



Statement by His Excellency Archbishop Ivan Jurkovič
Permanent Observer of the Holy See to the UN and Other International Organizations in Geneva
at the 46th Session of the Human Rights Council.
Item 3: Interactive Dialogue with the Independent Expert on Foreign Debt
Geneva, 3 March 2021

Madam President,

The Delegation of the Holy See takes note of the Report of the Independent Expert on the effects of foreign debt and other international financial obligations of States on the full enjoyment of all human rights, particularly economic, social and cultural rights and wishes to thank her for presenting it to the Council.

The negative effects of the COVID-19 pandemic on world economic conditions are alarming. In particular, the pandemic has exacerbated existing debt vulnerabilities in developing and least developed countries where the debt burden impedes them from guaranteeing their people the fundamental socioeconomic rights, such as food and social security, health services and access to vaccines.

These circumstances “constitute instances of *proximate immorality*, that is, occasions that readily generate the kind of abuse and deception that can damage less advantaged counterparts” and “where selfishness and the abuse of power have an enormous potential to harm the community”¹, owed mainly to the dominance of the financial industry in the real global economy. The international community therefore has a strong obligation to advance an understanding by which shared ethical, cultural and normative guidelines inform a systematic reigning-in of economic-financial practices.

Madam President,

In view of this scenario, it is now more important than ever that less developed States receive international cooperation and financial and technical assistance, notably debt reduction, relief or cancellation. The Holy See asks for constructive reforms capable of transforming developing countries from debt crisis contributors into debt crisis preventors and the establishment of a more effective human-centred international financial architecture.

Indeed, States are called upon “to protect themselves with appropriate management of the public system through wise structural reforms, sensible allocation of expenses and prudent investment.” Such legitimate measures can help avoid unsustainable debt burdens and “economic losses created by private persons [which are] unloaded on the shoulders of the public system” while simultaneously promoting effective domestic taxation systems. For these reasons, we strongly encourage international initiatives and efforts to facilitate the restructuring of sovereign debt in a just and effective manner, the implementation of a mechanism of efficient international tax cooperation and a sincere commitment to deliver “reasonable and concurred reductions of public debt”². Coordinated support and solidarity from the international community are indispensable, not only for

¹ *Oeconomicae et pecuniariae quaestiones*, Considerations for an Ethical Discernment Regarding Some Aspects of the Present Economic-Financial System, para. 14.

² *Oeconomicae et pecuniariae quaestiones*, Considerations for an Ethical Discernment Regarding Some Aspects of the Present Economic-Financial System para. 32.

individual developing States, but also for assuming the responsibility to implement just reforms of the international economic-financial system.

In conclusion, Madam President,

“The principle that debts must be paid is certainly just. However, it is not right to demand or expect payment when the effect would be the imposition of political choices leading to hunger and despair for entire peoples. It cannot be expected that the debts which have been contracted should be paid at the price of unbearable sacrifices”.³ The Holy See considers it essential to adopt policies geared to the substantial reduction, if not forgiveness, of debt for less developed countries, as a sign of true solidarity, co-responsibility and cooperation among all involved in the fight against the global Coronavirus pandemic.

Thank you, Madam President

³ John Paul II, Encyclical Letter *Centesimus annus*, n.35.