



07 November 2022

H.E. Joko Widodo  
President, Republic of Indonesia and Chair, Group of Twenty (G20)

Chair Widodo and G20 leaders:

Your Excellencies:

The call for a New International Financial and Economic Architecture or NIFEA is a collaborative ecumenical effort that brings together the World Council of Churches, the World Communion of Reformed Churches, the Lutheran World Federation, the World Methodist Council and the Council for World Mission and represents more than half a billion Christians across the world.

For churches, the fullness of life and all that contributes to it are essential to our faith and practice. Through the NIFEA process, we seek an economic system that looks after the well-being of all and particularly the most vulnerable, while bringing us back within planetary boundaries, protecting the diversity of life, and safeguarding the future of coming generations. Our faith perspectives and valuing of justice and peace demand that the poor and the dispossessed lie at the centre of our economic thinking and that our economic systems also work to serve their needs.

At our meeting in Bali between the 11<sup>th</sup> and 13<sup>th</sup> of October 2022, we discerned three interrelated and interconnected crises affecting humanity.

We are on the brink of a major social crisis. Rising inequalities in terms of economic disparity linked with racial, ethnic, religious, gender and other social disparities threaten to reach a breaking point. Signs of this are already being seen worldwide, whether it is racial tensions in the USA and Europe or religious conflict in the South Asian region.

We are amid a climate catastrophe, demanding urgent, deep-seated and concerted transformations in all sectors, including a timely shift out of fossil fuels towards affordable and renewable energy sources in ways that are respectful of Indigenous Peoples' rights. While we previously thought we had a decade to mitigate climate change, we now know that we have even less time to stay below the relatively safe limit of 1.5 °C of warming. Climbing temperatures coupled with rising sea levels and the loss of biodiversity are having devastating impacts including on agriculture that feeds our communities. This is a matter of justice, as climate change affects the destitute, women, and Indigenous Peoples the most, though they contribute least to it.

At the same time and undergirding both the social and climate crisis is a burgeoning debt and broader economic crisis. Amid tighter financial conditions due to the ballooning of government spending during the COVID-19 pandemic, more than half of low-income countries are currently at high risk of – if not already in – debt distress (World Bank 2022). For many of them, debt servicing – estimated at USD 43 billion in 2022 – is equivalent to half of combined food import bills and public health spending. From higher prices of basic needs to cutbacks in social support, it is always the “least among us” who shoulder the most pain of austerity.

In addition, today we are faced with an alarming food crisis, made worse by the Russian invasion of Ukraine, adding to a set of weather-related disasters. Drought and floods joined by rising international prices of food mean increasing malnutrition and starvation. In just the last two years, the number of severely food insecure people doubled from 135 million to 276 million even as the ten richest billionaires increased their wealth from USD 700 billion to USD 1.3 trillion (WFP 2022 and Oxfam 2022). A global financial market that feeds on and encourages speculation and volatile capital flows first into and now out of developing countries has further aggravated it.

Built on the legacies of colonialism and slavery, the prevailing economic system has profited from the exploitation of people and the planet. The model of growth that it is based on is harmful and unsustainable. While we focus today on the immediate shortages of food, fuel and shelter, in the long run this planet and its people cannot maintain this present system of production and consumption. We need an economic system that is equitable, respects planetary boundaries, involves the participation of all and nourishes the health and resiliency of our communities and ecosystems.

If we are to “recover together” and “recover stronger” from these intertwined crises as a global community, we believe that the G20 Leaders at their Summit meeting in Bali, Indonesia on the 15<sup>th</sup> and 16<sup>th</sup> of November 2022 ought to pursue the following measures:

- **Adopt new economic and wellbeing indicators that deliver better outcomes for people and the planet and place them at the centre of policymaking.** The goal should be ensuring wellbeing for all within planetary boundaries rather than growing gross domestic product or GDP particularly in already high-income countries.
- **Stronger rules to curb financial speculation on food, energy and other vital commodities.** Financial commodity markets must be regulated to prevent disruptions which make for volatile commodity prices that do not reflect costs of production.
- **Adequate social protection for the socio-economically vulnerable (including children, the aged and those unable to work) and support to small farmers.** Ensuring healthcare provision, increasing access to education for all girls and women, and expanding support to struggling families and small farmers practicing natural land regeneration and agro-ecology are critical for protecting livelihoods and helping farmers cope with rising fuel prices and fertiliser shortages.
- **An end to subsidies to giant agri-businesses and the fossil fuel industry coupled with fast-tracked and tripled investments in sustainable, community-based agricultural and renewable energy systems.** In the face of climate change, the main challenge is to produce enough nutritious and affordable food while reviving biodiversity and substantially cutting greenhouse gas emissions. This entails both a redirection and a radical mobilisation of resources towards alternative food and energy models.
- **Cancellation of unsustainable debts and a moratorium on debt payments for low and middle-income countries in debt distress while their debts are being renegotiated.** To prevent nations and communities from falling deeper into economic crisis and to avert future debt crises, new mechanisms such as the issuance of SDRs, debt-for-climate swaps, as well as debt restructuring models that bring all creditors to the table must be developed and implemented.

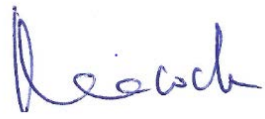
- **A stronger global effort of cooperation to realise systems of just taxation to raise resources to fund social protection systems and the public investments needed to address the climate emergency.** We reiterate the calls of the ecumenical Zacchaeus Tax campaign for: wealth taxes, measures to stop tax evasion by multinational corporations and the rich, creation of an intergovernmental United Nations (UN) tax body and a UN tax convention, progressive carbon and other pollution taxes, financial transaction taxes, capital gains taxes as well as windfall taxes on oil, gas, food, pharma and other corporations that are reaping excessive gains from the current crises. These proposals developed and supported by policy research and civil society organisations offer real, effective and practical solutions to the financing gap.

We are all interdependent in God's whole creation. Therefore, together we are called to immediate actions to transform unsustainable and deadly systems towards an economy of life for the benefit of planet earth and all humankind.

Sincerely,



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