

# Financing a Public Future

**A Collective Statement for UN Public Services Day - 23rd June 2025**

**on the eve of the 4<sup>th</sup> UN Financing for Development Conference**

Less than one fifth of the sustainable development goal targets set a decade ago are presently on track for achievement in 2030 and a major cause of this is the continued chronic underfunding of public services around the world. Three quarters of lower income countries spend [more on debt servicing than on health](#), and half of these countries spend more on paying back wealthy creditors than they spend on education. Unfair global tax and trade rules facilitate a continuing flow of urgently needed resources out of the Global South. Meanwhile, the default policy of the IMF is still to impose austerity, cutting spending on public services and thereby undermining the struggle against poverty and inequality. But all this can and must change!

This year, UN Public Services Day falls just a week ahead of the [4th International Conference on Financing for Development](#) (FFD4). This United Nations meeting is being hosted in Seville - a city closely associated with European colonisation of the Americas - and ironically offers the best chance in a generation to overhaul and decolonise the global financial architecture. This is essential if states are to reverse decades of cuts and start fully funding universal, equitable, gender-transformative public services.

With [54 countries now facing a debt crisis](#), it is clear that massive **debt cancellation** is urgently needed if countries are to invest in quality public services. Equally, in this [Jubilee year](#), whilst debt cancellation is necessary, it is not enough. Over US\$ 100 billion in debts were cancelled in 2005, but with no changes agreed to the unjust finance system that caused the crisis, most lower income countries today find themselves facing a new, more acute crisis. So, 2025 must be the year in which the international architecture around debt is transformed through establishing a [UN Framework Convention on Sovereign Debt](#), developing new global agreements around responsible lending and borrowing, and moving the power over debt away from the International Monetary Fund (IMF) to a representative UN body. This transformation of the debt architecture is essential if countries are to have the resources to transform public services. Thankfully, overhauling the global debt system is a core demand of both [African nations](#) and the [Civil Society Financing for Development mechanism](#) at the FFD4 conference - but it is being blocked by wealthy countries and private creditors that profit from the injustices of the present system.

The **climate crisis** adds urgency to the case for fundamental reform of the financing architecture, in order for countries to invest in universal public services as a core part of a just transition. It is now clear that the debt crisis and climate crisis are [inter-connected](#), with indebted countries forced to earn foreign currencies quickly and thus compelled to invest in fossil fuel extraction and industrial agriculture - the two biggest causes of the climate crisis. On the other hand, the countries that are most vulnerable to the climate crisis are considered 'high-risk' for investment and so are charged higher interest rates on loans (especially after climate-induced

disasters), accelerating the likelihood and scale of debt crises. But we urgently need to look at the bigger picture of debt and ask, who owes who? The latest analysis shows that high-emitting wealthy countries in the Global North owe a huge **climate debt** to lower income countries, for having [appropriated the atmospheric commons](#) (polluting the planet and triggering the climate crisis). Unfortunately, there is no credible global architecture to enforce the paying of these climate debts - which are vastly larger than the brutally enforced external debts owed by all lower-income countries. This must change, with a reform to the global architecture and a commitment from rich countries to deliver climate finance to pay these climate debts - which must come in the form of grants (not loans to already indebted countries) - with a commitment to support a just transition based on public systems that are publicly financed.

At the apex of the present unjust financial architecture lies the **International Monetary Fund** (IMF), which perpetuates a global economic order that has empowered multinational corporations, creditors and wealthy nations, while locking lower-income countries into vicious and self-perpetuating cycles of debt and dependency. It is estimated that for every US\$1 that the IMF has encouraged governments to spend on public services, it has told them [to cut six times more](#) through austerity measures. The IMF's modus operandi was established during the discredited Structural Adjustment Programmes of the 1980s, when it imposed severe austerity on public spending in nations that had taken loans. Many of these countries had only recently gained independence from the same creditor countries that control the IMF. Today, the rhetoric has changed, but the IMF continues to pursue its austerity agenda in practice, leading to repeated cuts and freezes to [public sector wage bills](#), even in countries with desperate shortages of frontline public sector workers. With public services left underfunded, governments are being persistently pressured into commercialisation, privatisation and asymmetrical Public-Private Partnerships that put profit over people.

Part of the system transformation that is needed to transform public services relates to **tax justice**. Ambitious and progressive tax reforms are urgently required at the global, national and local levels. Tax base erosion, profit shifting, and tax evasion prevent governments, and those in the Global South in particular, from mobilising domestic revenue that is crucial to fund public services sustainably. For global decision-making on tax to be equitable and enable countries to adopt progressive tax reforms at the domestic level, it needs to move away from the democratic shortcomings of the Organisation for Economic Co-operation and Development (OECD). For 60 years, the OECD has set global tax rules, representing the interests of rich countries, particularly corporations and rich individuals. Following successful advocacy by African nations at the UN General Assembly, there is now an agreement to develop a [UN Framework Convention on International Tax Cooperation](#), which can establish a more transparent, equitable and accountable global tax governance system that will benefit all nations. We fully support accelerated progress on this convention and must ensure that the FFD4 conference does not undermine this existing process in any way. We also support the need to build on the historic leadership of Brazil in the G20 last year which placed wealth taxation of super-rich individuals so powerfully on the global agenda.

In 2025, we are seeing huge cuts in **aid budgets**, from the US, the UK and many European nations, alongside increased spending on the military. Rich countries seem to want to isolate

themselves rather than build bridges. Meanwhile, it has become ever clearer that the private sector can not and will not fill the gaps! The **"billions to trillions"** approach, which aimed to leverage public finance to unlock private investment in developing countries, has been largely unsuccessful, and was denounced recently even by the [World Bank's Chief Economist](#). What is urgently needed is robust public regulation of private actors and a strong, accountable state that leads in financing and providing quality public services. Again, this adds urgency to the need for global reforms to push back on debt injustice, tax injustice and austerity as the foundation for building States that can respect, protect and fulfil human rights. Domestic political will and national action will always be needed, but in the present unjust global system, even progressive governments struggle to finance universal public services.

Thankfully, there is renewed global momentum around the case for public finance and public services. In late 2022, over a thousand representatives from over one hundred countries gathered in Chile under the banner of **'Our Future is Public'**. [The Santiago Declaration for Public Services](#) laid out a collective agenda from trade unions, organisations and movements working on a wide range of public services, including education, health, care, energy, food and nutrition, housing, water, transportation and social security. We raised our voice against commercialisation and privatisation that harm rights, recognising that these have driven growing inequalities and injustices. We collectively critiqued the colonial structures and mindsets that continue to drive the chronic underfunding of public services. And we condemned the current international financial architecture that keeps the vast majority of the world's population living in poverty.

The FFD Summit must commit to a new social compact that ensures a global finance system that prioritises people and the planet over profit, and that enables member states to deliver universal public services and social security for all. We reiterate that there are clear alternatives to the status quo, many of which are laid out in the [Global Manifesto for Public Services](#), the related [Manifesto on Rebuilding the Social Organisation of Care](#), and [Our Future is Public: Energy Democracy Declaration](#). We call for their realisation and the overhaul of the outdated international financial system.

On this United Nations Public Services Day, we join forces again to reiterate our demand for a future that is public. Next week in Seville, we need governments to be bold in agreeing on an outcome document that will truly transform the unjust financing architecture so that we can accelerate progress towards quality public services for everyone, wherever they live.

#### ENDORSED BY:

1. Action against Hunger France
2. ActionAid International
3. Africa Network Campaign on Education for All (ANCEFA)
4. Amnesty International
5. Arab Campaign for Education for All (ACEA)
6. Arab Network for Popular Education (ANPE Lebanese Coalition)

7. Asia South Pacific Association for Basic and Adult Education (ASPBAE)
8. Brazilian Campaign for the Right to Education
9. Bretton Woods Project
10. Campaña Latinoamericana por el Derecho a la Educación-CLADE
11. Center for Economic and Social Rights (CESR)
12. Education International
13. eduCoop
14. Engenharia sense Fronteiras
15. Engenharia sense Fronteiras
16. Eurodad
17. Global Campaign for Education (GCE)
18. Global Initiative for Economic, Social and Cultural Rights (GI-ESCR)
19. Global Social Justice
20. Institute for Economic Justice
21. International Association for Hospice and Palliative Care
22. National Campaign for Education Nepal (NCE Nepal)
23. Network for Education Watch (NEW) Indonesia
24. Oxfam
25. Paropakar Primary Health Care Centre PPUK
26. Public Services International (PSI)
27. Right to Education Initiative
28. RTE Forum, India
29. Society for International Development (SID)
30. Solidarité Laïque
31. Tax and Education (Tax Ed) Alliance
32. Tax Justice Network
33. The Alternatives Project (TAP)
34. Transnational Institute (TNI)
35. World Organization for Early Childhood Education – OMEP