteering as the only goals of the economic system remain a pervasive ideology, driving ecological harm and justifying violent practices of primitive accumulation. The focus on Gross Domestic Product (GDP) as a measure of success obscures social and environmental costs, such as the exploitation of women's unpaid labour and Indigenous communities' contributions to biodiversity. Solutions promoted by multilateral agreements, including the 2030 Agenda and the Paris Agreement, rely on false narratives of green growth and promote practices such as carbon offsets and renewable energy projects that often reinforce colonial extraction.

The concepts of colonisation and appropriation emphasise the direct link between industrial carbon emissions and capital accumulation in the global North. These emissions affect not only land, energy, resources, labour and time, but also the atmospheric space (Fanning and Hickel, 2023).

Instead of transitioning from fossil fuels, global North economies are focused on excessive accumulation, expanding their energy base through renewable sources while engaging in intense extraction of raw materials. Plans for both fossil fuel and renewable projects continue, and the debate on deep-sea mining illustrates conflicting viewpoints, with the preservation of ocean ecosystems largely ignored.

Additionally, global North countries' refusal to pay for their environmental damage—often tied to green colonisation and imperialism—has resulted in destruction and worsened conditions for various species and ecosystems worldwide and the loss of lives.

There are also limits to the approach of promoting monetised agendas to solve non-monetary problems. While proposals like taxing polluters or introducing wealth taxes on billionaires are often framed as pathways to fund public services or climate action, they risk reinforcing market-based approaches without addressing the root causes of ecological

There is a need to advocate for the Right to Development, emphasising sovereignty and self-sufficiency in the global South...

harm. For instance, taxing polluters may create revenue but fail to directly regulate or limit the destructive activities that breach planetary boundaries. Similarly, wealth taxes, though necessary for redistributive justice, often overlook the broader systemic impacts of billionaires' consumption and extraction-driven enterprises. In the same way, "green jobs" narratives fail to challenge exploitative labour practices in care work and resource extraction.

Finally, there is a need to warn about techno-fix solutions, such as geoengineering, due to their incalculable risks and inability to address systemic problems. Elite decision-makers are more willing to risk the life of the planet than possibly losing profits.

Feminist and global South alternatives

All debates presented so far apply either an anthropocentric or monetised approach to the materiality of life, or a siloed way of thinking about the many systems that operate in the economic, social, geopolitical and ecological spheres. There are, indeed, global South alternative visions and feminist alternatives that add to the discourse and invite joint reflection to develop more encompassing solutions, guided by multiple and plural paradigms.

The feminist perspective, particularly rooted in the Tradition of Rupture (Pérez Orozco, 2014), calls for dismantling patriarchal capitalism and prioritising the sustainability of life, emphasising that Ecofeminism and Indigenous knowledge provide critical insights into rethinking economic systems.

There is a need to advocate for the Right to Development, emphasising sovereignty and self-sufficiency in the global South through planned, anti-extractivist transitions that respect planetary boundaries, and to call for moving from the colonial paradigm underpinning official development assistance today to the systemic reparations framework (Sylla et al, 2024) that addresses ecological and historical debts to rectify inequalities and support ecological justice. There are alternative strategies: i) degrowth

in the global North to curb overconsumption and environmental harm; ii) paired with post-extractivist models for the global South; iii) and cross-movement alliances towards delinking from capitalism, imperialism and colonialism to build an equitable and sustainable future.

A call for systemic change

Recognising the inevitability of systemic collapse, we emphasise the need for collective agency in shaping the collapse of the current capitalistic, colonial, imperial system of unequal exchange, which is exploitative of people, rather than the collapse of the planet. We stress the need to frame solutions around the primacy of life over capital, rejecting exploitative practices in favour of care, solidarity, and ecological balance.

In conclusion, the current multilateral frameworks and economic systems are inadequate to address the scale of ecological and social crises. Instead, by balancing individual rights with collective well-being through expanding the interpretation of the Human Rights framework, we advocate for strategies that prioritise sustainable livelihoods, foster resilience, and strengthen marginalised groups to take part in co-creating systemic change. This requires collective action, rooted in feminist, anti-colonial, anti-imperial and global South perspectives, to redefine development and build futures worth living for. ▲

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