Asia Pacific Forum on Women, Law and Development

THE PERILS OF NEOLIBERAL CAPITALISM

WOMEN'S LIVES UNDER DEBT IN ASIA

Table of Contents

ABBREVIATIONS

ADB	Asian Development Bank
APR	Annual Percentage Rate
APWLD	Asia Pacific Forum on Women, Law and Development
ATM	Automated Teller Machine
BEPS	Base Erosion and Profit Shifting
BoP	Balance of Payments
CIF	Confidential Intelligence Fund
COVID-19	Coronavirus Disease-19
CREATE	Corporate Recovery and Tax Incentives for Enterprises
DAR	Department of Agrarian Reform
DSA	Debt Sustainability Assessment
DSSI	Debt Service Suspension Initiative
E&S	Environmental and Social Safeguards
FDI	Foreign Direct Investment
FGD	Focus Group Discussion
FPIC	Free, Prior and Informed Consent
FTZ	Free Trade Zone
GDP	Gross Domestic Product
GMI	Guaranteed Minimum Income
GST	Goods and Services Tax
HRC	UN Human Rights Council
IBRD	International Bank for Reconstruction and Development
ICESCR	International Covenant on Economic, Social and Cultural Rights
ICSID	International Centre for Settlement of Investment Disputes
IFI	International Financial Institution
ILO	International Labour Organisation
IMF	International Monetary Fund
IOM	International Organisation for Migration
IPPs	Independent Power Producers
ISDS	Investor State Dispute Settlement

KGS	Kyrgyzstani Som
KRW	South Korean Won
KCTU	Korean Confederation of Trade Unions
MCRR	Multi-Country Rapid Research
MDB	Multilateral Development Bank
MNC	Multinational Corporation
MNT	Mongolian Tugrik
MWSS	Metropolitan Waterworks and Sewerage System
NATO	North Atlantic Treaty Organisation
NDC	Nationally Determined Contribution
NGO	Non Governmental Organisation
NHIP	National Health Insurance Programme
ODA	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
Php	Philippine Peso
PKR	Pakistan Rupee
ROSCAs	Rotating Savings and Credit Associations
SEZs	Special Economic Zones
SPLIT	Support to Parcelisation of Lands for Individual Titling
TNC	Transnational Corporation
TRAIN Law	Tax Reform for Acceleration and Inclusion Law
TRP	Trade Reform Programme
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
U.S.	United States
USD	United States Dollar
VAT	Value Added Tax
WB	World Bank
WBG	World Bank Group
WTO	World Trade Organisation

LIST OF FIGURES AND BOXES

Introduction

The indebtedness of the Global South is a legacy of colonialism and imperialism in the region. Following centuries of plunder and devastation that occurred under colonial rule, newly independent states struggled to find their footing in a global financial system designed and controlled by former imperial powers, and other wealthier nations such as the United States, then an emerging global power in the world. Severely under-resourced, these countries were compelled to take on increasing debts, with the loans doled out in the guise of promoting economic growth, however, essentially to continue extracting resources and maintain control over former colonies. The post-World War II era evidences the continued use of debt dependence as a tool to relentlessly extract wealth from the Global South: From 1970-2022, the Global South paid USD 2.5 trillion in interest payments alone to creditors,[1] and from 2022-2024, developing countries paid USD 741 billion more in debt repayments than they received in new financing - the largest gap in 50 years.[2]

The economic crisis brought upon by the COVID-19 pandemic revealed the dysfunctions in the inequitable and exploitative global financial architecture which prioritises debt servicing at the expense of human rights. The impact of recurring, enforced fiscal consolidation in stunting long-term growth and development, thus rendering indebted economies more vulnerable to other crises, was evident.

The economic crisis, however, was not a consequence of the pandemic alone, but had long been in the making: Even before COVID-19, the Asia and the Pacific region was facing a rising level of public debt. Between 2010 and 2018, debt payments from developing countries increased by 85 per cent,[3] and in 2019, the average government debt-to-Gross Domestic Product (GDP) ratio[4] in developing countries in the region was at an 11-year high of 40.6 per cent.[5] This meant that the following year, countries already saddled with unsustainable debt burdens had to navigate the health crisis with greatly reduced fiscal capacities to do so.[6] However, debt servicing continued nonetheless (Figure 1); combined with reduced government

---

[1] Debt Justice. (2022, August). *Colonialism and debt briefing: How debt is used to exploit and control.* https://debtjustice.org.uk/wp-content/uploads/2022/08/Colonialism-and-Debt-briefing.pdf

[2] World Bank Group. (2025, December 3). *Developing Countries' Debt Outflows Hit 50-Year High During 2022-2024*. https://www.worldbank.org/en/news/press-release/2025/12/03/developing-countries-debt-outflows-hit-50-year-high-during-2022-2024

[3] Citizens for Financial Justice and Jubilee Debt Campaign. (2019, April 3). *Crisis deepens as global South debt payments increase by 85%.* Debt Justice. https://debtjustice.org.uk/press-release/crisis-deepens-as-global-south-debt-payments-increase-by-85

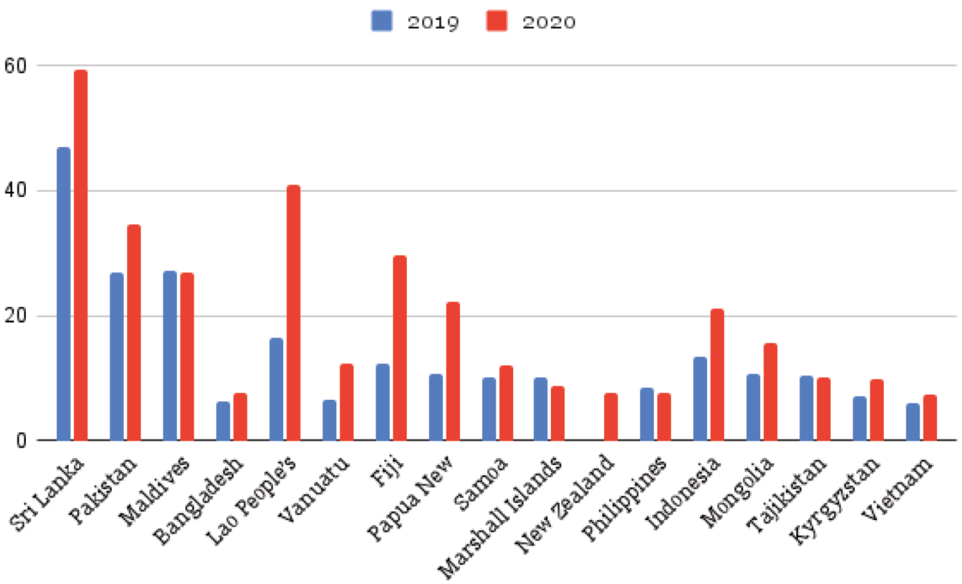
[4] A financial metric that indicates how much debt a country owes and how much it produces to pay off its debts, thus indicating debt repayment capabilities.

[5] United Nations Economic and Social Commission for Asia and the Pacific. (2023, April 5). *Economic and Social Surveyof Asia and the Pacific 2023: Rethinking Public Debt for the Sustainable Development Goals. NY.* https://repository.unescap.org/server/api/core/bitstreams/0d97f898-1879-4514-8978-b585805f419f/content

[6] United Nations. (2022, July 6). *Reports - COVID recovery plans and policies and the right to development.* https://www.ohchr.org/en/calls-for-input/2022/reports-covid-recovery-plans-and-policies-and-right-development

revenues, along with the allocations for emergency stimulus packages for pandemic recovery, it worsened the debt-to-GDP ratio to 49.5 per cent in 2021.[7] This compelled countries that were already struggling with limited domestic financing resources and insufficient multilateral financial support to take on even more loans (Figure 2) from private lenders and non-Paris Club members.[8] Despite historically low global interest rates, these loans came with high borrowing costs, to the extent that the United Nations (UN) raised alarm about the pandemic turning into a 'protracted debt crisis' for developing countries.[9]

Figure 1: External debt service 2019-2020 (per cent of government revenue)[10]



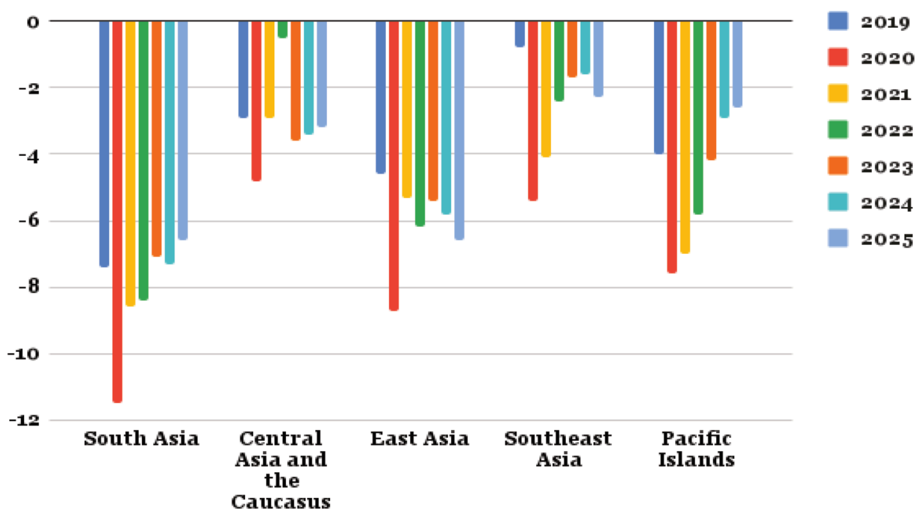
[7] The Reality of Aid. (n.d.). *End Austerity in Asia Pacific Virtual Data Exhibit*. https://realityofaid.org/end-austerity-in-asia-pacific/virtual-exhibit/#:~:text=Debt%2Dto%2DGDP%20Ratio,-14&text=The%20enduring%20effects%20of%20pandemic,49.5%25%20of%20GDP%20in%202021

[8] The Paris Club is an informal group of official creditors consisting of 22 permanent members (Australia, Austria, Belgium, Brazil, Canada, Denmark, Finland, France, Germany, Ireland, Israel, Italy, Japan, the Netherlands, Norway, Republic of Korea, Russia, Spain, Sweden, Switzerland, the UK and the U.S.), with other creditor countries occasionally participating. It is tasked with providing debt restructuring proposals for indebted economies struggling with repayment. Paris Club. (n.d). *Home Page*. https://clubdeparis.org/en/home.html

[9] United Nations. (n.d.). *Guterres urges 'decisive action' to stave off debt crisis in developing world.* https://www.un.org/en/desa/guterres-urges-%E2%80%98decisive-action%E2%80%99-stave-debt-crisis-developing-world

[10] Asia Pacific Forum on Women, Law and Development. (2023). *Development Justice Now! Feminist Demands for Financing for Development*. https://apwld.org/apwld-launches-feminist-briefer-on-financing-for-development/

Figure 2: General government net lending/borrowing (per cent of GDP) [11,12,13]



In 2022, the UN Special Rapporteur on the Right to Development identified debt distress as one of the factors that restricted the capacities of poor countries to provide social protection to vulnerable groups during the pandemic.[14] In 2023, public debt levels continued to rise in many developing economies in the region, with net interest payments reaching as high as USD 921 billion;[15] in 2024, Asia and the Pacific held around USD 25 trillion in public debt, with 17 developing countries in the region continuing to struggle with high debt levels. Resultantly, external debt servicing consumed much larger shares of foreign exchange earnings (Figure 3) than in the years prior, with over two billion people in the region living in countries that spent more on interest than on health or education.[16,17]

[11] This figure indicates a government's fiscal health and its ability to finance its operations without resorting to additional borrowing. It is the net result of transactions in financial assets and liabilities. If positive, it indicates net lending, meaning the government has a surplus and can potentially lend or invest the excess funds. If negative, it indicates net borrowing, meaning the government has a deficit and may need to further borrow funds to cover the shortfall. World Bank Group. (n.d.). *Metadata Glossary*. https://databank.worldbank.org/metadataglossary/world-development-indicators/series/GC.NLD.TOTL.GD.ZS

[12] International Monetary Fund. (n.d.). *General government net lending/borrowing Percent of GDP*. https://www.imf.org/external/datamapper/GGXCNL_NGDP@WEO/SAQ/SEQ/EAQ/CAQ

[13] Central Asia and the Caucasus include Uzbekistan, Kazakhstan, the Kyrgyz Republic, Tajikistan, Turkmenistan, Azerbaijan, Armenia and Georgia.

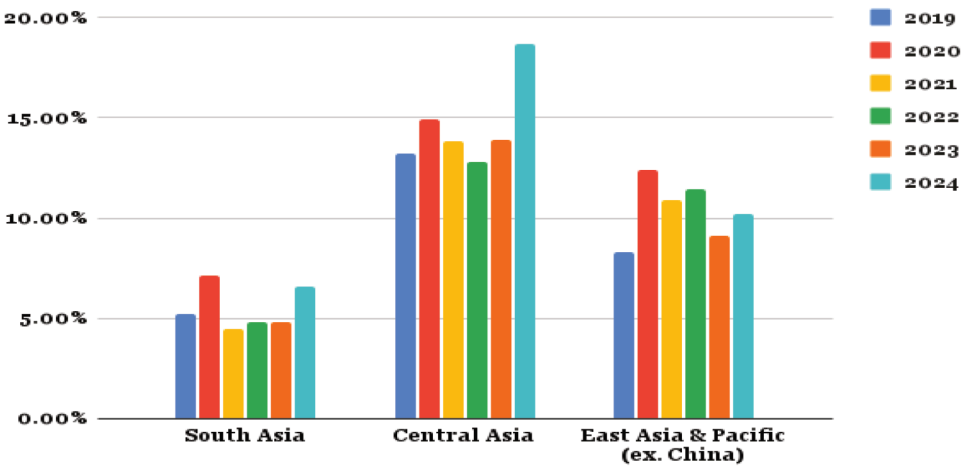
[14] Alfarargi, S. (2022, July 15). *Response and Recovery PLans and Policies on the coronavirus disease (COVID-19) pandemic from the perspective of the right to development at the international level.* United Nations General Assembly. https://docs.un.org/en/A/77/174

[15] Economic and Social Commission for Asia and the Pacific. (2024, April 4). *Economic and Social Survey of Asia and the Pacific 2024*. https://www.unescap.org/kp/2024/survey2024

[16] United Nations Conference on Trade and Development. (2025). *A World of Debt: It is time for reform.* https://unctad.org/system/files/official-document/osgttinf2025d4_en.pdf

[17] Asia includes Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, Sri Lanka, Afghanistan, Cambodia, Laos, Burma/Myanmar, Thailand, Vietnam, Timor-Leste, Brunei Darussalam, Indonesia, Malaysia, the Philippines, Singapore, China, Hong Kong, Japan, Korea (Democratic People's Republic), Korea (Republic), Macau, Mongolia, Taiwan, Iran, Armenia, Azerbaijan, Bahrain, Cyprus, Georgia, Iraq, Jordan, Kuwait, Lebanon, Oman, Qatar, Saudi Arabia, Palestine, Syria, Turkey, United Arab Emirates, Yemen, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, Uzbekistan; Pacific or Oceania includes American Samoa, Cook Islands, Fiji, French Polynesia, Guam, Kiribati, New Caledonia, Niue Island, Papua New Guinea, Samoa, Solomon Islands, Tonga, Vanuatu, Australia, New Zealand.

Figure 3: Public and publicly guaranteed debt service 2019-2024 (per cent of government revenue)[18,19]



As was made evident by the COVID-19 pandemic, debt burdens and repayment obligations severely limit capacities of crisis prevention, preparedness and management in the region. This is further aggravated by the recurrent prioritisation of other sectors for funding, such as defence, capital formation or infrastructure development[20] that gravely restricts long-term spending on social sectors, impeding the development of robust public services and institutions. In turn, persistent underdevelopment perpetuates systemic precarity that spans multiple generations.

Although damaging for all, the impacts of debt crises manifest manifold in magnitude for women.[21,22] Women are compelled to fill in the gaps and compensate for shrinking social safety nets by shouldering increased responsibilities of productive and reproductive activities. Inflation, the rising cost of living and increasing household debts aggravate matters further, rendering women increasingly vulnerable to exploitation as they are pushed into the informal economy, struggling to survive amidst precarious, low-paying, low-skilled jobs with no social security and with grave consequences for their health, wellbeing and dignity.

[18] This metric indicates the sum of repayments actually paid in currency, goods or services on long-term debts. World Bank Group. (n.d.). *Metadata Glossary*. https://databank.worldbank.org/metadataglossary/world-development-indicators/series/DT.TDS.DPPG.GN.ZS#:~:text=Public%20and%20publicly%20guaranteed%20debt%20service%20is%20the%20sum%20of,guaranteed%20by%20a%20public%20entity

[19] United Nations Conference on Trade and Development. (2025, July 22). *External debt sustainability and development (2025)*. https://unctad.org/publication/external-debt-sustainability-and-development-2025

[20] United Nations Economic and Social Commission for Asia and the Pacific. (2022). *Public expenditures and inequality in Asia-Pacific: understanding the relationship*. https://repository.unescap.org/handle/20.500.12870/5181

[21] Raaber, N. (2010). *BRIEF 11: The Impact of the Crisis on Women: Main Trends Across Regions*. Association for Women's Rights in Development (AWID). https://www.awid.org/sites/default/files/atoms/files/icw_trendsregions.pdf

[22] Blanton, R., Blanton. S., & Peksen, D. (2019). The gendered consequences of financial crises: A cross-national analysis. *Politics & Gender, 15* (4), 941 - 970. https://doi.org/10.1017/S1743923X18000545

Amidst the aforementioned economic crisis unravelling in the region in the wake of the COVID-19 pandemic, from 2023-2024, the Asia Pacific Forum on Women, Law and Development (APWLD) organised regional and national debt convenings, bringing together APWLD members and partners.[23] These convenings enabled information and knowledge-sharing on debt crises, leading to the call for the cancellation of illegitimate and unsustainable debts, and subsequent strategising and political consolidation for debt justice in the region.[24]

One of the outcomes of the convenings was the APWLD Multi-Country Rapid Research (MCRR), conducted over two phases in 2024 and 2025. The objectives of the MCRR were three-fold: i) to trace patterns of decades-long entrenchment of neoliberal economic governance across the region as a result of persistent debt burdens, ii) to provide evidence of how these policies impact the lived realities of women, and iii) to utilise the collected evidence and analysis to drive political education, raise public awareness and strengthen policy advocacy and movement building at the national level.

The six countries in the debt MCRR were chosen due to the urgency of the debt crisis and related impacts that they faced at the time: **Sri Lanka** and **Pakistan** in South Asia, with the former economy declaring bankruptcy in 2022 and defaulting on its debt repayments, while the latter was on the brink of doing so in 2023; the **Philippines** in Southeast Asia, where major reallocation of the national budget, from mega infrastructure projects to tackling the health and economic crisis, was long overdue;[25,26] **Mongolia** in North-East Asia, where external debts piled up, even as it faced the economic fallout from pandemic-related lockdowns, a reduction of foreign trade revenues following border closures with China, and the rising costs of fuel and essential consumer goods due to the Russia-Ukraine conflict; **Kyrgyzstan** in Central Asia, where debt burdens constituted 49.2 per cent of its GDP in 2022 with repayments expected to peak between 2025-2027,[27] while the country suffered through a severe energy crisis and inflation, amid corruption, lack of transparency and rising authoritarianism to repress social discontent.[28] In addition, to enable a comparative analysis of the past and continued impacts of debt

---

[23] 1) National debt convening, August 2023, Colombo, Sri Lanka, 2) Regional debt convening, August 2023, Colombo, Sri Lanka, 3) Financing for Development Justice convening, November 2023, Manila, Philippines, 4) Regional debt convening, July 2024, Colombo, Sri Lanka.

[24] 1) Regional strategy consultation, December 2024, Bangkok, Thailand, 2) Asia-Pacific civil society preparatory meeting for the Fourth International Conference on Financing for Development, December 2024, Bangkok, Thailand.

[25] Lim, J. (2020, September 12). *It really hurts: Economic infrastructure over health*. IBON. https://www.ibon.org/it-really-hurts-economic-infrastructure-over-health/

[26] Asian Peoples' Movement on Debt and Development (APMDD). (2022, November, 11). *Philippine Government's Revenue-eroding Tax Reforms and the Right to Health.* https://apmdd.org/philippine-governments-revenue-eroding-tax-reforms-and-the-right-to-health/

[27] International Monetary Fund, Middle East and Central Asia Dept. (2024, March 4). *Kyrgyz Republic: Staff Report for the 2023 Article IV Consultation—Debt Sustainability Analysis.* IMF eLibrary. https://www.elibrary.imf.org/view/journals/002/2024/064/article-A003-en.xml

[28] Muratalieva, N. (2023, August 3). *Kyrgyzstan's path to peak repayments to China: Context and dilemmas.* The Diplomat. https://thediplomat.com/2023/08/kyrgyzstans-path-to-peak-repayments-to-china-context-and-dilemmas/

servicing, **South Korea** was also included in the research given its experience with Structural Adjustment Programmes (SAPs) in the wake of the 1997 Asian financial crisis and its wide-ranging repercussions that manifest even today; this includes a staggering household debt crisis, where debt burdens constituted over 90 per cent of its nominal GDP in 2023.[29]

Carried out by grassroots organisations across the six countries (see Annex 1 for details),[30] the research centred the voices of rural, urban poor and other marginalised women who face the impacts of debt crises, recognising that these impacts are often multigenerational. Through primary and secondary data collection and analyses, it illustrated how neoliberal economic policies and conditionalities imposed by International Financial Institutions (IFIs)[31] such as the International Monetary Fund (IMF) and the World Bank (WB) deepen inequality, erode public services and intensify the unpaid and invisible care burdens on women.

Highlighting the evidence gathered through the MCRR, this regional report builds on multiple efforts to date[32] by APWLD, its members and partners, to generate conversations about accountability and reparations for those impacted the most, and to demand genuine and sustainable solutions rooted in economic sovereignty, care, redistribution and self-determination.[33] Therefore, the report draws on the findings of the MCRR alongside broader evidence from the region.

Chapter 1 of this report establishes that the current economic and interconnected crises in the region are not recent occurrences, but are the result of chronic, systemic structural inequalities rooted in colonialism and imperialism, perpetuated by centuries of plunder of the Global South. It sheds light on the role of various actors, primarily IFIs in the Global North and corrupt, self-interested domestic elites who, through the nexus between capitalism and patriarchy, serve to perpetuate this exploitative system at the expense of the most vulnerable in the Global South, particularly women.

[29] CEIC Data. (n.d.). *Korea: Household debt (% of nominal GDP)*. https://www.ceicdata.com/en/indicator/korea/household-debt--of-nominal-gdp

[30] 1) Roots for Equity, Pakistan, 2) We Women Lanka & Sarala Emmanuel, Sri Lanka, 3) Women's Public Foundation, Kyrgyzstan, 4) Centre for Women's Resources, Philippines, 5) Centre for Human Rights and Development, Mongolia, 6) 빈곤철폐를위한사회연대 (Korean People's Solidarity against Poverty), South Korea.

[31] International Financial Institutions (IFIs) are institutions that are founded by two or more member countries with the aim of providing financial support and policy advice to the member countries for global economic and social development. These institutions are typically established by the member nations through international treaties and operate on a global scale. IFIs play crucial roles in global economic governance, poverty reduction, and sustainable development. They offer various financial products including loans, grants, equity investments, and guarantees to governments, private businesses, and non-profit organisations in countries that may struggle to obtain affordable financing from commercial sources. The World Bank Group and the International Monetary Fund (IMF) are among the most prominent IFIs, but regional development banks and other specialised institutions also fall under this category. Makisig, N. (n.d.). *International finance institutions*. Study.com. https://study.com/academy/lesson/international-finance-institutions.html

[32] Such as regional political strategising and consolidation, close liaison with UN Special Procedures, public statements, advocacy and mobilising at national, regional and global forums.

[33] Here, self-determination refers to the 'free choice of one's own acts or states without external compulsion.' Merriam-Webster. (n.d.). *Self-determination*. https://www.merriam-webster.com/dictionary/self-determination

Chapter 2 provides a deeper look into the past and continuing impacts of the debt and interconnected political, social, and environmental crises in the lives of women in all their diversities. It demonstrates how adverse economic reforms in relation to conditionalities associated with loans reinforce vulnerability to other crises over time, warranting more borrowing and perpetuating cyclical debt traps. In doing so, it also highlights the state of transparency and accessibility of decision-making processes, alongside gravely diminishing civic freedoms, and threats to grassroots movements and the civil society, sustained by a lack of accountability of the State.

Chapter 3 concludes with recommendations for a feminist vision of a just, equitable and human-rights-centered development for all.

Chapter 1

THE GLOBAL FINANCIAL ORDER: A LEGACY OF COLONIAL AND IMPERIALIST RULE

A precursor to present-day systemic inequalities, colonialism ravaged Indigenous communities through violence, exploitation and the extraction of resources while the Global North advanced its economies through industrialisation fuelled by the stolen wealth. This was achieved at the expense of the dignity, human rights and freedom of the colonised people, as the transition to export-oriented, import-dependent economies necessary to drive the industrial growth in the North severely limited the resources and ability of colonised lands to weather economic shocks and provide for their own people. This exploitation transformed economies into exporters of raw materials, leaving them dependent on volatile global markets.

In Sri Lanka, British plantation policies converted land to tea, rubber, and coconut exports, displacing peasant agriculture and leaving the post-independence economy vulnerable to commodity price shocks.[34,35] In the Philippines, US colonial policies entrenched export dependence on sugar and coconut and institutionalised trade arrangements favouring American corporations.[36] In Korea, Japanese colonial rule (1910–1945) redirected agricultural surplus and mineral resources to imperial Japan while exploiting Korean labour, structuring development around imperial needs rather than domestic welfare.[37] In Central Asia, Kyrgyzstan's incorporation into the Tsarist and Soviet systems positioned it as a peripheral supplier of raw materials, and its post-1991 IMF-led liberalisation deepened its debt dependence.[38] Mongolia, though formally independent, became economically dependent on Soviet planning structures, and later, on foreign mining investment after rapid neoliberal reforms in the 1990s.[39]

Further, much of today's advanced capitalist world in the West stands on the stolen wealth[40] and resources from former colonised lands. For instance, between 1765 to 1938, the drain of wealth from India to Britain, estimated at USD 45 trillion through

---

34 De Silva, K. M. (1981). *A History of Sri Lanka*. C. Hurst & Company, University of California Press. https://archive.org/details/bub_gb_dByl_qil26YC/page/6/mode/2up

35 Snodgrass, D. R. (1966). *Ceylon: An Export Economy in Transition*. Internet Archive. https://archive.org/details/exporteconomyint0000unse

36 Abinales, P., & Amoroso, D. (2005). *State and Society in the Philippines*. Bloomsbury Academic. https://books.google.com.pk/books/about/State_and_Society_in_the_Philippines.html?id=xiOQdEzgP9kC&redir_esc=y

37 Eckert, C.J., Lee, K., Lew, Y.I., Robinson, M. & Wagner, E.W. (1990). *Korea Old and New*. Ilchokak Publishers. https://archive.org/details/isbn_9780962771309

38 Pomfret, R. (2006). *The Central Asian Economies Since Independence*. Princeton University Press. https://doi.org/10.2307/j.ctv17db3s1

39 Rossabi, M. (2005). *Modern Mongolia*. University of California Press. https://archive.org/details/modernmongoliafr0000ross

40 Sreevatsan, A. (2018, Nov 21). *British Raj siphoned out $45 trillion from India: Utsa Patnaik*. LiveMint. https://www.livemint.com/Companies/HNZA71LNVNNVXQ1eaIKu6M/British-Raj-siphoned-out-45-trillion-from-India-Utsa-Patna.html

systematic 'legal plunder', drove industrialisation not only in Britain itself, but also in its settler colonies, including the United States (U.S.), Canada and Australia; accumulating debt burdens—resulting from needless borrowing from the Empire—were used as a means to reinforce colonial power and control,[41,42] and between 1750 and 1900, manufacturing regions like India saw their share of global industrial output reduce from 25 per cent to a meagre two per cent, illustrating the enduring effects of colonial economic policies.[43]

Similarly, under Dutch colonial rule, Indonesia was subjected to systematic extraction through the Cultivation System (1830–1870), which required farmers to devote a significant portion of their land and labour to export crops such as coffee and sugar for the Dutch market. The profits were transferred directly to the Netherlands and, in the mid-19th century, colonial revenues accounted for roughly one-third of Dutch state income, financing infrastructure and public spending in Europe rather than in the colony.[44]

Indonesia is also one of the formerly colonised lands that gained independence with additional burdens of debts previously accrued by its colonisers. Its economy structured around raw commodity exports, with limited industrial development and weak domestic capital accumulation, the newly independent state took over a debt of 4.3 billion guilders,[45] comprising the debt of the Dutch East Indies colonial government as of 1942, and compensations for the losses incurred during its war of independence. In today's currency, the country's post-war payments to the Netherlands could round up to Euro 103 billion (five times the country's average annual government spending between 1967 and 2020). Thus, Indonesia was forced to shoulder Netherland's post-war recovery and growth, also by a much larger margin than the recovery assistance received from elsewhere, such as the U.S.' Marshall Aid (a mere Euro 16 billion).[46]

The resultant impacts of the imperial economic systems, now likened to the 'moral equivalents of bombs dropped from 18,000 feet',[47] illustrate how colonial and imperial rule hollowed out wealth and resources from colonised lands, systematically weakening economies through extraction, indebtedness and external dependency.

[41] Hickel, J. (2018, December 19). *How Britain stole $45 trillion from India*. Al Jazeera. https://www.aljazeera.com/opinions/2018/12/19/how-britain-stole-45-trillion-from-india

[42] Sullivan, D. & Hickel, J. (2022, December 2). *How British colonial policy killed 100 million Indians*. Al Jazeera. https://www.aljazeera.com/opinions/2022/12/2/how-british-colonial-policy-killed-100-million-indians

[43] Taneja, A., Kamanda, A., Gomez, C., Abed, D., Lawson, M. & Mukhia, N. (2025). *Takers not makers: The unjust poverty and unearned wealth of colonialism*. Oxfam International. https://oi-files-d8-prod.s3.eu-west-2.amazonaws.com/s3fs-public/2025-01/English%20-%20Davos%20Full%20Report%202025.pdf

[44] van Zanden, J.L., & Marks, D. (2012). *An Economic History of Indonesia: 1800-2010* (1st ed.). Routledge. https://doi.org/10.4324/9780203126196

[45] Some estimates of the total amount of incurred debt by Indonesia amounts to 4.5 billion guilders. Public Broadcasting Service. (n.d.). *Indonesia: Money and finance (Commanding Heights)*. https://www.pbs.org/wgbh/commandingheights/lo/countries/id/id_money.html

[46] Kusumandari, T. (2022, March 16). *Essay: Hey Holland, you're welcome!*. Inside Indonesia. https://www.insideindonesia.org/archive/articles/essay-hey-holland-you-re-welcome

[47] Davis, M. (2001). *Late Victorian holocausts: El Niño famines and the making of the third world*. Verso. https://www.versobooks.com/products/1719-late-victorian-holocausts

Stifled by a limited capacity to provide essential social services and economic safeguards, these newly independent countries were structurally compelled to seek credit from their former colonisers. This occurred within a global financial system shaped by and for the interests of the Global North, which prioritised capitalist expansion and geopolitical control over the self-determination of the Global South.[48] This meant that colonial financial systems continued to shape global credit and debt relations, enabling former colonial powers to maintain economic dominance over postcolonial states, however, now in the guise of financial globalisation.

1.1 The emergence and dominance of a neocolonial and neoliberal economic order

The capitalist, extractivist and exploitative nature of the colonial and imperial financial architecture continues into the present day, as the richest in the Global North exercise greater control over the capital, the means of production, intellectual property and technology in the world. This results in the concentration of wealth and resources in the Global North at the expense of the wellbeing of the most deserving and vulnerable in the Global South, maintaining staggering inequality between and among nations. Thus, despite formal 'independence', the exploitative, parasitic and profit-oriented dynamic between former colonial and imperial powers and their neocolonies remains intact.

Post-World War II tensions between capitalist and socialist blocs defined the Cold War, leading to the North Atlantic Treaty Organisation (NATO)'s formation in 1949 and geopolitical maneuvering in Africa, Latin America and Asia and the Pacific. The U.S. and Europe aimed to maintain influence by securing geopolitical interests in the region and creating political and financial structures to control resources and markets.

Originally created to facilitate economic cooperation to enable reconstruction after World War II, IFIs like the IMF and WB, have since then played a central role in the continuation and reinforcement of the neocolonial and imperialist characteristics of the current global financial system. This is evidenced by their inequitable structure fraught with power disparities and exploitative systems of revenue generation.[49]

Further, the formation of the World Trade Organisation (WTO) in 1995 further solidified neoliberalism as the leading development model. In the 21st century, rivalry between the U.S. and China manifests in competition over regional resources, shaping global trade dynamics and geopolitical tensions. Eventually, Asia and the Pacific were drawn into a neoliberal framework favouring foreign corporations, leading to export-oriented economies that dismantled local industries and deepened inequalities. Countries relying

[48] Debt Justice. (2022, August). *Colonialism and debt briefing: How debt is used to exploit and control.* https://debtjustice.org.uk/wp-content/uploads/2022/08/Colonialism-and-Debt-briefing.pdf

[49] Suarez, A., & Guda, K. (2019). *International Financial Institutions:Financing Dependency through Neoliberalism*. The Reality of Aid Network, CSO Partnership for Development Effectiveness. https://realityofaid.org/international-financial-institutions-financing-dependency-through-neoliberalism/

on foreign loans faced debt cycles and vulnerability to external shocks, reinforcing dependency on Global North economies.[50]

Today, around 3.6 billion people, representing 44 per cent of the global population, live below the poverty line. As if this alone is not a harrowing figure, the richest one per cent of the world own 45 per cent of all wealth, along with only eight per cent of the global population living in countries with low levels of inequality.[51] Unsustainable debt burdens continue to be a major source of funnelling resources into the Global North, diverting wealth and resources from people in the Global South (Table 1 lists further figures that illustrate the drain of wealth from and exploitation of the Global South). These burdens are further aggravated by complications, such as unequal borrowing costs and the varying creditor landscape in the already inequitable international financial architecture.[52]

Box 1: The Drain of Wealth From the Global South to the Global North[53,54]

USD 1 trillion in profits was repatriated from middle-income to high-income countries by transnational corporations between 2005 and 2020.

In 2023, 51 developing countries experienced net debt outflows,[55] paying USD 48 billion more to private creditors than they received in new loans from multilateral and bilateral lenders, contributing to an overall net debt outflow of USD 25 billion. Most of the affected countries were located in Africa and Asia and Oceania.

USD 1 trillion is extracted from the Global South each year, based on 'the rigged nature of the global financial system (which provides for lower borrowing costs in the Global North)'.

Rich countries could be responsible for as much as 99.4 per cent of all global tax loss through corporate tax abuse, while low-income countries are only responsible for 0.6 per cent.

[50] Salvador, J. (2024). *Scoping Paper on Trade and Corporate Power in Asia Pacific.* [Unpublished].

[51] Taneja, A., Kamanda, A., Gomez, C., Abed, D., Lawson, M. & Mukhia, N. (2025). *Takers not makers: The unjust poverty and unearned wealth of colonialism.* Oxfam International. https://www.oxfam.org/en/research/takers-not-makers-unjust-poverty-and-unearned-wealth-colonialism

[52] United Nations Conference Trade and Development. (2025). *A World of Debt: It is time for reform.* https://unctad.org/publication/world-of-debt

[53] Taneja, A., Kamanda, A., Gomez, C., Abed, D., Lawson, M. & Mukhia, N. (2025). *Takers not makers: The unjust poverty and unearned wealth of colonialism.* Oxfam International. https://www.oxfam.org/en/research/takers-not-makers-unjust-poverty-and-unearned-wealth-colonialism

[54] United Nations Conference Trade and Development. (2025). *A World of Debt: It is time for reform.* https://unctad.org/publication/world-of-debt

[55] Occurs when payments on external debt exceed new financing inflows.

Countries in the Global South face much higher borrowing costs than those in the Global North, which borrow in their own currencies; for instance, 90 per cent of the Global South's external debt is mainly in USD, multiplying the countries' borrowing costs up to four times that for the U.S., while maintaining constant vulnerability to fluctuations in the exchange rate, and the pressure to ensure enough foreign exchange reserves earned through exports at all times.[56] Further, the increasing presence of private creditors in the creditor landscape adds to the problem as borrowing from them is, 1) More expensive (as compared to loans from multilateral or bilateral lenders), 2) Volatile (they are quick to withdraw their money in times of crises), and 3) Complicated (debt structuring is a much longer, costlier and a convoluted process, as various private creditors have their respective legal regulations and diverging interests).[57]

Inequalities, however, exist not only between nations but also within nations. Therefore, it would be amiss to not identify and hold accountable the domestic, self-interested, corrupt actors who collude with global financial forces through adverse policies and practices that perpetuate the violence of economic and social injustice on their own people.

1.2 Complicit domestic elites in the Global South

The continued extraction from the Global South is not only a result of the control exerted by IFIs over domestic politics through financial enforcement. It is also enabled by self-interested domestic elites who benefit from the widening inequalities within nations. During colonial rule, the domestic elite, particularly the landed class and community leaders, would collude with the colonisers in mutually beneficial arrangements that either reinforced their already existing economic and political power relative to their fellow colonised people, or elevated them to a higher rank in society. Post-independence, power concentrated in this political and economic class, continuing to reproduce hierarchies and reinforcing inequalities over generations, thus maintaining stark levels of inequality within nations. Domestic governments have often been complicit in maintaining the skewed revenue system that burdens the poorest, as active measures are taken to protect foreign investors and domestic elites to maintain credit-worthiness so as to continue the pursuit of loans.

With high-level corruption facilitating these practices,[58] the influence of domestic elites often results in significant financial leakages, draining fundamental resources that could otherwise be rightfully invested in quality public essential services, infrastructure, and social safety nets that would guarantee fundamental human rights and sustained growth of the economies.

[56] Arimbi, W. (2006, February). *Towards feminist economic & climate justice: A feminist analysis of critical trends*. Women's Environment and Development Organisation (WEDO). https://2025.economictrends.wedo.org/debt

[57] United Nations Conference Trade and Development. (2025). *A World of Debt: It is time for reform.* https://unctad.org/publication/world-of-debt

[58] Mohamed, I., Mathew, M. & Tuiraviravi, L. (2024). *CPI 2023: Asia Pacific stagnation due to inadequate anti-corruption commitments*. Transparency International. https://www.transparency.org/en/news/cpi-2023-asia-pacific-stagnation-due-to-inadequate-anti-corruption-commitments

Box 2: Corrupt, Complicit Domestic Elites in the Global South

Philippines

During former president Ferdinand Marcos Sr.'s rule, the dramatic increase in the national debt from USD 599 million to USD 28.3 billion between 1965 and 1986 was tied to large-scale infrastructure projects which, although dubbed as the 'Golden Age of Infrastructure', were marred by rampant corruption and mismanagement. The IMF and WB lent the regime USD 5.5 billion, with a further USD 3.5 billion from foreign governments and over USD 9 billion lent by the foreign private sector.

One notorious deal was the U.S. government-backed loans for the Bataan Nuclear Power Plant, built by the U.S. company, Westinghouse, between 1976 - 1984. The plant was built on an earthquake fault line at the foot of a volcano and failed to produce any electricity. Nonetheless, Marcos, his cronies and Westinghouse all benefited financially from the otherwise useless and extremely risky plant, whereas the burden to repay the millions in debt to the U.S. was imposed on the people. The debt was finally paid off in 2007.[59]

Government borrowing and associated policies also favoured elites, including land concentration, with programmes like 'Support to Parcelisation of Lands for Individual Titling' (SPLIT), enabling elites to accumulate agricultural land. This allowed the rich to gain control over resources, even when those were meant for public benefit.[60]

Between 1960 and 2011, the Philippines suffered losses of USD 132.9 billion in illicit financial outflows from crime, corruption and tax evasion, while USD 277.6 billion was illegally transferred into the country, largely through trade misinvoicing.[61]

The elite capture continues to manifest in present-day political and economic decision-making in the country, while the resultant burdens are shouldered by the most marginalised. In 2024, high-profile corruption controversies including the Confidential Intelligence Funds (CIFs),[62] PhilHealth fund transfers, and questionable public investments show the systemic plunder under political dynasties rule. More cases of corruption surfaced with flood control and other substandard and non-existent infrastructure projects in 2025.[63]

[59] Debt Justice. (2017). *Philippines: Country case study*. https://debtjustice.org.uk/countries/philippines

[60] Kilusang Magbubukid ng Pilipinas (KMP), Paghida-et Sa Kauswagan (PDG), IBON International, People's Coalition for Food Sovereignty (PCFS) & Center for Social and Economic Rights (CESR). (2023, October). *Decoding the WBG's SPLIT Project in the Philippines: Resisting Agrarian Injustice*. IBON International. https://iboninternational.org/download/split-primer/

[61] Christensen, J. (2014, February 43). *GFI: $410bn illicit flows in or out of Philippines from 1960-2011*. Tax Justice Network. https://taxjustice.net/2014/02/03/us410-5-billion-illegal-money-flowed-philippines-1960-2011-finds-new-gfi-study/

[62] Peralta-Malonzo, T. (2024, December 10). *Marcos' office remains top spender of confidential, intel funds*. SunStar. https://www.sunstar.com.ph/manila/marcos-office-remains-top-spender-of-confidential-intel-funds

[63] Gera, W. (2025, October 2). *Flood-Control Fiasco: A policy reckoning for accountability in the Philippines' climate risk governance*. UP Center for Integrative and Development Studies. https://cids.up.edu.ph/flood-control-fiasco-a-policy-reckoning-for-accountability-in-the-philippines/

Investigations proceed slowly which reflects political protection networks that shield powerful actors. These issues show how corruption intersects with neoliberalism: public debt rises while essential services deteriorate, and political elites enrich themselves through state resources and public-private schemes.

Pakistan

Inequality in Pakistan largely stems from a long-standing imbalance in economic and political power that dates back to the colonial period. Under British rule, a system favouring landed aristocrats and a powerful bureaucracy was established to control the region, resulting in a small, privileged elite which accumulated wealth, influence, and clout. For instance, at the time of the creation of Pakistan, a mere one per cent of landowners owned 25 per cent of the agricultural land in the country.[64] Subsequently passed down over generations, this disparate privilege has enabled the elite to dominate politics, resources, and decision-making, reinforcing their own power and influence while limiting social mobility for lower classes.

Pakistan loses about six per cent of its GDP each year (around USD 20 billion in 2024) due to corruption and 'elite capture'.[65] The rich, particularly the feudal, military, business and political elites remain exempt from shouldering the burdens of domestic resource mobilisation, signifying their longstanding hold on political and economic decision-making to augment their interests, all the while draining government resources and distorting markets. The feudal elite have disproportionate access to political representation in the National and Provincial Assemblies, and shoulder minimal tax burdens, while the same applies for traders who also often engage in large-scale tax evasion. High-net-worth-individuals pay low taxes on unearned capital income. The military establishment owns the largest conglomerate of business entities in the country, besides being the biggest urban real estate developer and manager, with wide-ranging involvement in the construction of public projects; thus, in effect, emerging almost as a parallel structure to Pakistan's civil governance institutions.[66]

Regardless of partisan variations in the ruling government, and decades under dictatorial military rule, the one constant in Pakistan has been neoliberal structural policy adjustments shaping the country's fate. This is enabled by maintaining strong collusion with each other and foreign creditors to keep their stranglehold on the economy in a neo colonial dystopia; being well resourced and connected also means that the elite have the power to shape public opinion by influencing the public discourse, thus keeping any potential dissent at bay.

[64] DAWN. (2005, April 19). *Unequal land distribution prevailing since 1947*. https://www.dawn.com/news/389777/unequal-land-distribution-prevailing-since-1947

[65] Hussain, A. (2025, Nov 25). *'Elite capture': How Pakistan is losing 6 percent of its GDP to corruption*. Al Jazeera. https://www.aljazeera.com/economy/2025/11/25/elite-capture-how-pakistan-is-losing-6-percent-of-its-gdp-to-corruption

[66] Pasha, H. (2021). *Pakistan national human development report 2020 the three ps of inequality: Power, people, and policy*. United Nations Development Programme (UNDP). https://www.undp.org/pakistan/publications/pakistan-national-human-development-report-inequality

The resultant power disparities and lack of transparency in governance are also enabled through overburdened and under-resourced weak public institutions that are tasked with accountability, but suffer from political interference. Over the years, the ways in which privilege manifests into power has been so normalised that corruption is now taken as a 'persistent and corrosive' feature of Pakistan's governance, weakening the rule of law, discouraging investment, and eroding public trust in state institutions.[67]

Sri Lanka

During British rule (1796–1948), Sri Lanka's political economy was shaped by alliances between colonial authorities and local elites whereby the latter gained political influence through trade, land ownership and administrative appointments within the colonial government. These elites acted as intermediaries between colonial authorities and local society, benefiting from the opportunities for wealth accumulation created by the plantation economy.[68] By the early twentieth century, exports of tea, rubber and coconut products accounted for more than 90 per cent of Sri Lanka's export earnings, reinforcing the dominance of plantation elites and colonial trading networks.

Sri Lanka gained independence in 1948, and political power continued to be dominated by elite families and networks closely linked to business and state institutions. Over the years, the influence of elite political networks has shaped fiscal policy and governance in the country; political dynasties and patronage networks have played a central role in resource allocation and economic decision-making, contributing to governance weaknesses including nepotism, abuse of power and corruption, siphoning off billions into offshore accounts abroad,[69] that later intensified the country's economic crisis, eventually culminating in a default in 2022.[70]

The absence of such infrastructure and safeguards festers vulnerability; the resultant precarity and adverse impacts are further shaped and compounded by various markers of identities - such as gender, sexuality, race, class, caste, religion and ability - thus acting as colonial legacies manifesting in the present-day financial architecture.

[67] Pasha, H. (2021). *Pakistan national human development report 2020 the three ps of inequality: Power, people, and policy*. United Nations Development Programme (UNDP). https://www.undp.org/pakistan/publications/pakistan-national-human-development-report-inequality

[68] Senanayake, D. (2023, February 4).Sri Lanka's Flawed Path to Independence. *The Diplomat*. https://thediplomat.com/2023/02/sri-lankas-flawed-path-to-independence/

[69] Withanage, H. (2022, July 29). *Sri Lanka: Debt crisis and the fall of a nation*. Friends of the Earth International. https://www.foei.org/sri-lanka-debt-crisis-and-the-fall-of-a-nation/

[70] CNBC International. (2022, August 16). *How one powerful family derailed Sri Lanka's economy* [Video]. YouTube. https://youtu.be/WIv750_1vWg?si=R4hJYvP05Y5Wemif

1.3 The compounded violence of colonialism, capitalism and patriarchy

Colonial economies in Asia and the Pacific were built on exploitative, gendered labour systems. Plantation economies depended on bonded and indentured labour, and millions were moved across the region under these systems, including women. Women were not only exploited as workers, but were also subjected to patriarchal control over their bodies, sexuality, physical and social mobility.[71,72]

While formal independence may have been gained, as detailed in the discussion above, exploitative structures of neocolonial, neoliberal capitalism remain in place, interlocked with and mutually reinforcing systemic inequalities caused and perpetuated by patriarchy, even likened to a contemporary form of slavery.[73] Further, much like imperial rule, the use of military power to maintain political and economic dominance by maintaining control over resources and territories continues to shape global geopolitics today. Ultimately, women bear the brunt of the globalisation-militarism-patriarchy nexus, which systematically diverts vital public funds away from social services and human development towards increased military spending, and leads to catastrophic consequences for women, including heightened vulnerability to sexual violence as a strategic weapon of war.[74]

With the use of debt as a tool of neoliberal capitalism to maintain the existing inequitable political and economic world order, obligations of repaying mounting debt burdens further constrain countries' fiscal spaces, thus giving way to austerity measures, like regressive taxation to generate resources, the reduction of public sector wage bills, and the spending on essential public sectors, like healthcare, education, and other social services. This disproportionately impacts women as they rely heavily on public social safety nets. As their situation is worsened by inflation and rising living costs, women are ultimately compelled to resort to predatory informal lenders and forced into low-skill, low-paying jobs, all the while as household debts pile up. The pressures on governments to close fiscal deficits and promote export-led growth also entails relaxing labour market regulations to allow labour flexibilisation and the liberty to rescind employment protections, which may sometimes further force women into unsafe migration and trafficking to survive. Thus, women remain concentrated in informal and lower-paid sectors, face structural barriers to secure employment while navigating precarious streams of work for mere survival.[75,76]

[71] Tinker, H. (1974). *A new system of slavery: The export of Indian labour overseas 1830–1920*. Oxford University Press. https://archive.org/details/newsystemofslave0000tink

[72] Herzog, S. (2021). Chapter 3: Gender and Slavery in Asia. *Slavery and Bonded Labor in Asia*, 1250–1900 , 77–108. https://doi.org/10.1163/9789004469655_005

[73] APWLD. (2018, April 13). *The gender dimension of contemporary forms of slavery, its causes and consequences: challenges, opportunities and strategies to eradicate the phenomena and their particular effect on women and girls*. https://apwld.org/briefing-paper-on-contemporary-form-of-slavery/

[74] APWLD. (2023, December 18). *Militarism, Peace and Women's Human Rights*. https://apwld.org/militarism-peace-and-womens-human-rights/

[75] APWLD. (2018, April 13). *APWLD briefing paper on the gender dimension of contemporary forms of slavery*. https://apwld.org/briefing-paper-on-contemporary-form-of-slavery/

[76] Bürgisser, E., Sargon, N., Buenaventura, M., Miranda, C., Donald, K., Lusiani, N., Chen, M. & Moussié, R. (2018). *The IMF and Gender Equality: A Compendium of Feminist Macroeconomic Critiques.* Bretton Woods Project. https://www.brettonwoodsproject.org/wp-content/uploads/2017/10/The-IMF-and-Gender-Equality-A-Compendium-of-Feminist-Macroeconomic-Critiques.pdf

These dynamics also increase women's unpaid care work, further reinforcing systemic gender inequality; globally, women perform around 2.5 times more unpaid care and domestic work than men, contributing an estimated USD 10.8 trillion annually to the global economy through unpaid labour.[77,78] Gender discrimination and inequality in a neoliberal economy is further reinforced by patriarchy that shapes the sexual division of labour, rendering women as supplemental labour—relegating them to undervalued, underpaid streams of work. Therefore, not only does neoliberal growth actively exacerbate gender inequality and poverty, it relies on women's un/derpaid labour to subsidise economies by filling in the gaps left by the state. This is through care work when public services and social safety nets remain neglected, and as cheap, contractual labour that saves costs and maintains profits, but is the first to be impacted and dismissed whenever needed.

Box 3: Women's economic and political participation in Asia and the Pacific

In 2021, women accounted for only about 37.5 per cent of total employment in the region, disproportionately represented in informal work;[79] the Asia and the Pacific region also continues to face significant gaps in political representation and economic equality,[80] and without significant policy changes, millions of women and girls risk remaining trapped in poverty until 2030.[81]

Conversations with women engaged in the APWLD's Debt MCRR echoed all of the above realities.

In Pakistan, women spoke of the underpayment and exploitative conditions that they faced in the informal sector. Mass layoffs in 2023 saw seven million workers lose their jobs, disproportionately affecting women in the textile sector. Domestic workers face increased duties without wage increases despite rising living costs. The economic strain has led to increased domestic violence and a significant care burden for women responsible for both domestic chores and managing household finances. Urban poor live in poor housing conditions with high rents and utility bills, while rural women face lack of land ownership, poor infrastructure, and limited

[77] Coffey, C., Espinoza Revollo, P., Harvey, R., Lawson, M., Parvez Butt, A., Piaget, K., Sarosi, D., & Thekkudan, J. (2020). *Time to care: Unpaid and underpaid care work and the global inequality crisis*. Oxfam International. https://www.oxfam.org/en/research/time-care

[78] Azcona, G., Bhatt, A., Fortuny Fillo, G., Min, Y., Page, H., & You, S. (2025). *Progress on the Sustainable Development Goals: The Gender Snapshot 2025*. UN Women & United Nations Department of Economic and Social Affairs. https://unstats.un.org/sdgs/gender-snapshot/2025/

[79] Tobin, S., Elder, S., & Nowacka, K. (2023). *Where women work in Asia and the Pacific: Implications for policies, equity and inclusive growth (Policy File)*. International Labour Organization & Asian Development Bank Institute. https://researchrepository.ilo.org/esploro/outputs/report/Where-women-work-in-Asia-and/995331971202676

[80] World Economic Forum. (2025). *Global Gender Gap Report 2025*. https://www.weforum.org/publications/global-gender-gap-report-2025/

[81] Azcona, G., Bhatt, A., Fortuny Fillo, G., Min, Y., Page, H., & You, S. (2025). *Progress on the Sustainable Development Goals: The Gender Snapshot 2025*. UN Women & United Nations Department of Economic and Social Affairs. https://unstats.un.org/sdgs/gender-snapshot/2025/

access to education and medical care. Inflation has further reduced food security and quality of life, with social safety nets nearly non-existent.[82,83]

In South Korea, the research traced back to the impacts of mass layoffs and precarity in the labour market following the 1997 Asian financial crisis[84] which caused widespread homelessness and poverty, with factory workers, restaurant staff, and day labourers being the most affected. Women were the first in line to be let go. The privatisation of state services led to a decline in the quality of public services and increased reliance on private insurance. These economic difficulties mounted personal debts and associated mental health issues. Abusive collection practices drove a rising number of individuals to suicide, with the number of people with bad credit doubling from 1998 to 2004.[85] Till date, poverty rates remain high, particularly among women and the elderly; elderly women face particularly severe poverty due to shorter enrollment periods in pension schemes and career interruptions over time.[86,87]

In the Philippines, debt servicing is mandatory while funding for social sectors remains relatively scant; austerity measures, which involve cutbacks in public spending and social services, have adversely affected health and water access in the country. Tax and fiscal reforms also often favour the private sector over public welfare. To make ends meet, women resort to borrowing from loan sharks, microfinance institutions, and in some instances, from family and friends, piling up personal debts. Further, liberalization of the country's agricultural sector over the years has opened up domestic markets to foreign competition, leading to increased imports of agricultural products and lower prices for local farmers; this has been further aggravated by the deregulation of the labour market that entailed flexible and informal employment, low wages, lack of job security, and minimal benefits. Unemployment or lack of decent work were resounded as a challenge among all the women spoken to in the study.[88,89]

---

[82] [APWLD Debt MCRR-I] Roots for Equity Pakistan. (2024). *Debt as an imperial weapon: The lives of Pakistan working women*. [Unpublished].

[83] [AWPLD Debt MCRR - II] Roots for Equity Pakistan. (2025). *Country Report: Pakistan*. [Unpublished].

[84] The 1997-1998 Asian financial crisis was a major global financial crisis that destabilised the Asian economy, and had a long-lasting impact on the world economy at large. It began in Thailand—as a currency crisis when the country unpegged the Thai baht from the USD—and then spread to other economies in the region and beyond, setting off a series of currency devaluations and massive flights of capital. Collectively, the economies most affected saw a drop in capital inflows of more than USD 100 billion in the first year of the emergency alone. Ba, A. (n.d.). *Asian financial crisis*. Britannica Money. https://www.britannica.com/money/Asian-financial-crisis

[85] Kim, S. (2011, January 3). *A society that encourages lending - The commodification of credit and social disaster seen through the problem of credit delinquents*. Humanitas. https://www.aladin.co.kr/shop/wproduct.aspx?ItemId=8400233

[86] [APWLD Debt MCRR-I]. Kim, Y. & Lee, J. (2024). *National Debt and Women: The Legacy of the IMF in Korea*. Korean People's Solidarity against Poverty South Korea. http://antipoverty.kr/xe/publish/1277609

[87] [AWPLD Debt MCRR - II] Kim, Y. & Lee, D. (2026). *Household credit expansion and social movements in Korea*. Korean People's Solidarity against Poverty South Korea. http://antipoverty.kr/xe/publish/1281977

[88] [APWLD Debt MCRR-I] Centre for Women's Resources Philippines. (2024). *Living on the Edge: Impacts of the Debt Crisis on Filipino Women*. [Unpublished].

[89] [AWPLD Debt MCRR - II] Centre for Women's Resources Philippines. (2025). *Country Report: Philippines*. [Unpublished].

In Sri Lanka, women experienced acute job loss, reduced incomes, and heightened financial strain. Women in Free Trade Zones (FTZ)[90] are particularly affected, enduring lower wages, poor working conditions, and limited protection owing to the lack of government regulation or effective union support. Dissatisfaction with the quality of essential public services such as education, health, and nutrition was rampant, and women spoke of high costs and logistical barriers that impeded access. Informal workers spoke of the lack of social safety nets, and the resultant vulnerability to food insecurity, malnutrition, increased unpaid care work and gender-based violence. Owing to persistent inflation and stagnant incomes, women would eventually resort to informal, predatory lending, despite the risk of debt traps, with repayments often possible only at the expense of essential needs like food and medicine.[91,92]

In Kyrgyzstan, decision-making on macroeconomic governance primarily rests with the government, with the lack of transparency in monitoring external assistance a persistent concern amongst the civil society. Despite robust legislation regarding the provision of essential public services, implementation of state programmes is hindered by debt servicing obligations. Women engaged in the research struggled with inadequate disposable income for essential needs like healthcare, as most of their spending is consumed by food and utilities. Additionally, bureaucratic hurdles impede access to state benefits, particularly for older and disabled persons. Ultimately, debt burdens accumulate at the household level whereby consumer and mortgage loans are common; unemployment and lack of job opportunities drive labour migration and informal sector employment, with women also managing increased unpaid domestic carework, exacerbated by the lack of childcare facilities, vulnerabilities to domestic violence and the resultant strain on their mental health.[93,94]

In Mongolia, almost all research participants had loans, mostly to cover basic needs such as food, clothing, and children's school expenses, with low-income, single-mother, or disabled families struggling the most. High interest rates, strict collateral requirements, insurance fees, taxes, and inflation make loan repayments difficult, often forcing people to take additional loans. This keeps them entrapped in debt cycles, while also effectively limiting social mobility for their children in the long-term, as they are forced to rely on under-resourced public services while private services remain too expensive. Women highlighted the lack of teachers in public schools, and the long

[90] A free-trade zone is a designated area where goods can be imported, stored, processed, or manufactured without incurring custom duties or being subject to custom regulations. Duties apply only if goods enter the local market. Britannica Money. (n.d.). *Free-trade zone*. https://www.britannica.com/money/free-trade-zone

[91] [APWLD Debt MCRR-I] We Women Lanka Sri Lanka. (2024). *Rural Women Affected by Sri Lanka's Debt Crisis*. [Unpublished].

[92] [AWPLD Debt MCRR - II] We Women Lanka Sri Lanka. (2025). *Country Report: Sri Lanka.* [Unpublished].

[93] [APWLD Debt MCRR-I] Women's Public Foundation Kyrgyzstan. (2024). *Documenting the Impact of Economic Challenges on Women's Human Rights in Kyrgyzstan*. [Unpublished].

[94] [AWPLD Debt MCRR - II] Women's Public Foundation Kyrgyzstan. (2025). *Country Report: Kyrgyzstan*. [Unpublished].

waiting times at public hospitals, with shortages of specialised medical staff and equipment, the rising costs of medicines and recurring doctor visits as persistent challenges. Equally important, participants spoke of how debt affected prospects of public political participation, as they believed that running for elections required being debt-free and capable of funding campaigns; democratic participation and representation therefore becomes difficult when people feel inhibited to even publicly share any political positions by virtue of being in debt, and/or if voters who are indebted may be influenced by candidates who would offer them money.[95,96]

[95] [APWLD Debt MCRR - I] Centre for Human Rights and Development Mongolia. (2024). *Mongolia's Debt Analysis - Summary report*. [Unpublished].

[96] [AWPLD Debt MCRR - II] Centre for Human Rights and Development Mongolia. (2026). *Country Report: Mongolia.* [Unpublished]


PRIVATISATION
AUSTERITY
DEBT
LIBERALISATION
DEREGULATION

Chapter 2
POLYCRISIS AND LIVES IN DISTRESS

A 'polycrisis' is defined as the state of interconnectedness of simultaneously occurring crises that intensify each other, resulting in a compounded impact greater than the sum of their individual impacts.[97] An example is the COVID-19 pandemic, the recovery from which coincided with the impacts of the 2022 Russia-Ukraine conflict, resulting in a ripple effect of inflation, slow growth, debt crises, the dismantling of social safety nets and forced displacement.

The next decade is anticipated to be shaped by similar polycrises that are interconnected environmental, economic, political and social emergencies, such as the cost-of-living crisis—driven by inflation, food insecurity and energy shortages—and biodiversity loss and ecosystem collapse. Ultimately, aggravating levels of inequality within and between nations, such crises will worsen poverty and likely trigger mass unrest and polarisation amidst increasingly tense geopolitical landscapes. This is concerning as underfunded crucial public-sector services such as education, health, and climate change adaptation and mitigation gravely weakens resilience to future risks and shocks, with the impact being most pronounced for those already vulnerable and marginalised, particularly in the Global South.[98]

On the other hand, a decolonial approach to understanding a polycrisis recognises not only its simultaneous and interconnected nature, but does so by distinguishing its occurrence and impacts in the Global North from how it is experienced in the Global South, by placing it in 'historical trajectories of uneven development', particularly as a result of neo-colonial capitalism.[99]

As detailed in the Introduction earlier, such historical trajectories of development, made uneven by stunted existing public services and social safety nets, slowed economic activity and obligatory debt repayments, were on display through the varying country experiences of pandemic management and recovery. A number of indebted economies in the region announced meagre fiscal stimulus packages,[100] while, in contrast, high-income countries in the Global North were able to deploy much higher levels of financial resources for pandemic recovery.[101,102]

---

[97] Zurich Foundation. (n.d.). *What is a polycrisis and how can we protect the most vulnerable?* https://www.zurich.foundation/50th-anniversary/what-is-a-polycrisis-and-how-can-we-protect-the-most-vulnerable

[98] World Economic Forum. (2023, January). *The global risks report 2023: Eighteenth edition*. https://www3.weforum.org/docs/WEF_Global_Risks_Report_2023.pdf

[99] Ruwanpura, K.N., Cederlof, G. & Ramasar, V. (2025). Decolonising polycrisis: Southern perspectives on interlocking crises. *Environment and Planning A: Economy and Space 25*(6), 607-703. https://doi.org/10.1177/0308518X251345308

[100] Less than two per cent of their GDPs, compelled to cut public sector expenditures and focus primarily on health-related measures, leaving little fiscal space for livelihoods and social protection (Lao PDR, Cambodia, Vietnam, Pakistan, Nepal, Sri Lanka, Burma/Myanmar).

[101] UNESCAP. (December, 2020). *Monitoring the state of statistical operations under the COVID-19 Pandemic in the Asia-Pacific region.* https://www.unescap.org/sites/default/files/2nd_Round_Statistical_operations_under_COVID-19_in_the_Asia-Pacific_region.pdf

[102] International Labour Organisation. (2021, October 27). *ILO Monitor: COVID-19 and the world of work. Eighth edition - Updated estimates and analysis.* https://www.ilo.org/sites/default/files/wcmsp5/groups/public/@dgreports/@dcomm/documents/briefingnote/wcms_824092.pdf

This chapter details how the prioritisation of debt servicing, and neoliberal economic governance at large, perpetuates systemic economic violence, reinforcing vulnerability to various other crises in the region, while continuing to blatantly violate human rights in the present. It then juxtaposes the unequivocal role of the IFIs in perpetrating wide-ranging, multi-generational rights violations with the stipulations in international human rights law; the goal is to further existing—and generate new—conversations about reparations for the Global South, and the systemic accountability of the Global North/lender countries and corporations.

2.1 Impacts of debt-driven polycrisis in Asia

For indebted economies in the Global South, including Asia and the Pacific, chronic underdevelopment and the resultant vulnerability to wide-ranging impacts of worsening polycrisis is not only a result of obligatory debt repayments alone, but the compounded consequences of decades of deliberate, adverse economic reforms and policies that follow from obligatory conditionalities of loan agreements, comprising SAPs.[103] These loan conditionalities are the primary tool through which IFIs, such as the IMF and WB, wield significant influence in shaping macroeconomic policies, as they ultimately determine, 'whom and how much to tax, how to spend, how much to save, when and how much debt to pay back, the scale and scope of public sector provision, including essential social services', and 'whether a country can "afford" to fulfil social commitments including through subsidies, transfers or public provision'.[104]

First introduced towards the end of the 20th century, SAPs aimed to integrate economies into the neoliberal economic world order. Since then, they have received widespread criticism for having a one-size-fits-all approach to economic governance, as the set of conditionalities predominantly remain the same regardless of context/country-specific needs, neatly falling into the four pillars of neoliberalism: 1) Fiscal consolidation/austerity measures (significant cuts to public spending and increased taxation to reduce governments' budget deficits), 2) Privatisation of state or public-owned enterprises, 3) Trade liberalisation (removal of impediments to foreign investment, such as tariffs and trade barriers), and 4) The deregulation of industries and the labour market (the reduction of government regulation and control, fiscal and monetary adjustments such as the removal of price controls and subsidies).

The impact of unsustainable debt burdens when, combined with the consequences of decades of poor economic governance and worsened by un/foreseen emergencies, takes a toll on people's incomes, wellbeing and quality of lives, amidst shrinking civic space. Women bear the brunt, particularly through the intersections of violence, crushing struggles against rising inflation, regressive taxes, unemployment and household debts, increased burdens of domestic care work and diminishing mental and physical well-being.

103 Mohan, G. (2009, July 8). Structural Adjustment. *International Encyclopedia of Human Geography*, 1-9. https://doi.org/10.1016/B978-008044910-4.00123-

104 Bretton Woods Project. (2017). *The IMF and gender equality: A compendium of feminist macroeconomic critiques*. https://www.brettonwoodsproject.org/wp-content/uploads/2017/10/The-IMF-and-Gender-Equality-A-Compendium-of-Feminist-Macroeconomic-Critiques.pdf

Comprising the lived realities of women engaged in APWLD's debt MCRR, the following sections present evidence of how neocolonial debt slavery continues to be a cause of widespread violations of women's human rights in the region.[105]

2.1.1 Indirect taxation, austerity and deepening inequalities

Fiscal consolidation, particularly austerity and revenue generation measures are a fundamental tenet of the conditionalities accompanying loan agreements from IFIs. Even the pandemic 'recovery' finance doled out by the IMF consisted predominantly of loans accompanied by austerity-driven conditionalities (85 per cent)[106] with debt relief and supporting grants accounting for less than four per cent of total support. An analysis of IMF programmes approved for 38 countries between 2020 and 2023 found over half to be conditioned upon the reduction of the public wage bill, the imposition of VAT and the reduction of fuel subsidies;[107] six billion people worldwide faced austerity due to IMF-led economic reforms in 2022. Commodity taxes, such as VAT, exacerbate financial inequalities as they disproportionately affect low-income individuals because they spend a larger portion of their income on basic consumption. This disparity is particularly pronounced for women, who tend to predominantly work in low-paying jobs or informal sectors and allocate more of their spending towards goods and services that benefit family health, education, and nutrition.

The region has struggled with tax revenue mobilisation despite various reforms. In 2024, the tax-to-GDP ratios across Asia and the Pacific averaged 19.3 per cent, significantly below the Organisation for Economic Cooperation and Development (OECD) average of 34 per cent.[108] The lower revenue mobilisation, partly due to tax avoidance and underdeveloped tax structures, has meant that many governments lack the resources needed to fund public services and address their debt burdens. Additionally, reliance on indirect taxes contributes to growing inequality. In 2024, taxes on goods and services in the region accounted for 48.8 per cent of total tax revenue, reflecting a heavy reliance on consumption taxes, which is considered regressive as it disproportionately affects lower-income populations. Social security contributions accounted for only 7.6 per cent of total tax revenue, indicating that social protection systems are underfunded. This limits the capacity of governments to provide adequate safety nets, which are especially critical during times of economic distress, including debt crises.[109]

---

105 For each section, see Annex 2 for supplementary information regarding the respective country context and the neoliberal policies under discussion.

106 Tamale, N. (2021, August 11). *Adding Fuel to Fire: How IMF demands for austerity will drive up inequality worldwide.* Oxfam. https://policy-practice.oxfam.org/resources/adding-fuel-to-fire-how-imf-demands-for-austerity-will-drive-up-inequality-worl-621210/

107 Human Rights Watch. (2023, September 25). *Bandage on a bullet wound: IMF social spending floors and COVID-19*. https://www.hrw.org/report/2023/09/25/bandage-bullet-wound/imf-social-spending-floors-and-covid-19-pandemic

108 Organisation for Economic Co-operation and Development. (2024, June 25). *Revenue statistics in Asia and the Pacific 2024*. https://www.oecd.org/en/publications/revenue-statistics-in-asia-and-the-pacific-2024_e4681bfa-en.html

109 Organisation for Economic Co-operation and Development. (2024, June 25). *Revenue statistics in Asia and the Pacific 2024*. https://www.oecd.org/en/publications/revenue-statistics-in-asia-and-the-pacific-2024_e4681bfa-en.html

Further, practices of trade misinvoicing and transfer pricing by multinational corporations make for tax evasion and avoidance schemes as they allow profits to be shifted to low- or zero tax jurisdictions, further depleting the tax bases of the countries where these profits are actually generated.[110] According to a 2015 estimate, developing countries lose approximately USD 100 billion to USD 300 billion in tax revenues through Base Erosion and Profit Shifting (BEPS).[111,112] This severely limits resources that could be allocated to debt servicing, as well as invested in maintaining/enhancing access to and the quality of essential public services; it also often leads to more aggressive taxation or spending cuts.

The impacts of austerity were amply corroborated by women engaged in the MCRR who battled economic, physical, and mental struggles as they navigated the cost-of-living-crisis in their respective economies, burdened with the consequences of repeated government borrowing. Further, the government's burden to close fiscal deficits through regressive taxation is borne disproportionately by women while they grapple for survival amidst shrinking social safety nets.

In the Philippines (see Annex 2, section 2.1.1), in 2018, as prior action to the proposed USD 450 million loan of the WB's International Bank for Reconstruction and Development (IBRD), the government approved the Tax Reform for Acceleration and Inclusion (TRAIN) Law that imposed excise taxes on petroleum products, alongside expanding value added taxes. Within the next six years (2017-2023), the prices of diesel and kerosene rose by 35 per cent and 58 per cent respectively, as compared to a 25 per cent increase in minimum wages. As transportation is a significant component of the production and distribution process, the increase in excise taxes on fuel led to higher transportation costs, which affected the prices of goods and services across various sectors of the economy, including basic commodities, food products, and other goods.[113]

At present, a 12 per cent VAT has been imposed in the Philippines for the past two decades, the highest in Southeast Asia.[114] Apart from the rise in prices of essential consumables, taxes are also levied at basic, daily-use commodities that may have an unintended effect on low-income individuals and communities. This includes taxes on single-use plastics, such as sachets and thin plastic bags, which are commonly used by low-income individuals and small retailers because they are cheap and readily available. Alternatives such as reusable containers and bags can be more

110 Williams, M. (2019). *Gender, tax reform and taxation cooperation issues: Navigating equity and efficiency under policy constraints*. The South Centre. https://www.southcentre.int/wp-content/uploads/2019/09/TCPB9_Gender-Tax-Reform-and-Taxation-Cooperation-Issues-Navigating-Equity-and-Efficiency-under-Policy-Constraints_EN-1.pdf

111 Araki, S., & Nakabayashi, S. (Eds.). (2018). *Tax and Development Challenges in Asia and the Pacific*. Asian Development Bank. https://www.adb.org/sites/default/files/publication/456486/adbi-tax-and-development-challenges-asia-pacific.pdf

112 Organisation for Economic Co-operation and Development. (n.d.). *Base erosion and profit shifting (BEPS)*. https://www.oecd.org/tax/beps/about/

113 [APWLD Debt MCRR - I] Centre for Women's Resources Philippines. (2024). *Living on the Edge: Impacts of the Debt Crisis on Filipino Women*. [Unpublished].

114 Bayan, A. (2026, February 21). *Two decades of 12 % VAT cause suffering to Filipino masses.* Philippine Revolution Web Central. https://philippinerevolution.nu/2026/02/21/two-decades-of-12-vat-cause-suffering-to-filipino-masses/

expensive upfront and for low-income households already struggling to make ends meet, the higher costs pose a significant burden. Similarly, increased taxation on fast food, such as noodles, instant coffee and beverages, may unfairly burden the poor, who often rely on the cheapest available food options, consuming snacks and instant meals due to their relative affordability.

Further, the aforementioned regressive taxes imposed on the people are in clear contrast to the concerted efforts to lower taxes for corporations to 'support economic recovery' in the country (see Annex 2, section 2.1.1), concerning not only because the latter is made possible by the resources drained from the public through indirect taxation, but also as the government ultimately suffers large amounts of losses through foregone taxation on corporate revenues. Over the years, considerable revenue losses due to VAT exemptions, income tax holidays, special tax rates for registered enterprises, and other tax breaks have amounted to an estimated USD 16 billion (Php 960.2 billion).[115] As the burdens on people's pockets increase while the capacity of the government to deliver on quality social programs and public infrastructure recedes, this makes for a harsh struggle for survival for the people on a daily basis.[116]

In Kyrgyzstan, as part of broader fiscal consolidation measures connected to debt management, amendments introduced under the new Tax Code have abolished patent-based taxation (previously the most accessible simplified regime for micro-entrepreneurs) and shifted these taxpayers to the general tax regime. This has particularly increased the tax burden on women who constituted a large share of patent users—especially in sectors such as education, beauty services, childcare, and other female-dominated microbusinesses.[117] In addition, while exemptions exist for standard, social, and property deductions for personal income tax, in practice, they are limited for women, especially those working part-time or whose property belongs to their husbands.[118] Similarly, many women farmers cannot benefit from income exemptions on the sale of agricultural products because they lack significant financial turnover and do not engage in large-scale production. Similar challenges are present for VAT and local tax exemptions on the supply of household services (as women entrepreneurs either operate on a small scale, or informally), the import of baby food (while women are primary consumers, the import and supply is handled by large-scale pharmaceutical companies), and the import and supply of medicines (inaccessible to women due to bureaucratic barriers and the financial investments required to operate in this sector).[119]

115 Fiscal Incentives Review Board. (2021, July 19). *Tax perks of favored firms cost Gov't P482-B foregone revenues in 2019 alone.* https://firb.gov.ph/tax-perks-of-favored-firms-cost-govt-p482-b

116 [APWLD Debt MCRR -I] Centre for Women's Resources Philippines. (2024). *Living on the Edge: Impacts of the Debt Crisis on Filipino Women*. [Unpublished].

117 [APWLD Debt MCRR - I] Women's Public Foundation Kyrgyzstan. (2024). *Documenting the Impact of Economic Challenges on Women's Human Rights in Kyrgyzstan*. [Unpublished].

118 Data on tax benefits under the new tax policy obtained from the State Tax Office by APWLD member and MCRR partner, Women's Public Foundation, JIPAR, Kyrgyzstan.

119 [APWLD Debt MCRR -I] Women's Public Foundation Kyrgyzstan. (2024). *Documenting the Impact of Economic Challenges on Women's Human Rights in Kyrgyzstan*. [Unpublished].

In Pakistan (see Annex 2, section 2.2), women faced the onslaught of ever-increasing inflation, and austerity measures, while patriarchal norms constrained them within the boundaries of their homes. They had all seen better days with financial security. In the past few years, many factories have closed down and male household members have been laid off. During the research study, every household reached out to had been adversely impacted, with the women battling increased responsibilities at the cost of their own physical, emotional and mental wellbeing.[120,121]

'Living in such conditions is tough for mothers, particularly when they witness their children suffering from illnesses and their spouses going without work for the entire day before coming home empty-handed'.
(Informal home-based worker, Landhi, Karachi)

Women particularly felt the pressure of feeding their families, increasingly agonising over feelings of helplessness. Scarcity of food was felt by all and they often ate whatever was left after the men and children had eaten. The most expensive items were rice and flour and this had led to reduced food intake.

'We have forgotten the flavour of meat and fruit'.
(Informal home-based worker, Muhammadpur, Karachi)

In Landhi, there was a shortage of gas supply and this added to the household budget, as women were forced to purchase readymade food for school-going children. Some resorted to using wood for cooking, but complained about suffering from asthma and respiratory stress due to the resulting smoke. Similarly, in Mohammadpur, gas and electricity outage timings were irregular. In Korangi, gas supply was reported to be slow in the mornings, and on Fridays, it would be unavailable altogether. The most difficult were monthly electricity bills, amounting to as much as USD 35.7. Electricity prices fluctuated monthly and created constant pressure on their household budget.

In addition, households also needed to buy water for their daily use, including drinking water; each household paid a monthly fee to a government employee, and received water on alternate days between 11 p.m to 5 a.m; however, many still purchased drinking water because the water supply was not safe for consumption. This was similar to the experiences of the women in the other research communities who would get water from the government lines every 15 days, but not without a clerk soliciting additional money from each household for this service.

On being asked if they suffered from any disease, a woman laughingly said:

'We are all chronic patients of high blood pressure, stomach aches, diabetes and heart problems because of inflation and fear of the future'.
(Informal home-based worker, Muhammadpur, Karachi)

---

120 [APWLD Debt MCRR -I] Roots for Equity Pakistan. (2024). *Debt as an imperial weapon: The lives of Pakistan working women*. [Unpublished].

121 [AWPLD Debt MCRR - II] Roots for Equity Pakistan. (2025). *Country Report: Pakistan*. [Unpublished].

Across the communities, women reported various health problems and the difficulties in accessing healthcare. Women in Landhi used government health facilities and would get free medicines earlier, but not anymore. For women in Mohammadpur, government hospitals in the past had provided acceptable services but now people preferred visiting neighbouring dispensaries or smaller, private clinics than commuting to government facilities. The cost of transportation was often remarked as a factor in not going to the larger government hospitals located in the city center.[122]

The monthly salaries of domestic workers varied from USD 10 - 90, depending on the number of households they worked in, as well as the kind of work carried out. Even with rising costs of living, their wages remained the same and they could not negotiate an increase either. They mostly used their income for meeting daily food expenses; in order to save money, they would walk to work and take a *chingchi* (a public rickshaw which seats multiple passengers similar to a bus service) upon return, which meant they would be paying USD 2 in transport costs for the entire month. It is important to note that these women were willing to save another USD 2 by walking to work in the morning rather than using transport. Domestic workers who were living in extended families would leave their children at home, to be looked after by family members or neighbours, who would also be women. For women with small children and those who had no one to leave them with, the prospects of leaving the house to work were limited, and their economic situation correspondingly strained.[123]

As evidenced from women's narratives above, austerity measures disproportionately exacerbate women's burdens as they bear the primary responsibility for household management and caregiving. These difficulties compound when combined with reduced investment in public services, and/or delays or limitations due to stricter eligibility criteria for social protection programmes.

2.1.1.1 Shrinking social safety nets and reinforced precarities

In Kyrgyzstan (see Annex 2, sections 2.3.1 and 2.3.2), the IMF mission explicitly lists reducing energy subsidies (via raising electricity tariffs) among expenditure optimisation measures, including improving the effectiveness/targeting of social safety nets, cutting public services and intensifying tax pressures. The emphasis on fiscal consolidation due to debt servicing burdens impacted the quality of and access to essential services, employment opportunities and economic resilience for women, as funding for monthly allowances, social contracts, and targeted support for vulnerable households is often delayed, reduced, or limited by stricter eligibility criteria. This is further complicated by bureaucratic difficulties in acquiring State benefits for elderly care and the scale of coverage of expenses, along with the lack

[122] [APWLD Debt MCRR - I] Roots for Equity Pakistan. (2024). *Debt as an imperial weapon: The lives of Pakistan working women*. [Unpublished].

[123] [APWLD Debt MCRR - I] Roots for Equity Pakistan. (2024). *Debt as an imperial weapon: The lives of Pakistan working women*. [Unpublished].

of a public transport system, which impeded access to healthcare services, particularly in the winter.

This was especially challenging for low-income women and single mothers who already face higher care burdens and fewer opportunities for stable employment. Rising utility tariffs, reduced investment in healthcare and education, and cuts to early childhood programmes further exacerbate women's economic burdens, as they bear the primary responsibility for household management and caregiving.

'In low-income families, we face a double nutrition problem: a lack of quality nutrients needed for children's growth and health, and at the same time, overweight among women. We don't eat enough protein—mostly flour-based foods. I've also noticed that anemia is widespread among young women of reproductive age. Because of stress and depression, our hormonal systems suffer, which leads to excess weight and health problems'.

(Anonymous, 47 years old, Kyrgyzstan)[124]

There is also a lack of safe, sustainable housing and permanent residence. There are many families who are precariously or inadequately housed or at imminent risk of becoming homeless, but they are not routinely included in estimates.

These fiscal pressures force many women to reduce spending on essential needs, take on informal work, or rely on high-interest microloans, reinforcing cycles of poverty and limiting their long-term financial security. The women spoken to in the MCRR spent up to 14 hours daily on household work, taking on responsibilities of child and elderly care. Traditional and patriarchal norms continue to shape family relations, further aggravating women's independence and decision-making power. Social isolation and poverty deepen these inequalities, making it difficult for women to access education, employment or community life.

Domestic violence remains a serious concern, with women and children most affected. From January to July 2025, reported cases of domestic violence in Kyrgyzstan increased by 35 per cent; 10,164 cases of domestic violence were recorded, representing an increase of 2,631 incidents compared to the same period in 2024.[125] Women's social vulnerability and vulnerability to violence lead to poverty and other crises, as women victim-survivors of violence often leave their jobs because of threats or physical incapacity, leading to loss of income that worsens their financial situation. They also face high medical costs due to injuries and psychological consequences—as the women noted, depression and stress are not treated because it is very expensive to visit a psychologist. Many women are forced to leave their homes due to violence and seek safe shelter with their

[124] [APWLD Debt MCRR - I] Women's Public Foundation Kyrgyzstan. (2024). *Documenting the Impact of Economic Challenges on Women's Human Rights in Kyrgyzstan*. [Unpublished].

[125] Osmonalieva, B. (2025, July 21). *In 2025, domestic violence cases in Kyrgyzstan increased by 35 percent*. 24.kg News Agency. https://24.kg/proisshestvija/336823_v2025_godu_vkyirgyizstane_faktov_semeynogo_nasiliya_stalo_bolshe_na35protsentov/

children; often, however, they are unable to leave a dangerous relationship due to economic dependence on the abuser.

In some cases, rising religious conservatism also reinforces gendered restrictions. One woman shared that her grown sons began telling her to follow Islamic rules more strictly, to wear a hijab and go out less, warning that because of her behaviour, her husband and sons could '*end up in hell*'.[126]

In Sri Lanka, rural women who participated in the MCRR are particularly concentrated in informal, agricultural, or low-wage sectors, with minimal to no social safety nets, thus making them particularly vulnerable to un/foreseen economic shocks. The agricultural and free trade zone workers spoke of rising input costs, including a several hundred percent increase in the cost of fertiliser, compounded by uncertain prices for crops. In the lead up to the economic default in 2022, the situation was further worsened due to inflation, and the Russia-Ukraine war, all of which sharply increased the cost of fuel, fertiliser, pesticides, and seeds. Frequent power cuts disrupted workflows, leading to crop damage, and worsened by fuel shortages that further impeded transportation of produce to markets.

This was worsened by the abrupt ban on fertilisers[127] by the state (see Annex 2, section 2.4.1), leading to devastating consequences for women and their households.

Shamali Manel, a 42-year-old mother of four from Nuwara Eliya, spoke of the silent struggle of thousands of rural women farmers. A mother of four—two in school, and two toddlers, who require constant care—Shamali and her husband managed a small plot of land, their work consisting of intensive manual labour, where they cultivated essential vegetables like carrots and leeks which served as their sole means of livelihood.

The fertiliser ban was an overnight shock that hit them at a critical stage of the cultivation cycle. Without a proper plan or transition to organic alternatives, the quality of their produce diminished, and the harvest collapsed, resulting in a complete loss of capital. To invest in that season, Shamali had already pawned her jewelry and taken high-interest loans. When the harvest failed, she was left with no means to redeem her gold or settle the debt, trapping her family in a predatory cycle of borrowing just to pay off the interest.

To make ends meet, Shamali and her husband would usually seek additional daily-wage work on other large farms. However, because of the fertiliser ban, other farm owners also lost their crops and could no longer offer employment. This left Shamali's family with zero income. The consequences moved rapidly from the field to the kitchen; Shamali was forced to reduce daily meals to ensure her toddlers had something to

---

[126] [AWPLD Debt MCRR - II] Women's Public Foundation Kyrgyzstan. (2025). *Country Report: Kyrgyzstan*. [Unpublished].

[127] Ellis-Peterson, H. (2022, April, 20). *'It will be hard to find a farmer left': Sri Lanka reels from rash fertiliser ban*. The Guardian. https://www.theguardian.com/world/2022/apr/20/sri-lanka-fertiliser-ban-president-rajapaksa-farmers-harvests-collapse

eat. The rising cost of education and health, compounded by their lost income, left them in deep social vulnerability.[128]

2..1.2 Privatisation of essential public services

Increased private sector control in sectors such as energy and infrastructure is particularly evident in countries with high debt-to-GDP ratios in the region, with numerous governments privatising state-owned enterprises as a means to reduce fiscal deficits and improve debt management.[129] In cases of budget reductions in public spending, women tend to fill the gap when public social services are absent, through increased allocation of their incomes towards goods and services that collectively benefit family health, education and nutrition and by taking on increased burdens of unpaid care work.[130]

In Sri Lanka (see Annex 2, section 2.4.2), most of the research participants expressed dissatisfaction with government support services due to high costs, corruption, poor quality, and limited access caused by distance and transport issues. All women faced food insecurity due to high prices of the most basic food items including rice, wheat, sugar, vegetable, meat, tin/dry fish and eggs, as most of them are imported with high taxes imposed. As a result, families are forced to cut meals, leading to malnutrition, especially among children and pregnant women. Healthcare services were inadequate, with shortages of medicines, limited facilities, and poor access due to transport difficulties. Education is also affected, as rising costs force many children—especially in poorer districts—to drop out after primary school, with some attending only for school meals. Overall, the economic crisis and high inflation have severely impacted basic living conditions.

A manpower worker from Anuradhapara shared, 'I protect my family, my mother is 79 years old, and I have to take care of my brothers' kids too. They are in school, so I bear their boarding and other fees with my low wages. My work is irregular, and the anxiety of not being able to make ends meet stresses me too much. I didn't have breakfast today. How can I afford even a small piece of bread? It costs 150 rupees'.[131]

Oftentimes, the constant psychological strain that results from the harsh challenges to ensure survival take a toll on women's health, inculcating a sense of failure to provide for their families—also becoming a cause of disintegrating the family unit.[132]

[128] [AWPLD Debt MCRR - II] We Women Lanka Sri Lanka. (2025). *Country Report: Sri Lanka*. [Unpublished].

[129] United Nations Economic and Social Commission for Asia and the Pacific. (2024, April 4). *Economic and Social Survey of Asia and the Pacific 2024*. https://www.unescap.org/kp/2024/survey2024

[130] Abed, D. & Kelleher, F. (2022). *BP: Assault of austerity—Prevailing economic choices are a form of gender-based violence*. Oxfam. https://oi-files-d8-prod.s3.eu-west-2.amazonaws.com/s3fs-public/2022-11/bp-assault-of-austerity-prevailing-economic-choices-are-gender-based-violence-221122-en.pdf

[131] [APWLD Debt MCRR - I] We Women Lanka Sri Lanka. (2024). *Rural Women Affected by Sri Lanka's Debt Crisis*. [Unpublished].

[132] [AWPLD Debt MCRR - II] We Women Lanka Sri Lanka. (2025). *Country Report: Sri Lanka*. [Unpublished].

In the Philippines (see Annex 2, section 2.1.2), cutbacks in public spending and social services have adversely affected access to education, health and water services.

In 2024, during the Debt MCRR in Pampanga, water privatisation exacerbated women's financial burdens and daily struggles. Since the local water district entered into a Joint Venture agreement with Primewater Infrastructure Corp., women had faced significant challenges due to the increase in rates. Before the joint venture in 2016, residents were paying approximately USD 3.14 (Php 180) for their minimum water consumption. However, following Primewater's takeover of the water supply service for 35 *barangays* or villages in the city, water rates surged to USD 4.01 (Php 230). This sharp increase imposed an added financial strain, particularly on women who often lacked regular income and financial stability. There was also no consultation with residents prior to the joint venture. Many were taken by surprise when their water bills suddenly bore the name of the private company, Primewater, instead of the familiar local water district. This lack of transparency and consultation with stakeholders undermined the residents' role in decision-making processes that directly affected their livelihoods and the cost of living. The quality and reliability of the water supply under Primewater's management was also questionable, as women reported instances of weak water pressure and interruptions in service. There were also concerns about water safety, where the residents would opt to buy drinking water rather than use tap water, thus being forced to incur additional expenses.[133] The issues cumulatively came to a head when the service was eventually suspended by the local government in 2025 over consumer complaints regarding dismal service.[134]

Similarly, reductions in healthcare funding had increased out of pocket spending for many Filipinos. Despite the reforms towards universal healthcare, PhilHealth[135] only covered 13.6 per cent of total health expenditures in 2022, while households paid 44.7 per cent of medical costs. The public health sector continues to suffer from poor quality and inaccessibility, leaving much of the population reliant on private healthcare, leaving the people no choice but to make do with the exorbitant prices charged by private corporations.

In Mongolia, research participants linked the lower quality of essential public services such as health and education to the country's external debt and its impact on the fiscal resources available for attending to people's lives and wellbeing. People spoke of how sub-par quality of public services sets them up for increased precarity and reduced prospects of social and economic progress/mobility in the long-run.

133 [APWLD Debt MCRR - I] Centre for Women's Resources Philippines. (2024). *Living on the Edge: Impacts of the Debt Crisis on Filipino Women*. [Unpublished].

134 Sunnexdesk. (2025, December 4). *PrimeWater ops in CSF remain suspended: Caluag*. Sunstar. https://www.sunstar.com.ph/pampanga/primewater-ops-in-csf-remain-suspended-caluag

135 A tax-exempt, government-owned and controlled corporation (GOCC) of the Philippines that provides health insurance to the country.

Many households struggled to access timely health care through public healthcare services because of persistent shortages of specialised doctors, medical equipment and long waiting times. Because private healthcare is expensive, they often rely on cheaper medicines and recover slowly. In some cases, illness had forced students to take leave from school. They suggested creating special hospitals for students or at least providing doctors in schools. People prefer private healthcare services, however, that requires being well-resourced due to the high costs involved. In times of critical health emergencies that warrant urgent medical care, families often have no choice but to borrow money. This leads to increased debt, worsening financial hardships and deepening economic insecurity in the long term. Such loans are in addition to the multiple loans that people are compelled to take on for basic necessities such as food, clothing and childcare.

A self-employed woman in wholesale trade shared that her husband got cancer and she took on multiple loans for his treatment. Over time, the repayments mounted and she was heavily indebted, managing to complete all repayments only when her daughter migrated to South Korea to work. She spoke of the immense psychological pressure and anxiety that this experience subjected her to, with an evident sense of helplessness:

'In Mongolia, there is no way other than to get a loan to get treatments. There is nothing that will help you, no health insurance, no other hopes. No efforts and hard work would help to get out of the debt from health treatments'.

The state of personal indebtedness also limits people's opportunities in other areas of life, such as the right to education for themselves and their children. Many families had taken loans to pay for their children's education while sacrificing their own educational opportunities. This was particularly true for low-income households, with the situation aggravated for those with intersecting vulnerabilities, such as physical disabilities.

A single, disabled mother shared, ***'I want to send my children to a good English course outside of school, but I can't afford it. As a disabled person, it is difficult for me to ask the government all the time. It is important to request the government to implement the provision of free education for children, as (is guaranteed) in the Constitution'.***

This financial strain limits access to quality education, as many families cannot afford private education and must rely on under-resourced rural services with shortages of teachers and lower quality of education overall. Female students echoed this statement, sharing that family/household debt limits their ability to enter the schools they want, as private educational programmes and courses are expensive. Although many are interested in studying abroad, tuition and living costs are too unaffordable for their families, so they must attend local public schools instead. Students suggested that the government should increase salaries, reduce prices for goods and services, and lower interest rates on commercial bank loans to ease these challenges.

2.1.3 Labour flexibilisation and loss of labour rights

IMF-mandated neoliberal economic reforms often drive trade liberalisation and labour market deregulation. These policies open domestic markets to foreign investment and competition and enable companies to quickly adjust their workforces and cut labour costs—all at the cost of the security of livelihoods, dignity and overall wellbeing of the people. These policies disproportionately affect women, who constitute a significant portion of the workforce in low-wage, contractual, and informal sectors.

In the Philippines, research in the Cavite Economic Zone, a hub for garment manufacturing, supplying prestigious brands like Tory Burch, Ralph Lauren and Anne Klein, showed how women predominantly comprised its workforce. The majority of these women are employed as contractual workers within the garment factories, with their wages further impacted by the Wage Rationalisation Law (see Annex 2, section 2.1.3), which dictates lower wages for workers outside Metro Manila. Women earn a meager sum estimated at USD 8 (Php 479) per day for 12 hours of work, significantly lower than the mandated daily minimum wage of USD 11 (Php 610) in Metro Manila. With families back in hometowns depending on them, many of these women struggle to make ends meet with their insufficient wages. The financial strain pushes these women to explore various avenues for earning extra income; these include subcontracting, working an additional four hours per day to gain an additional USD 35 (Php 2,000) per week. Some pawn their Automated Teller Machines (ATM) cards, while others sell goods like candies, clothing and coffee within the ecozone where they work. Many find themselves indebted to family and friends as they attempt to cover their daily expenses. Some even turn to unconventional methods like participating in Poppo Live, an online livestreaming mobile app, for additional earnings earned through viewers' virtual gifts.[136]

Perhaps the most unequivocal evidence of the IMF-mandated deregulation of the labour market, and the resultant multi-generational violation of people's dignity and fundamental rights, is found in South Korea (see Annex 2, section 2.5.1 and 2.5.2).

Box 4: '*I.M.Fired*'

In 1998, a nursery rhyme called *'Dad, Cheer Up'* became popular in South Korea. The song describes a tired-looking father coming back home, to which his children say, 'Cheer up, we are here for you!'; it did not get much attention when it was first released in 1996, but it became a huge hit in the IMF-structural adjustment era as a consolation prize for laid-off male heads of households.[137]

[136] [APWLD Debt MCRR - I] Centre for Women's Resources Philippines. (2024). *Living on the Edge: Impacts of the Debt Crisis on Filipino Women.* [Unpublished].

[137] [APWLD Debt MCRR-I]. Kim, Y. & Lee, J. (2024). *National Debt and Women: The Legacy of the IMF in Korea*. Korean People's Solidarity against Poverty South Korea. http://antipoverty.kr/xe/publish/1277609

As part of the structural adjustment reforms rolled out following the Asian financial crisis, the government pushed for the deregulation of the labour market over the exit of insolvent financial institutions, as a strategy to attract foreign capital for market development.

The 1998 Dispatch Labour Law served two purposes: Economically, legalising layoffs for large enterprises of 300 or more employees ensured that layoffs could be carried out quickly, facilitating mergers and acquisitions by foreign investors. As a result, multiple levels and types of employment at the same workplace meant corresponding disparity in employment benefits, safeguards and treatment of workers. Reduced regulatory burden on businesses through the lack of obligatory safeguards, such as regular working hours and minimum wages, and the shift towards contractual work entailed precarious employment conditions and reduced job security. Politically, it legitimised layoffs and dealt a blow to labour unions, denting the workers' bargaining power as anxiety over layoffs mounted.

According to a 1998 survey, 76 per cent of street homelessness was triggered by the restructuring and recession that followed the IMF structural adjustment, with factory workers, restaurant cooks, bar workers and day labourers comprising 71 per cent of the pre-unemployment population;[138] 12 per cent of the homeless had been self-employed or white-collar workers.[139]

The impacts were not the same for everyone; patriarchal notions of gendered labour for women as domestic primary caregivers dictated the execution of changes to the labour market. Companies often encouraged the female members of couple employees to resign, as males were considered to be the primary breadwinners. Between 1997 and 1998, the proportion of female office workers laid off increased from 13.4 per cent to 43.7 per cent, with women in their 20s working in offices of 300 or more employees laid off at the highest rate.

Box 5: Patriarchy in the labour market[140]

The Maxim coffee mix is one of the most popular South Korean products on the American online shopping site, Amazon. The product, which combines freeze-dried coffee, cream and sugar in a single-serve bag, is described as 'convenient and delicious', and marked the shift from the previously common practice of buying coffee, cream, and sugar separately, and adjusting the proportions according to personal preference.

---

[138] Kim, M.-S. (1998). *City homelessness and protection measures*. Korea Institute of Health and Social Affairs. https://repository.kihasa.re.kr/bitstream/201002/4431/1/0895352.pdf

[139] [APWLD Debt MCRR-I]. Kim, Y. & Lee, J. (2024). *National Debt and Women: The Legacy of the IMF in Korea*. Korean People's Solidarity against Poverty South Korea. http://antipoverty.kr/xe/publish/1277609

[140] [APWLD Debt MCRR-I]. Kim, Y. & Lee, J. (2024). *National Debt and Women: The Legacy of the IMF in Korea*. Korean People's Solidarity against Poverty South Korea. http://antipoverty.kr/xe/publish/1277609

Coffee mix first appeared in the Korean coffee market in 1976, but it was not between the late 1990s to early 2000s that it became the mainstream product that it is today, and there is a reason why.

As dictated by gendered division of labour, female workers were often in-charge of 'coffee duties' at workplaces. With the implementation of the structural adjustment programmes in the wake of the 1997-98 Asian financial crisis, mass layoffs followed, with women usually the first in line to be let go. This meant that there would often be no one to make coffee at workplaces. Hence, coffee mixes appeared in their place, and since then have become an important part of Korean life.

Consequently, this pushed scores of women into irregular, low-paid, precarious work. According to Statistics Korea, in 2000, 52.6 per cent of total waged workers were temporary, daily and/or informal sector workers, and women comprised 67.3 per cent of the precarious workforce. Numerous cases were reported through a 'women workers hotline (employment equality phone line)' when women, especially single mothers, and/or from low-income and aging populations, could not find any employment opportunity.[141]

Now in her 60s, H, a participant in the MCRR, was a part-time worker and among those whose family experienced a sharp economic decline during the Asian financial crisis. Her husband, the main breadwinner, failed in business. Left with a lot of debt, and in order to support her husband, children and younger siblings, who were still in their teens, H was forced to take low-paying, short-term and unstable jobs as opportunities in the formal workforce for a woman of her age and relationship status were scarce. H's job prospects were further limited to the ones that paid in cash only, as owing to her credit issues, she was unable to have a bank account.

'They didn't hire married women, so I thought about what else there was that I could do. I concluded that the only thing that could be an investment and be used to earn money was my body, like working at a restaurant or cleaning.

I couldn't use my own bank account because I was in debt. So I had to use my child's account. Wherever I went, I would be asked to submit a copy of my bank account. And then I'd walk out with a red face because of embarrassment. There is no way to live freely in this world. I became a credit delinquent, a criminal, even though I didn't commit any crime'.

Eventually, she started to work as a cleaner in a wealthy expatriate settlement and was able to earn a relatively decent wage. However, the physical strain from the job took a toll on her body. She shared, ***'I used to get up at three in the morning to cook before going out at 4:30 am to work. When I came back at 11:00 pm, it felt like my limbs were breaking'.***

141 Nam, E. (2009). *Polarization of the classes after the foreign exchange crisis: Changed daily life and consumption*. Korean Society for Survey Research, 10(1), 1-32. https://www.kci.go.kr/kciportal/ci/sereArticleSearch/ciSereArtiView.kci?sereArticleSearchBean.artiId=ART001329853

The adversity following the reforms were not merely limited to layoffs, but also played out in the apparent support measures to assist those impacted to navigate the economic crisis. Employees of large companies had employment insurance and received 70-80 per cent of their previous salary in unemployment benefits. However, those without employment insurance were offered low-paying public projects or vocational training, and the '아이엠에프 실직 노숙자' ('IMF unemployed homeless')[142] roaming the streets were only offered options such as inappropriate job placements, free meals and facilities. Those who had been homeless since before the structural adjustment continued to go without receiving any relief measures.

Systemic discrimination for women also continued to shape remedial measures, such as the State employment insurance and initiatives to create more jobs, as the fundamental assumption was that the formal labour force was predominantly composed for and by male workers.[143] Such missed opportunities to take into consideration women's challenges amidst the economic crises exacerbated already existing inequalities such as women's predominant presence in the informal labour force and/or smaller-scale enterprises, along with inaccessibility to and lack of representation in labour unions. This, in turn, reinforced women's vulnerability to abuse and harassment both at the workplace and within their homes. There was an almost 50 per cent increase in sexual violence and harassment at the workplace in 1998, along with a 20 per cent increase in reported cases of domestic violence between 1997 and 1998.[144]

While the above was the fate of scores of women who found themselves in the thick of the country's economic crisis at the time, three decades on, women continue to be met with similar constraints in the labour market, especially when in need of employment in times of crisis.

N, a singer, had no income during the pandemic because her nightclub closed. She tried to apply for new jobs, but she was frequently rejected because of her age. She eventually found a job as a temporary logistics worker, but was unable to ask for a raise like her colleagues because of her past experience of workplace discrimination she had previously experienced as a middle-aged woman over two decades ago.

'You see a lot of "women welcome!" ads in newspapers. But when I called them, they would question my age. So, I retorted, "Why are you refusing me when you say "housewives welcome" in your job advertisement? You should have been more precise with age eligibility". At the company I work at now, most of the girls are in their 20s. I am 60, and I want to ask for a raise but I can't, because I'm afraid of losing my job. I would have made a demand if I were in my 40s. But it was so difficult finding a job even back then'.

---

142 A term denoting an individual rendered economically destitute (e.g unemployed and/or homeless) because of the structural adjustment measures of the IMF loan that had just been acquired.

143 Woo, M., Emmanuel, S., De Silva, T. & Shumail, Z. *(2025). Is the IMF a primary, direct perpetrator of human rights violations? Evidence from Sri Lanka, Pakistan and South Korea.* Development, 67, 326–340. https://doi.org/10.1057/s41301-025-00428-8

144 Lee, M.K. (1999). [생활] IMF이후 가정폭력 늘었다…98년 여성의전화. The Chosun Daily. https://www.chosun.com/site/data/html_dir/1999/02/17/1999021770157.html

The above examples demonstrate the degree to which women's labour is considered and dealt with as dispensable, exploited as needed, to advance neoliberal objectives of economic growth. Lack of (decent) employment, when combined with other challenges of regressive taxation and reduced safety nets, transforms the mere act of survival into a challenge. Ultimately, the burdens accumulate in the form of private debts at the household level.

2.1.4 Household debts: The ultimate bearer of macroeconomic pressures

In the wake of the 1997 Asian financial crisis in South Korea, mass layoffs and the lack of social protection amidst a severe recession meant that people's purchasing power plummeted and using credit cards was the only option for many (see Annex 2, section 2.5.3). Capitalising on this and in hopes to revive the otherwise stagnant economy, particularly through supporting large corporations and bank-affiliated credit card companies, the government 'revitalised' credit cards, abolishing the cash advance limit of South Korean Won (KRW) 700,000 per person.

Credit card companies gave out cash for cards or lent to people with no credit at all, but at very high interest rates, effectively operating as a de facto usury business. Between 1999 and 2002, the number of credit cards issued increased from 39 million to 140 million, and the corresponding loans increased seven-fold from KRW 48 trillion to KRW 357 trillion (USD 33 million or USD 246.6 million).[145] Even though the country fully recovered from the bailout, the number of people with bad credit had doubled.[146]

A number of women engaged within the MCRR in South Korea incurred credit card debt at the time, and recalled experiences of being roped into debt and the agonising debt collection process that they had to endure.

'There was a time (in the early 2000s) when anyone could get a credit card. A woman next door would come and ask to sign something and you'd get a credit card. When I first got into revolving* (using one credit card loan to pay off another), *I didn't really know what it was. I thought, I'd pay it off next month, I'll pay it off next month. Then I realised it was incurring a lot of interest. I thought that I had been paying at an interest rate of around six per cent Annual Percentage Rate (APR), but this was 20 per cent APR. They didn't explain it properly and put this information in the fine print, and then they would advertise that you could revolve'.

(L, 40s, non-regular worker, South Korea)

In 1998, the number of people with bad credit was at 1.93 million, an increase of 500,000 from 1997. By the end of April 2004, the number rose to 3.82 million people. Uneven recovery policies drove people that lacked the means to repay

[145] Kim, D. (2017). *People Employed by Themselves - A Report on Self-Employed People in Korea.* Humanitas. https://www.aladin.co.kr/shop/wproduct.aspx?ItemId=124028891&srsltid=AfmBOoqGqarsmYoUwpKfd2qB4VmzQvYBA9cN4Q8Wzm1zZ6I6iXOQeaaO

[146] Kim, S. (2011, January 3). *A society that encourages lending - The commodification of credit and social disaster seen through the problem of credit delinquents*. Humanitas. https://www.aladin.co.kr/shop/wproduct.aspx?ItemId=8400233

existing loans to borrow even more. Thus, household borrowing was a way of transferring the risks of poverty and instability from society to individuals. Unpaid credit card bills snowballed at high interest rates, and defaulted debts ended up in the hands of abusive collection agencies. An increasing number of people took their own lives after being hounded by collectors.[147]

'The thugs dressed in black, oh my… they would go into people's houses and spit on them. It was so scary. I lived in fear that someone would come to collect money from me, which is why my residency registration was at a different address. I lived the life of a fugitive. I had to turn off the lights in my house at night, and I closed the curtains because I didn't want them to see me. It was so hard to the extent I thought it would be okay if I died. So I took pills, but didn't die. I was sent to the hospital and had a gastric lavage and survived'.

(H, 60s, part-time worker, South Korea)

In Mongolia, household borrowing was widespread among the rural and urban research communities of the MCRR,[148] with most individuals relying on various forms of loans secured through collateral such as salaries, pensions, livestock, housing, or student funding from commercial banks and government loan programs. Some had also obtained newer online loans offered by non-bank financial institutions such as Pocket.mn. This is not very different from the results of a 2022 Bank of Mongolia household survey which found that 85 per cent of the 1,847 rural households surveyed had loans.[149]

The FGDs with diverse groups of women, including teachers, students, businesswomen, retirees, and women with disabilities consistently highlighted how families were compelled to take on loans to make ends meet, such as for basic needs of clothing, food and necessities for school-going children. Typical loans ranged from 1–20 million MNT (USD 150 - USD 3500) for up to five years, with commercial bank interest rates of about 1.4 per cent to 1.8 per cent per month and higher rates of 2.5 per cent to 4 per cent from non-bank institutions (though one participant also reported a 180 million MNT (USD 50,500) mortgage loan). Among the 60 respondents who disclosed their debt, the total outstanding loans amounted to 762,939,000 MNT (USD 200,000).

Many participants expressed difficulty repaying on time due to rising living costs, high interest rates, limited loan sizes relative to collateral, and financial obligations such as high personal income taxes and costs of social and health insurance. Difficulties in loan repayments compelled them to take on even more loans to repay existing ones - almost one-third of the research participants held more than one loan at the same time.

[147] Kim, D. (2017). *The People Employed by Themselves - A Report on Self-Employed People in Korea.* Humanitas. https://www.aladin.co.kr/shop/wproduct.aspx?ItemId=124028891&srsltid=AfmBOoqGqarsmYoUwpKfd2qB4VmzQvYBA9cN4Q8Wzm1zZ6I6iXOQeaaO

[148] [APWLD Debt MCRR - I] Centre for Human Rights and Development Mongolia. (2024). *Mongolia's Debt Analysis - Summary report*. [Unpublished].

[149] National Statistical Office (NSO). (2026, March 22). *Household Socio-Economic Survey 2022*. ILO. https://webapps.ilo.org/surveyLib/index.php/catalog/8786

A woman who ran a sewing facility shared, ***'It is very difficult to get a loan because of the high interest rates, so it is not possible to pay someone else and expand the production too. This year, despite receiving a loan from the Women's Employment Support Fund, I could not expand the activities due to double loans. Sometimes, it seems as if I am working only to pay off loans without a chance to think of my well-being'.***

A small vegetable-growing company owner in Ulaanbaatar city also added, ***'The company has a loan of MNT 1 billion (USD 280,000). The workers are women over 55-60 years old, but because of the lack of jobs or low wages, they must work far away from their home and pay 30 per cent of their wages for transportation between their home and workplaces. They have had to take pension loans for their children's needs and must repay those loans too'.***

Already straddling multiple burdens of debt, women are then extremely limited in their abilities to imagine accessing quality education and healthcare for themselves or their children. Social mobility is further impacted by one's state of indebtedness as participants believed indebted individuals were less likely to run for elections, speak openly at work, or make independent voting choices due to financial vulnerability.

Loans, however, are a double-edged sword. As difficult as they might be as financial burdens, the temporary support and relief that they offer was not (easily) accessible for all. This was particularly true for the ageing population nearing retirement, which trapped them in a cyclical situation: the lack of financial support through loans meant they could not become self-sufficient, such as through increasing livestock. The lack of self-sufficiency, in turn, entrenched their need for additional financing support through available lending mechanisms.

A herder woman shared that this year, the *zud*[150] heavily hit herders' livelihoods. Some families lost almost their entire livestock; to save the remaining livestock, herders got loans, and because the price of pressed grass and fodder had increased over two-fold, they were sinking deeper into debt, and that there was an urgent need for government support in the repayment of herders' multiple loans, including reforms around high interest rates.

Similarly, in Kyrgyzstan, a persistent trend has been the rise in household debts, which includes mortgage loans and consumer loans issued by commercial banks. As of December 2024, household debt in the Kyrgyz Republic reached 9.1 per cent of nominal GDP, marking the highest level ever recorded since data collection began in 2000. The total household debt reached USD 1.6 billion in January 2025.[151]

[150] A *zud* (a Mongolian term that describes 'severe winter conditions') is a cold-season disaster in which anomalous climatic (i.e., heavy snow and severe cold) and/or land-surface (snow/ ice cover and lack of pasture) conditions lead to reduced accessibility and/or availability of forage/pastures, and ultimately to high livestock mortality during winter–spring.
United Nations Office for Disaster Risk Reduction (UNDRR), International Science Council (ISC). (2025). *Dzud*. UNDRR Prevention Web. https://www.undrr.org/terms/hips/MH0503

[151] [APWLD Debt MCRR - I] Women's Public Foundation Kyrgyzstan. (2024). *Documenting the Impact of Economic Challenges on Women's Human Rights in Kyrgyzstan*. [Unpublished].

Growing household debt and unemployment also leads to labour migration and many families rely on remittances to survive. Research confirms that remittances from Kyrgyz migrant workers constitute a significant share of the country's total income, and without remittances from labour migrants, the poverty rate in some districts could increase from 37.3 per cent up to 65.5 per cent,[152] thus underscoring the structural dependence of local economies on migration.

Representatives of the women migrants' group participating in the MCRR emphasised that poverty is strongly linked to limited access to education and to violence—where poverty is high, the risks of indebtedness and violence also increase, especially in relation to migrant families. The women pointed out that for many of them, the root cause of migration is debt, and migration becomes a means of debt repayment and survival. Moreover, these difficulties are inherited by children of labour migrants who, while growing up, also face overlapping deprivations of poverty, lack of access to education and vulnerability to domestic violence.

In Sri Lanka as well, borrowing and lending at the household level is prevalent (see Annex 2, section 2.4.3). As reported in the MCRR, various forms of informal mechanisms exist, which, in the absence of public social safety nets, act as personalised safeguards against financial hardships. Rotating Savings and Credit Associations (ROSCAs) play a vital role in fostering a strong sense of community by allowing members to contribute a set amount regularly. The pooled funds are then awarded to one member at a time on a rotating basis, providing a much-needed financial boost. Timely repayment is a priority, driven by socio-cultural pressures and the fear of damaging one's reputation within the community. This has a downside, as often to meet repayment timelines, people tend to compromise on other essential expenses, such as food consumption, clothing, healthcare. Rural women, especially those in the lower-income bracket and female-headed households, are particularly impacted, as taking on loans may offer temporary relief and support, however, in the long run, it may also lead to cyclical traps of debt. This happens when, as observed in other countries mentioned above, women resort to taking additional loans to pay off existing ones, agree to repay irregularly or at a later stage, however, with higher penalties, or pawning personal assets, such as jewellery, to arrange money for repayment. Oftentimes, the pressures of repayment obligations also pushes women to take on more informal, low-paying work, so as to earn extra cash.[153]

Insights into women's lives above evidence the gravity of burdens that an economic crisis places on an individual at the household level. When embroiled in the battle to survive while indefinitely battling financial precarity, a mix of public helplessness and frustration continues to brew, and if/when expressed, is often met with brute force by the state.

---

[152] Akchabar. (2025. September, 3). *Without remittances from migrant workers, poverty in one region of the KR would exceed 65%.* https://www.akchabar.kg/en/news/bez-perevodov-migrantov-bednost-v-odnoj-iz-oblasti-kr-previsila-bi-65-cizmiakfyndmtldi

[153] [APWLD Debt MCRR - I] We Women Lanka Sri Lanka. (2024). *Rural Women Affected by Sri Lanka's Debt Crisis*. [Unpublished].

2.1.5 IFIs and collusion with authoritarian regimes

The wide ranging human rights violations resulting from unsustainable debt burdens, mandatory loan conditionalities and exclusionary processes amply demonstrate how IFI policies and operations inherently contradict governments' human rights obligations, especially economic, social and cultural rights. The consistent and historical collaboration of IFIs with authoritarian regimes is further evidence that IFIs bear responsibility for reinforcing social inequalities and perpetuating unrest through increased securitisation and militarisation. That these institutions ignore documented human rights abuses, for as long as these authoritarian regimes advance neoliberal agendas which favour them.

A study examining the relationship of the IMF engagement and human rights conditions from 1981 and 2003 concluded that longer periods under an IMF-supervised programme increased government use of torture and extrajudicial killings, worsening the overall human rights conditions in developing countries.[154]

IFI-funded infrastructure projects have been evidenced to cause economic displacement and environmental degradation, as they induce or worsen land conflicts. This especially happens when the projects do not involve the Free, Prior, and Informed Consent (FPIC) of affected communities, and when militarised tactics (e.g. deploying police and the military) suppress dissent and secure foreign investments through intimidation and violent use of force.[155] IMF involvement in countries is also likely to deteriorate the level of respect for women's economic rights.[156] Further, compliance with IMF programmes have also been found directly related to a decline in the governments' respect for labour rights and an increase in violent protests and repression.[157] Austerity measures as part of loan conditionalities, especially from the IMF, exacerbate existing inequalities and socioeconomic dissatisfaction, prompting widespread protests that quickly snowball into full blown violence, and responded to with brute State force. This was seen in the anti-globalisation protests against IMF policies in the 1970s, the late 1990s, during the aftermath of the 2008 financial crisis,[158,159] and most recently, as economies in the Global South, including Asia and the Pacific, struggled to recover from the COVID-19 pandemic.

[154] Abouharb, M.R. & Cingranelli, D.L. (2009). IMF programs and human rights, 1981–2003. *The Review of International Organisations*, *4*, 47–72. https://doi.org/10.1007/s11558-008-9050-5.

[155] APWLD. (2025). *APWLD's Inputs to the Independent Expert on the Effects on Foreign Debt on Financing Peace*. Office of the United Nations High Commissioner for Human Rights. https://www.ohchr.org/en/calls-for-input/2025/call-input-financing-peace [see section on Inputs Received].

[156] Detraz, N., & Peksen, D. (2016). The Effect of IMF programs on women's economic and political rights. *International Interactions*, *42*(1), 81–105. https://doi.org/10.1080/03050629.2015.1056343

[157] Mark, B. S. (2018). *Compliance with IMF austerity: Labour rights, protest, and repression* [Graduate Dissertation, Binghamton University]. The Open Repository @ Binghamton. https://orb.binghamton.edu/dissertation_and_theses/97/

[158] Maci, R. (2025, January 8). *Debt and austerity—The IMF's legacy of structural violence in the Global South*. Review of African Political Economy. https://roape.net/2025/01/08/debt-and-austerity-the-imfs-legacy-of-structural-violence-in-the-global-south/

[159] Reinsberg, B., Stubbs, T., & Bujnoch, L. (2023). Structural adjustment, alienation, and mass protest. *Social Science Research*, *109*(102777). https://doi.org/10.1016/j.ssresearch.2022.102777

Apart from the use of violent force to crackdown on dissent, the region is replete with examples of governments misusing and abusing power through repressive laws that aim to shrink civic space and inhibit prospects of critique and accountability.

In Kyrgyzstan, civil space is rapidly shrinking: the 2024 national law on 'Foreign Representatives'[160] was signed into effect, which threatened to impose additional restrictions on the activities of Non-Government Organisations (NGOs) and news agencies that promote democratic principles and the preservation of fundamental human rights (also see Annex 2, section 2.3.3). Such laws enable state authorities to close down independent media resources, thus limiting their ability to disseminate reliable information, and also inhibit NGO functions, adversely impacting the implementation of strategically important and socially significant initiatives for citizens. For instance, in 2025, courts in 2025 banned investigative media outlets including Kloop and Temirov Live as 'extremist organisations', effectively silencing prominent anti-corruption journalism platforms.[161] Similarly, over the years in Pakistan, the government has restricted protest, increased surveillance, and arrested journalists, and limited internet access during civil unrest.[162]

In the Philippines, the government presented dubious and vague narratives to shun criticism regarding violations of its obligations to maintain accountability and transparency. In 2024, when under scrutiny over the allocation of CIFs, all critics of the government were labelled as 'enemies of the state' when they questioned the use of the funds, otherwise exempted from regular auditing processes under the assumption that they are utilised to ensure 'national security'.[163] Public trust is further dented through initiatives like the Maharlika Investment Fund that promote foreign interests, despite the country lacking surplus funds due to revenue losses and deficits.[164] Instead of using excess resources, the fund relies on government assets and can borrow domestically or abroad, potentially increasing public debt. Overall, this approach deepens reliance on external borrowing and weakens transparency and democratic oversight.[165]

In 2022, in Sri Lanka, the government employed state apparatus to stifle critique and resistance under the guise of preserving national sovereignty, security and stability. Protests by youth and intersectional movements erupted against years of grave mismanagement of financial resources that led to the economic default, only

[160] OMCT. (2024, April 2). *Kyrgyzstan: Civil society under threat as President Japarov signs repressive "foreign representatives" law.* https://www.omct.org/en/resources/statements/kyrgyzstan-civil-society-under-threat-as-president-japarov-signs-repressive-foreign-representatives-law

[161] Aigerim, T. (2025, October 28). *Kyrgyzstan bans top independent media as "extremist" in pre-election crackdown*. Reuters. https://www.reuters.com/business/media-telecom/kyrgyzstan-bans-top-independent-media-extremist-pre-election-crackdown-2025-10-28/

[162] Amnesty International. (n.d.). *Pakistan 2024*. https://www.amnesty.org/en/location/asia-and-the-pacific/south-asia/pakistan/report-pakistan/

[163] Manalang, A. (2023, October 18). *Confidential Funds Controversy Erupts in Philippines*. Geopolitical Monitor. https://www.geopoliticalmonitor.com/confidential-funds-controversy-erupts-in-philippines/

[164] Guzman, A. (2022, December 16). *The Philippines just passed a bill to create a sovereign wealth fund: Here's why it's controversial.* TIME. https://time.com/6241736/philippines-sovereign-wealth-fund/

[165] [APWLD Debt MCRR - I] Centre for Women's Resources Philippines. (2024). *Living on the Edge: Impacts of the Debt Crisis on Filipino Women.* [Unpublished].

to be countered with state violence and 'anti-development' labels. Further, the Online Safety Act adopted in 2024 granted authorities broad powers to remove online content and prosecute individuals accused of spreading 'false information', raising concerns among rights organisations that it could be used to suppress dissent as the government continues implementing post-default economic reforms.[166] The lack of public participation in economic decision-making remains an issue, as evidenced in the process of the introduction of the 2025 Microfinance Bill, as it not only overlooks the crucial voices of the public, but worse, stands to dismantle the meagre sources of community support available to navigate interconnected crises (see Annex 2, section 2.4.3).[167]

In Mongolia civil society and human rights defenders, particularly those working on corruption, environmental governance and mining transparency, face similar constraints. Journalists and activists reporting on corruption and environmental issues have reported harassment, surveillance and legal pressure, particularly those investigating extractive industries and government accountability. Large-scale protests erupted in December 2022 and early 2023 in Ulaanbaatar, after allegations surfaced that officials and politically connected actors had stolen coal worth billions of dollars from state exports to China, with protesters demanding accountability and transparency in the resource sector.[168] Legal concerns have also been raised regarding provisions in Mongolia's Criminal Code related to 'sabotage' and cooperation with foreign intelligence services.[169] Although formal structures regarding the management of public debt exist, alongside laws such as the Law on Fiscal Stability (2010) and the Law on Debt Management (2015), lack of transparency and public participation is an issue. Although digital transparency initiatives such as the D-Parliament platform and the Glass Account Law aim to increase access to fiscal information, public awareness of debt policies remains limited and independent research on the social impacts of debt is scarce (see Annex 2, section 2.6).[170]

In South Korea, civic space remains comparatively more open than in many countries in the region, yet recent developments indicate signs of regression, particularly regarding protest rights and labour activism.[171] Police raids and investigations also targeted the Korean Confederation of Trade Unions (KCTU)—the country's largest

---

166 Human Rights Watch. (2025). *World report 2025: Sri Lanka*. https://www.hrw.org/world-report/2025/country-chapters/sri-lanka

167 Cader, T., Wickramasinghe, N. (2026, February 23). *The Microfinance Bill 2025: Lawmaking without the people*. Sri Lanka Brief. https://srilankabrief.org/the-microfinance-bill-2025-lawmaking-without-the-people/

168 Global State of Democracy Initiative. (2022, December). *Mongolia - December 2022*. https://www.idea.int/democracytracker/report/mongolia/december-2022

169 Civicus Monitor. (2026, March 19). *Mongolia: Court strikes down restrictive provision as calls for release of activist persist*. *https://monitor.civicus.org/explore/mongolia-court-strikes-down-restrictive-provision-as-calls-for-release-of-activist-persist/#:~:text=Further%2C%20provisions%20of%20the%20Criminal%20Code%20related,press%20freedom%20and%20the%20criminalisation%20of%20journalists*

170 [APWLD Debt MCRR - I] Centre for Human Rights and Development Mongolia. (2024). *Mongolia's Debt Analysis - Summary report*. [Unpublished].

171 Seol, K. (2023, May 8). *South Korea: Labor union leader sets himself afire in protest of racketeering charges*. Labor Notes. https://labornotes.org/blogs/2023/05/south-korea-labor-union-leader-sets-himself-afire-protest-racketeering-charges

labour federation—under allegations of irregularities and national security concerns, drawing criticism from rights groups that security narratives are being used to suppress labour organising.[172] The UN Human Rights Committee has further expressed concern about a 'significant crackdown on trade union activities since 2022', including judicial harassment, administrative penalties and prosecutions against labour activists.[173] During a live cabinet meeting in 2023, former president Yoon Suk-yeol publicly labelled construction unions 'construction gangsters', rhetoric that labour organisations warn intensified hostility and exposed union members to greater risks.[174]

Kyrgyzstan provides another example of how debt governance functions amid lacking transparency and limited public participation. The absence of transparency similarly affects the extent to which democracy can be practiced. The public's ability to influence government borrowing and budget allocation is limited by the irregular release of public debt information by the Ministry of Finance, and impacts the degree to which the general public is aware of the ways in which macroeconomic policies come to take shape. This was corroborated during the MCRR, whereby many women, despite its impact on their daily lives, had little to no knowledge of the national debt and budget policies.[175]

The similar dynamics across the countries described above illustrate how civic space remains constrained and deliberately obstructed, particularly for human rights defenders challenging corruption and the lack of transparency and public participation in the countries' economic governance. The issues of unequal, inequitable economic governance persist across national and global levels, maintaining the exploitative, profit-oriented financial architecture that conveniently compromises people's lives, wellbeing and dignity. The remedy is not just a fundamentally transformed financial architecture in the present, but for it to be accompanied by systemic accountability and reparations for the damage caused by the violence of neo/colonial and neoliberal capitalism.

2.2 On accountability and reparations

'The ideology of meritocracy promotes the idea that those who are left out from the competition deserve the crisis of survival they face. Harsh working conditions are often treated as a personal issue, which adds to the anxiety of individual women. In a society that enforces endless competition instead of a collective economic vision, citizens are robbed of the opportunity to build a sense of solidarity. Routine burnout and harsh

[172] Seol, K. (2023, January 26). *South Korea's conservative government is cracking down on labor unions.* Jacobin. https://jacobin.com/2023/01/south-korea-conservative-government-labor-unions-cracking-down-national-security

[173] Civicus Monitor. (2024, June). *South Korea: Regression of civic space under President Yoon.* https://civicus.org/documents/reports-and-publications/SouthKorea.ResearchBrief.June2024.pdf

[174] Building and Wood Workers' International (BWI). (2025, January 21). *South Korea: BWI welcomes ILO recommendations on KCWU case; demands gov't to end anti-union persecution*. https://www.bwint.org/BwiNews/NewsDetails?newsId=147

[175] [APWLD Debt MCRR - I] Women's Public Foundation Kyrgyzstan. (2024). *Documenting the Impact of Economic Challenges on Women's Human Rights in Kyrgyzstan*. [Unpublished].

sentiment against "losers" justify hatred and discrimination against them. Poverty, in this cultural climate, is not just a state of being poor; it becomes evidence of defeat - and those who internalise it, die in their own rooms'.[176]

In Korea, the issue of poverty is most often highlighted when a poor person dies. Over the past decade, deaths due to economic hardships have been characterised by similar narratives: female heads of household, family illness, debt and the lack of access to social protection among others.[177] Since 2020, South Korea has seen a sharp increase in suicide rates, particularly among young women in single-person households, and research calls on young women's ideation of suicide to be understood in the context of the neoliberal shaping of class, labour and patriarchy.[178]

Box 6: The gendered, intergenerational impacts of neoliberalism-capitalism-patriarchy[179]

'South Korea is known for the highest gender pay gap—27th year straight—among OECD countries with a 31.2 per cent difference between genders.[180] Cases of layoffs due to maternity and/or parental leave are also on the rise, which pushes women to the brink of not having a choice over their own body, life and future. It is not surprising that South Korea has the lowest birthrate in the world,[181] as women's bodies continue to be mere means of production—pressured to reproduce for the country and be ready to sacrifice when political, socio-economic crises hit. In contrast, South Korea has the highest suicide rate among the OCED countries - it skyrocketed in 1998 (48 per cent increase compared to the previous year) immediately following the IMF crisis and has increased more than double since then. The younger generation calls Korea "Hell Joseon", illustrating the absolute sense of the hopelessness of people and the deep-seated class-based society'.

[176] [APWLD Debt MCRR-I]. Kim, Y. & Lee, J. (2024). *National Debt and Women: The Legacy of the IMF in Korea*. Korean People's Solidarity against Poverty South Korea. http://antipoverty.kr/xe/publish/1277609

[177] [APWLD Debt MCRR-I]. Kim, Y. & Lee, J. (2024). *National Debt and Women: The Legacy of the IMF in Korea*. Korean People's Solidarity against Poverty South Korea. http://antipoverty.kr/xe/publish/1277609

[178] Sojin, L. (2023). Ontological Anxiety Caused by Gendered Risks: Focusing on the Suicidal Thought Narrative of Young Women. *Korean Women's Studies 39*(3), 37-72. http://doi.org/10.30719/JKWS.2023.09.39.3.37

[179] Woo, M., Emmanuel, S., De Silva, T., & Shumail, Z. (2024). Is the IMF a primary, direct perpetrator of human rights violations? Evidence from Sri Lanka, Pakistan and South Korea. *Development*, *67*, 326–340. https://doi.org/10.1057/s41301-025-00428-8

[180] Galan, S. (2025, November 28). *Gender pay gap in OECD countries as of 2023*. Statista. https://www.statista.com/statistics/934039/gender-pay-gap-select-countries/

[181] In 1997, the fertility rate was 1.53, which dropped to 1.42 in 1999 and it stands at 0.72 in 2023. Korean Statistical Information Service. (2023). *Fertility rate statistics*. https://www.index.go.kr/unify/idx-infodopop=1&idxCd=5061text=%ED%95%A9%EA%B3%84%EC%B6%9C%EC%82%B0%EC%9C%A8%EC%9D%80%201970%EB%85%84%EB%AA%85%EB%A1%9C%20%EA%B3%84%EC%86%8D%20%EB%82%AE%EC%95%84%EC%A7%80%EA%B3%A0%20%EC%9E%88%EB%8B%A4

What South Korean society is now having to confront and deal with are the consequences of neoliberalism itself: The reorganisation of Korean society for the past 30 years has imposed on women overlapping crises of intense competition, financial precarity and burdens of carework,[182] whereby failure to fulfil socially prescribed responsibilities may be internalised as a fault of the individual, leading to extreme, even life-threatening, consequences. However, such a view is highly misplaced and distorts any prospects of genuine accountability.

The previous sections demonstrate how physical, mental, emotional and material vulnerability is caused and reinforced by deliberate economic policies emanating from and repeatedly enforced by an inequitable, capitalist, neoliberal international financial architecture. As has been the case throughout history, the nexus of neoliberal capitalism and patriarchy ensures a disproportionate share of the burdens on women. Gendered notions of domestic care work and the limitations placed on the economic, political and social participation in the public sphere[183] may all be used as metrics to gauge the impact of interconnected, systemic economic, political and environmental crises on women. Similar fates condemned to lifelong adversity continue to be meted out to women who are forced to shoulder a disproportionate burden when filling systemic gaps left by profit-oriented economic policies—policies that make survival hard in the present, while reinforcing precarity in the long run, thus predetermining fates for generations to come.

Therefore, as a firm counter to neoliberalism that pins the fate of an individual upon themselves—despite ample evidence of a predetermined system that is set against them - a case is henceforth presented for systemic, historical accountability for the perpetrators of unchecked structural violation of human rights in the region.

Historically, IFIs have failed to prevent and address conflicts that their projects and policies cause or worsen because of their non-democratic manner of operating and a refusal to recognise their obligations under international human rights law.[184] Despite repeated demands by the civil society for IFIs, particularly the IMF and the WB, to adhere to human rights obligations, the response has largely been a mix of deflection, lack of acknowledgement or an outright denial. In 2005, IMF General Counsel François Gianviti argued that the International Covenant on Economic, Social and Cultural Rights (ICESCR) and other human rights instruments do not apply to the IMF because it is not a party to the Covenant.[185] Current IMF Managing Director Kristalina Georgieva ignored a 2022 letter sent by six UN Independent Experts and Special Rapporteurs and two working groups that expressed serious

182 [APWLD Debt MCRR-I]. Kim, Y. & Lee, J. (2024). *National Debt and Women: The Legacy of the IMF in Korea*. Korean People's Solidarity against Poverty South Korea. http://antipoverty.kr/xe/publish/1277609

183 For example, the freedom of mobility, partaking equally and freely in the formal economy and decision-making processes among others.

184 APWLD. (2025). *APWLD's Inputs to the Independent Expert on the Effects on Foreign Debt on Financing Peace*. Office of the United Nations High Commissioner for Human Rights. https://www.ohchr.org/en/calls-for-input/2025/call-input-financing-peace [see section on Inputs Received].

185 Caliari, A. (2023). *IMF accountability to human rights: Breaking the dead- lock?* https://www.globalpolicy.org/sites/default/files/IMF%20Accountability_final.pdf

concerns about the human rights impacts of the IMF's surcharge policy.[186] Similarly, while the WB claims that it supports the realisation of human rights, it maintains that it does not have a specific human rights mandate, and that human rights obligations lie with the Member States.[187] In 2015, the UN Special Rapporteur on extreme poverty and human rights, Philip Alston, expressed deep concern and called the WB a 'human rights-free zone' because the Bank's approaches to human rights are incoherent, counterproductive and unsustainable, and that it 'doesn't actually do anything about it in its programmes and projects, where it really matters'.[188]

This failure to uphold human rights obligations are in stark contrast to the normative advisories laid out at length by UN Human Rights mechanisms for the processes of debt crisis prevention, management and resolution.

For instance, in 2020, the UN Human Rights Council (HRC) called for a redefining of when debt is considered 'sustainable', reiterating that debt servicing must not compromise fundamental human rights.[189] Further, it underscored the inadequate nature of the existing international frameworks that have failed to address debt crises through identifying structural causes and resolving them by ensuring the protection of fundamental rights. The proposed redefinition of debt sustainability includes economic, social and environmental considerations to ensure that the ability of states to fulfil their fundamental obligations towards their people remains intact. This then ultimately considers debt sustainability assessments legitimate only if there are no violations of human rights and human dignity or the impediment of development goals. Any debt sustainability assessments must therefore account for social and human rights dimensions - otherwise, they stand nullified. Further, in reference to detrimental loan conditionalities, the Guiding Principles on Foreign Debt and Human Rights also premise the realisation of human rights as sound basis of debt relief, including debt forgiveness/cancellation, and state that any relief efforts and conditionalities must not compromise the provision of basic services or the development prospects of an indebted economy.[190]

This, therefore, brings into question the legitimacy of the existing global financial architecture which dictates dynamics of debt sustainability assessments, debt servicing and resolution mechanisms.

---

[186] Warris, A. (2023, April 5). The IMF at the 75th anniversary of the Universal Declaration of Human Rights: The need for governance reform. *Bretton Woods Observer, Special at Issue Edition.* https://www.brettonwoodsproject.org/2023/04/the-imf-at-the-75th-anniversary-of-the-universal-declaration-of-human-rights-an-urgent-call-for-governance-reform/

[187] World Bank Group. (n. d.). [World Bank Group on human rights]. https://www.ohchr.org/sites/default/files/Documents/Events/HRCReport/UNs/World-Bank-Group.pdf

[188] Office of the United Nations High Commissioner for Human Rights. (2015, September 29). "*The World Bank is a Human Rights-Free Zone" – UN expert on extreme poverty expresses deep concern.* https://www.ohchr.org/en/press-releases/2015/09/world-bank-human-rights-free-zone-un-expert-extreme-poverty-expresses-deep

[189] Bohoslavsky, J.P. (2020). *How to make economic reforms consistent with human rights obligations: Guiding principles of human rights impact assessment of economic reforms*. Office of the United Nations High Commissioner for Human Rights. https://www.ohchr.org/sites/default/files/GuidePrinciples_EN.pdf

[190] Bohoslavsky, J.P. (2020). *How to make economic reforms consistent with human rights obligations: Guiding principles of human rights impact assessment of economic reforms*. Office of the United Nations High Commissioner for Human Rights. https://www.ohchr.org/sites/default/files/GuidePrinciples_EN.pdf

The proposed 'solutions' so far have only aggravated debt crises in the long run. In addition, forums comprising the existing financial order 'do not have explicit mandates to promote and protect human rights and have not factored human rights into their policies and programmes in line with the internationally accepted human rights-based approach to development'.[191] On the other hand, UN resolutions have abundantly established the necessity and importance of 'effective, equitable, development-oriented and durable solutions to the external debt and debt-servicing problems of developing countries',[192] for the benefit of the most marginalised and vulnerable in those countries.

Subsequently, calls have been made for an independent debt restructuring mechanism which will 1) assess the financial situation of debtor economies through a neutral body, and 2) that a debtor State, during and after the restructuring process, should be able to fulfil its international human rights obligations, implement its development programme and provide basic services to its people.[193] Thus, these principles strongly discourage adverse measures and reiterate that, ultimately, states 'must not be put in a situation' where their ability to fulfil fundamental human rights is compromised.

191 Lumina, C. (2011, April 10). *Report of the Independent Expert on the effects of foreign debt and other related international financial obligations of States on the full enjoyment of all human rights, particularly economic, social and cultural rights.* United Nations Human Rights Special Procedures. https://docs.un.org/en/A/HRC/20/23

192 United Nations General Assembly. (2022, Dec 20). *Resolution adopted by the General Assembly on 14 December 2022*. https://unctad.org/system/files/official-document/ares77d153_en.pdf

193 Bohoslavsky, J.P. (2020). *How to make economic reforms consistent with human rights obligations: Guiding principles of human rights impact assessment of economic reforms.* Office of the United Nations High Commissioner for Human Rights. https://www.ohchr.org/sites/default/files/GuidePrinciples_EN.pdf


CANCEL
ALL
UNSUSTAINABLE
ODIOUS
AND
ILLEGITIMATE
DEBT!

Chapter 3
POLITICAL DEMANDS & RECOMMENDATIONS

Imperialist and colonial legacies have left the Global South with unsustainable debt burdens that are further entrenched by IFIs such as the IMF and WB. These cycles of debt gravely undermine domestic resource mobilisation, draining the wealth of Global South countries and fueling intergenerational human rights violations. Despite commitments to gender equality, IFIs have consistently failed to address the devastating consequences of their policies on women's human rights, enabled by their non-democratic manner of operating, and as evidenced in their refusal to recognise their obligations under international human rights law. In the absence of significant transformation of the existing neoliberal capitalist structures, the fulfilment of human rights, financing for the Sustainable Development Goals and a transition to Development Justice remains illusory.

We put forth the following political demands, together with essential subsequent steps, to actualise a human rights-based financial architecture for all:[194]

1. **Cancel all unsustainable, odious and illegitimate debts;**

2. **Establish a UN-hosted binding and transparent multilateral debt workout mechanism that includes all bilateral, multilateral and private creditors that leads to a UN Framework Convention on Sovereign Debt built on:**
   a. Principles of responsible sovereign lending and borrowing that promote legislation, both in lender and borrower countries, that mandates transparent and fair governance and management of sovereign debts;
   b. The promotion of debt contract clauses that ensure sharing the risks of climate-related and other external shocks between lenders and borrowers;
   c. Lowering of borrowing costs to balance the exchange risk by denominating all or partial loans in the borrowers' local currencies;

[194] The political demands have been developed with APWLD members and partners over the past three years—beginning from information-sharing, new research and analysis and political strategising, as part of efforts to politically organise and mobilise for debt justice in the region, including at the regional process ahead of the Fourth International Conference on Financing for Development.
Asia Pacific CSO Regional Mechanism (APRCEM). (2024, December 16). *A just, equitable and transformative financial architecture: Development Justice at the core.* APWLD. A just, equitable and transformative financial architecture: Development Justice at the core
Asia-Pacific Forum on Women, Law and Development (APWLD). (2023). *Development Justice Now! Feminist Demands for Financing for Development*. https://apwld.org/wp-content/uploads/2023/04/APWLD-Briefer-on-FfD-2023.pdf
Asia Pacific Forum on Women, Law and Development (APWLD). (2023). *UN Special Rapporteur on freedom of opinion and expression to the UN Human Rights Council: Freedom of opinion and expression and sustainable development – Why voice matters.* https://apwld.org/un-special-rapporteur-on-freedom-of-opinion-and-expression-to-the-un-human-rights-council-freedom-of-opinion-and-expression-and-sustainable-development-why-voice-matters/
Asia Pacific Forum on Women, Law and Development (APWLD). (2023). *Strengthening Feminist Movements for Trade and Economic Justice.* https://apwld.org/strengthening-feminist-movements-for-trade-and-economic-justice/
Asia Pacific Forum on Women, Law and Development (APWLD). (2023). *Strengthening women's resistance to systemic barriers and demanding development justice amidst the COVID-19 pandemic: Regional report 2020–2021.* https://apwld.org/wp-content/uploads/2023/09/FDJ-Regional-Report-2020-2021.pdf

d. A legally binding global debt registry to promote transparency and accountability, including data on the use of loans, disaggregated by gender, disability, race and age; and
e. New approach to Debt Sustainability framework and analyses, ensuring that the assessment is aligned with human rights, climate, sustainable development and gendered needs, including ex-post and ex-ante gender, human rights, labour and environmental impact assessments and audits.

3. **Uphold systematic accountability of the Global North countries and corporations for the centuries of plunder and devastation caused by continued colonisation:**
   a. Reparations, including financial climate reparations that are separate from Official Development Assistance, and debt-free support for education, health and universal social protection; and
   b. Climate finance must be accompanied by ecological restoration, phasing out fossil fuel subsidies, extractivism, and shifting to decarbonised modes of production, distribution and consumption.

4. **End harmful IFI-imposed loan conditionalities and ensure accountability for resultant reforms and policies, including austerity measures, through:**
   a. Undertaking independent gendered, human rights and environmental assessments, particularly the impacts of loan conditions, related macroeconomic policies, reforms and legislation, and the financial and human costs of repayment on the most vulnerable, especially women;
   b. Recognising and protecting of people's sovereignty and self-determination by ensuring that the design and implementation of debt servicing solutions are accessible, democratic, human rights-based, and rejects any discriminatory measures that threaten women's full development and advancement; and
   c. Ensuring women's access to vital and easily understandable information, especially on economic and financial policies, and ensure substantive and equal participation of women in economic decision-making at all levels through:
      i. Special measures that increase the number of women in elected bodies, and facilitate the substantive participation of national women's machineries and women's groups in the civil society to participate in budgetary decision-making and planning processes;
      ii. Capacity building of grassroots communities and civil society, as well as elected representatives, to conduct gendered analysis of budgets.

5. **Rechannel public finance to ensure well-resourced long-term, sustained, public investment for public goods and essential services which ensures the realisation of women's human rights by:**
   a. Guaranteeing universal social protection;
   b. Ensuring that tax reforms are inclusive of the most-impacted/grassroots sectors, transparent, democratic, and accountable, and that the outcomes are just, human rights-centred and support the delivery of gender justice; this includes gender assessments and reviews of tax policies and the removal of discriminatory provisions, and/or other policies that could result in inequality of outcomes across gender groups;

c. Establishing accessible, participatory and transparent gender-transformative public services, programmes and infrastructure through budgeting processes that:[195]
   i. Incorporate individual-level poverty data, disaggregated data by gender, sex, age, race and disability to improve metrics and data collection;
   ii. Allocate public expenditure/resources sufficient to achieve substantive equality; and

d. De-prioritising military and police spending and shift budgets to fund the restoration of public service sectors such as healthcare, education, public transportation and social protection systems.

6. Reconstruct global and regional trade rules to prioritise women's substantive economic participation beyond the limited scope of microloans and basic skills training. Specifically, these rules must:

a. Ensure decent employment and living wages, employment benefits, occupational safety and health, and the right to collective organising and bargaining; and
b. Ensure due recognition to women's contributions to formal and informal sectors. Recognise, value, reduce and redistribute women's unpaid care and domestic work.

7. Scrap domestic laws that are vague and prone to rights abuses, ensuring that laws are not misused and abused against human rights defenders by:

a. Strengthening accountability against corruption and political repression under the garb of maintaining national security and preserving national interest; and
b. Ending the weaponisation of state budgets as a means to push back against the work of women's and feminist movements and organisations.

[195] Huckerby J. & Elson, D. (2008). *Budgeting for women's rights: Monitoring government budgets for compliance with CEDAW—A summary guide for policy makers, gender equality and human rights advocates*. UN Women. https://www.unwomen.org/en/digital-library/publications/2008/1/budgeting-for-women-s-rights-monitoring-government-budgets-for-compliance-with-cedaw-a-summary-guide-for-policy-makers-gender-equality-and-human-rights-advocates

Annex 1:

Further Information on APWLD Debt MCRR Phases I & II

The debt MCRR was conducted over two phases in 2024 and 2025 by APWLD members and partners in six countries: Pakistan, Sri Lanka, Kyrgyzstan, Mongolia, South Korea and the Philippines. In each phase, the process lasted for five months (three months of research, with one month before for preparation and another afterwards for validation and reporting respectively).

In Phase I, all partners focused on qualitative research and analysis through primary and secondary information and data; this included secondary review and analysis of academic and grey literature, as well as primary research through one-on-one, semi-structured interviews and Focus Group Discussions (FGDs).

In Phase II, partner plans varied depending on the country-context. For most of the partners, this involved incorporating components of political education and awareness-raising, political consolidation with allies and partners and policy advocacy with government stakeholders and the media.

All activities/components were implemented in partners' local/national languages, however, the final reports submitted to APWLD were in English. Once completed, research findings were shared with the communities, verified and validated with them.

PHASE 1				
Sr. No	**Organisation**	**Research Sites & Communities**	**Time Period**	**Emerging Themes in Research Findings**
1	**Centre for Women's Resources, Philippines**	• Pampanga and Marikina City ◦ Urban poor communities in San Fernando • Rosario, Cavite ◦ Women workers from the Liga ng Kababaihang Manggagawa sa Cavite Economic Zone (League of Women Workers at the Cavite Economic Zone) • Hacienda Tinang in Tarlac province ◦ Peasant women • Sta. Rosa, Nueva Ecija ◦ Agricultural workers	1953-2024	• Austerity • Deregulation of labour market • Privatisation of essential public services

Sr. No	Organisation	Research Sites & Communities	Time Period	Emerging Themes in Research Findings
2	**Centre for Human Rights and Development, Mongolia**	• Herder communities from the three districts in the Dornogovi province: Dalanjargalan, Ulaanbadrakh, and Khatanbulag ◦ Women working in CSOs, teachers, customs inspectors, lawyers, bank accountants, workers in small and medium enterprises workers, students, retired and self employed women, and informal workers (e.g. seamstresses, shoemakers), including those also heads of households/ widows and women with disabilities	1991-2024	• Household debt • Lack of transparency and accountability in debt management processes
3	빈곤철폐를위한사회연대 **(Korean People's Solidarity against Poverty [KPSP]), South Korea**	• Seoul ◦ Informal and/or contractual workers in (restaurant worker, street vendor, worker at a logistics centre)	1997-2024	• Deregulation of labour market • Gendered discrimination in the labour market • Private, including household, debt • Lack of social safety nets, especially for the elderly population • Social consequences: Low birth rates, high suicide rates, mental health crisis
4	**Roots for Equity, Pakistan**	• Working class neighbourhoods in Karachi, Sindh: Safoora Goth, Nasir Colony (Korangi Industrial Area), Landhi No.1 (Landhi Industrial Area), Mohammadpur (Sindh Industrial Trading Estate Town) ◦ Informal, home-based workers (cleaners, seamstresses, cooks), including wives of male workers laid off from factories that had shut down due to the economic crisis, resorting to daily wage labour • Tando Mohammad Khan (Villages Hazoor Baksh Lashari, Veeri Goth, Maula Baksh Lashari), and Badin (village Seel Gam), Sindh ◦ Informal, home-based workers (seamstresses), seasonal agricultural workers (cotton-picking, rice, wheat harvesting, livestock farming); males in the families either work as informal daily wage labour (e.g brick kiln workers), or work elsewhere in nearby towns	2000-2024	• Austerity • Privatisation of essential public services • Inflation and the cost of living crisis • Interconnectedness with other issues, such as climate crisis

Sr. No	Organisation	Research Sites & Communities	Time Period	Emerging Themes in Research Findings
5	**We Women Lanka & Sarala Emmanuel (Individual Member), Sri Lanka**	• Puththalam, Gampaha, and Nuwara Eliya ∘ Housewives, Free Trade Zone workers, informal workers including milk farmers, tea plantation workers, and dry fish vendors	2019-2024	• Austerity • Privatisation of essential public services • Inflation and the cost of living crisis
6	**Women's Public Foundation, Kyrgyzstan**	• Kolmo settlement, district Pervomaisky, Bishkek ∘ Internal migrants	2019-2024	• Austerity, and decreasing social safety nets • Labour migration out of Kyrgyzstan • Domestic violence • Lack of transparency and accountability in debt management processes

PHASE 2			
Sr. No	**Organisation**	**Research Sites & Communities**	**Components of Phase II**
1	**Centre for Women's Resources, Philippines**	• The same grassroots communities involved in Phase I while expanding to additional stakeholders in the civil society, as well as academia and students	• Political awareness-raising and capacity-building based on the findings of Phase I • Policy advocacy • Political consolidation and • movement-building
2	**Centre for Human Rights and Development, Mongolia**	• CSOs in Ulaanbaatar involved in Phase I and others working on issues related to foreign debt foreign debt • Community leaders in soums in the provinces of Dornogovi, Dalanjargalan, Khentii, Dornod and Uvurkhangai	• Political awareness-raising and capacity-building based on the findings of Phase I

PHASE 2			
Sr. No	Organisation	Research Sites & Communities	Components of Phase II
3	**빈곤철폐를위한사회연대 (Korean People's Solidarity against Poverty [KPSP]), South Korea**	• Seoul ◦ Eight representatives of a grassroots collective - Debt Coalition - that organises and mobilises for economic/debt justice	• Additional qualitative research through in-depth one-on-one interviews
4	**Roots for Equity, Pakistan**	• Sindh: Districts Khairpur, Shikarpur and Ghotki • Punjab: Districts Sahiwal, Multan and Rajanpur • Women aged 18-50, a mix of Hindus and Muslims, small and landless households	• Political awareness-raising based on the findings of Phase I • Media advocacy • Political consolidation and • movement building
5	**We Women Lanka & Sarala Emmanuel (Individual Member), Sri Lanka**	• Ten women, aged 18–60 years old, housewives, Free Trade Zone workers, informal workers • Gampaha, Puttalam, Nuwara Eliya, Anuradhapura and Colombo	• A deeper qualitative research through in-depth one-on-one interviews on the lived experiences of a targeted group of women (a combination of those engaged in Phase I, and those from newer research areas). • Policy advocacy through developing knowledge tools, e.g. a powerful advocacy tool (a short film)
6	**Women's Public Foundation, Kyrgyzstan**	• Kolmo settlement, district Pervomaisky, Bishkek ◦ Women recipients of the 'Social Contract' and family support benefit 'Üy-bülögö kömök', as well as those who are unable to access state social services despite being eligible	• Additional qualitative research through FGDs • Political awareness-raising based on the findings of Phase I • Policy advocacy

Annex 2:

Country Policy Context of IFI reforms in APWLD Debt MCRR sites

This annex contains country-level policy context corresponding to the impacts discussed in the report. All information has been consolidated from country reports of the research partners.

2.1 Philippines[196]

The Philippines (outstanding debt USD 0.26 trillion, as of February 2024) continues with an underdeveloped semi-colonial and semi-feudal, agrarian economy, with a dearth of national industries. A law on automatic debt servicing was enacted in 1977 which authorises automatic appropriation of funds for interest and principal payments of the government's debt, thus allowing it to bypass any scrutiny during national budget deliberations and the approval from Congress. From 2022 to 2024, while still reeling from the impacts of the COVID-19 pandemic, huge sums of public funds were automatically allocated to debt servicing, increasing from 10.41 per cent to 11.70 per cent. In 2024, its allocation was higher compared to the budget allocated for health (9.02 per cent), social security, welfare, and employment (5.21 per cent), housing and community development (0.42 per cent), agriculture (4.06 per cent), water resources development (2.25 per cent), and power and energy (1.87 per cent). Heavily reliant on remittances and foreign loans, primarily for infrastructure in communications, roads and transport, its economy continues to feel the brunt of fiscal resources lost to mandatory debt servicing, and the impacts of other loan conditionalities such as trade liberalisation, austerity measures, and privatisation and labour market deregulation.

2.1.1 Regressive taxation for the public, tax concessions to the corporates

In the Philippines, in 2024, a 12 per cent VAT has been imposed on a broad base of commodities and services for the past two decades, which is the highest rate in Southeast Asia. This is not a one-off instance, as tax and fiscal reforms, particularly regressive tax policies, have often been used to generate resources for debt repayments, thus favouring the private sector over public welfare. Since the first loan facility from the WB incurred in the 1950s, the government implemented tax reforms and fiscal consolidation to reduce fiscal deficits and stabilise debt levels relative to GDP. Over the years, each administration has implemented fiscal consolidation measures to improve revenue collection, rationalise government expenditures, enhance debt management and strengthen fiscal discipline to put the country's public finances on a sustainable path and promote inclusive economic growth. Tax revenue is deemed as crucial in reducing the probability of persistent budget deficits.

Further, the 2021 Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act significantly lowered corporate income taxes—down to as low as 20 per cent for

[196] [APWLD Debt MCRR-I]. Centre for Women's Resources Philippines. (2024). *Living on the Edge: Impacts of the Debt Crisis on Filipino Women*. [Unpublished].

smaller firms and 25 per cent for others—despite the government already losing hundreds of billions of pesos annually from existing tax incentives. To compensate, the government has proposed and implemented new consumption-based taxes, including VAT on digital services, excise taxes on single-use plastics, and levies on junk food and sugary products. While these measures aim to raise revenue and address environmental and health concerns, they risk disproportionately affecting low-income households, who rely on affordable digital services, cheap packaging, and low-cost food options. As businesses may pass on these added costs to consumers, these policies effectively shift the tax burden onto the poor while granting significant relief to corporations.

2.1.2 Privatisation of essential public services

Water services

In 1997, the International Finance Corporation (IFC) of the World Bank signed an agreement with the Government of the Philippines to act as lead advisor on the proposed privatisation of the Metropolitan Waterworks and Sewerage System (MWSS), the Government-owned water supply, treatment and distribution utility. The concession was given to two private water companies, Manila Water and Maynilad, with the concession agreement indicating that the water concessionaires may recover, by way of tariff, operating, capital maintenance, and investment expenditures as well as business taxes, among others. In the initial agreement, the two concessionaires promised a 100 per cent water coverage within ten years, no increase in water rates for the first ten years, 24 hours per day of uninterrupted water service to all connected consumers within three years, investment in infrastructure development, the expansion of service areas, and the abolition of corruption within the MWSS. Subsequently, this model of water privatisation was replicated across the country, with private water concessionaires targeting local water districts.

However, in a 2020 review of the water privatisation in the Philippines by Encarnacion-Tadem, major shortcomings by the companies and the MWSS Regulatory Board (MWSS-RO) were identified. Almost 27 years after the privatisation, it continues to fall short of the promised outputs stipulated in the initial contract. To this day, service coverage remains minimal, and consumers still decry poor water and sanitation services and the continued increase of water rates: Since 1997, water rates have risen by 859 per cent for Maynilad and 1,722 per cent for Manila Water.

Further, contrary to the promise of a more efficient water service delivery, the two companies were found to have been underspending on infrastructure. According to the IBON Foundation, only less than 50 per cent of the promised P6.8 billion infrastructure upgrades investment was spent by Maynilad from 1997 to 2001.

Furthermore, while household service connections significantly increased between 1997 and 2018, from 825,000 to 2.39 million, only 94 per cent of Metro Manila residents have water coverage, or six per cent below the original target of 100 per cent water coverage by 2007. For those who have connections, poor water quality, shortages, and service interruptions, which frequently occur without prior notice, continue to be a major inconvenience (in 2022, Maynilad was fined by the MWSS for its failure to deliver its commitment of an uninterrupted 24-hour water supply for their consumers within the Putatan Water Treatment Plant [PWTP] Supply Zone). A 2023 survey by Social Weather Station (SWS) also revealed that only 67 per cent of households in the country have access to running water.

Healthcare

As part of fulfilling the conditionalities under the SAPs, the Department of Health formulated the Plan for People's Health (1987-1992), the National Health Plan (1995-2020) and the Health Sector Reform Agenda (HSRA) (1999-2004). In 2004, the Philippine government requested the Asian Development Bank (ADB) for assistance to support the implementation of the HSRA and the ADB approved two loans totaling USD 213 million for a health sector development programme and investment project loan in support of the HSRA.

Part of a major reform in health financing has been directed at the expansion of the National Health Insurance Programme (NHIP) to achieve universal coverage. NHIP was first implemented in 1995 through the enactment of RA 7875 or the National Health Insurance Act of 1995. As a social health insurance scheme, it mainly receives its funding from the premium contributions of its direct and indirect contributors and from the national government through the provision of a yearly subsidy. The Philippine Health Insurance Corporation (PhilHealth) was also created to act as the key implementer of NHIP. Since then, the NHIP has been the main healthcare programme of the government, expanding health insurance coverage in 2013 to the poorest population, funded in part by revenues from sin taxes. The 2019 Universal Health Care (UHC) Act further broadened the reach of the NHIP through automatic enrollment in PhilHealth. Thus, through PhilHealth, the government is now a mere purchaser of health services rather than a direct provider.

Despite the above coverage provisions, however, the health sector remains underfunded and health services remain inaccessible. In 2022, PhilHealth's share of total health expenditure was only 13.6 per cent while households spent 44.7 per cent. Further, the NHIP is also not utilised by the poor despite their supposed prioritization. According to IBON Foundation (2024), they do not benefit from PhilHealth's programmes and policies, such as the No Balance Billing Policy, because of the lack of government facilities in the poorest regions. Case in point, as of 2021, only 18 government hospitals are located in Bangsamoro Autonomous Region in Muslim Mindanao (BARMM) which has the highest poverty incidence, in comparison to the 48 government hospitals in National Capital Region (NCR). On the other hand, the private sector rakes in profits from PhilHealth. In 2023, Php 68.7 billion (56 per cent) of claims payments were made to private hospitals and facilities compared to the Php 53.6 (44 per cent) billion claims payments paid to public hospitals and facilities.

2.1.3 Flexibilisation of the labour market

Signed into effect in 1974 by former dictator Ferdinand Marcos, the Philippine Labour Code intended to give businesses greater hiring flexibility—the initial objective was to tackle the problem of seasonality in industries, including agriculture, where labour was needed only for specific seasons of the year. However, the practice quickly became common, with businesses employing it to cut labour expenses while avoiding giving benefits and security to their employees. The policy flourished during various subsequent government regimes that legalised and institutionalised contractualisation, continuing to threaten workers' security of tenure and cheapening their wages. Following protests by the workers movements opposing the neoliberal attacks on their livelihood and standards of living, subsequent administrations made promises to reverse the measures, however, labour flexibilisation continues to be a pervasive issue in the Philippines. Government data shows a conservative estimation of the number of non-regular workers at 990,443, and agency-hired workers at 590,779 in establishments with 20 or more workers.[197] These numbers only scratch the surface of the widespread issues of precarious work arrangements in the country. Many non-regular workers ('*pakyawan*' or contract-based and '*arawan*' or daily wage labour), are denied benefits such as paid sick leave, vacation days, health insurance and social security among others, leaving them constantly vulnerable.

2.2 Pakistan[198]

Pakistan's current debt crisis (current debt USD 217 billion, as of 2025)[199] is deeply rooted in a history of financial instability and reliance on international assistance, particularly from the IMF. Pakistan is one of the IMF's top five debtors. Over the years, IMF-mandated reforms included a free-market exchange rate, aggressive privatisation of major commercial banks and state-owned enterprises in oil, gas and telecommunications and trade policy reforms to boost the investment climate.[200] Its current debt-to-GDP ratio is past the legal limit of 60 per cent at 72 per cent,[201] with the total government debt having increased by 12 per cent—USD 32.1 million—in just the past year.[202,203]

[197] Philippine Statistics Authority. (2024, January 26). *Highlights of the 2021/2022 Integrated Survey on Labor and Employment: Module on Employment: August 2022*. https://www.psa.gov.ph/statistics/isle/node/1684061968

[198] [APWLD Debt MCRR-I] Roots for Equity Pakistan. (2024). *Debt as an imperial weapon: The lives of Pakistan working women.* [Unpublished].

[199] Government of Pakistan. (2025). *Annual Debt Review FY-2025*. https://www.finance.gov.pk/dpco/annual_debt_review_2025.pdf

[200] Lipton, D. (2019). *IMF Executive Board Approves US$6 billion 39-Month EFF Arrangement for Pakistan.* International Monetary Fund. https://www.imf.org/en/News/Articles/2019/07/03/pr19264-pakistan-imf-executive-board-approves-39-month-eff-arrangement

[201] Monitoring Desk. (2024, October 24). *Pakistan exceeds its legal public debt limit; debt-to-GDP ratio reaches 70.2%.* Pakistan Today. https://profit.pakistantoday.com.pk/2025/10/24/pakistan-exceeds-its-legal-public-debt-limit-debt-to-gdp-ratio-reaches-70-2/

[202] Sherani, T. (2025, July 5). *Govt debt swells 12pc since last year.* Dawn. https://www.dawn.com/news/1922295

[203] Iqbal, S. (2025, September 10). *Debt surges by Rs9tr in one year.* Dawn. https://www.dawn.com/news/1940824

2.2.1 Poverty indicators

The impacts of a disintegrating economy are ultimately felt most by the working class. The growing economic crisis and taxation policies inflated prices of transportation, energy, education, health, food and water, while household incomes dwindled. Poverty levels in Pakistan stand at 25.3 per cent, while multi-dimensional poverty ranks at 39.5 per cent,[204,205] relaying a grim picture of more than one-third of the country's population facing deprivation in health, education and standards of living.

2.2.2 A chronic state of economic crisis, and the latest round of Structural Adjustment in the country

In 2023, the country barely avoided an economic default, with the IMF approving a last-minute USD three billion loan to pull it out of its Balance of Payments (BoP) crisis. Crushing economic adjustments followed:[206,207,208] the Pakistan Rupee (PKR) to the USD fell from 161.8 to 278 from 2020 to 2023—inducing record levels of inflation that went up to 45 per cent, the second-highest rate in South Asia;[209] sharp hikes in prices of oil, gas, electricity and essential commodities—for instance, water bills increased by as much as 400 per cent in major cities;[210,211] increased revenue generation through tax collections—the government was stipulated to raise more than USD 1.34 billion in new taxes to meet the IMF's fiscal adjustments; and energy sector reforms.[212] The increase in indirect taxes, primarily the sales tax, which forms nearly 60 per cent of Pakistan's tax structure, was a major blow for the poorer sections of society. If not for the sales tax, 92 per cent of the population would fall below the minimum income bracket for direct taxation.[213]

---

204 Haider, M. (2024, May 25). *Multidimensional poverty index at 39.5pc in Pakistan: Report*. The News International. https://www.thenews.com.pk/print/1192998-multidimensional-poverty-index-at-39-5pc-in-pakistan-report

205 Shabbir, S. (2025, September 23). *World Bank warns Pakistan's poverty has climbed to 25.3 percent after years of decline.* Arab News. https://www.arabnews.com/node/2616387/pakistan

206 International Monetary Fund. (2023, July 21). *Pakistan: Request for a Stand-by Arrangement-Press Release; Staff Report; Staff Statement; and Statement by the Executive Director for Pakistan.* https://www.imf.org/en/publications/cr/issues/2023/07/17/pakistan-request-for-a-stand-by-arrangement-press-release-staff-report-staff-statement-and-536494

207 Al Jazeera. (2023, June 30). *Pakistan, IMF reach $3bn staff-level agreement*. https://www.aljazeera.com/news/2023/6/30/pakistan-imf-reach-3bn-staff-level-agreement,

208 Ijaz, S. & Saadoun, S. (2023, September 26). *How IMF policies undermine rights.* Human Rights Watch. https://www.hrw.org/news/2023/09/26/how-imf-policies-undermine-rights

209 Amin, T. (2023, March 16). *Consumer price inflation in Pakistan second highest in South Asia: World Bank.* Business Recorder. https://www.brecorder.com/news/40231735

210 Yasin, A. (2023, August 11). *Over 400pc hike in water tariff.* Dawn. https://www.dawn.com/news/1769454

211 Roots for Equity. (2023, August). *IMF conditionalities - the suffering of the people*! In a Nutshell *(Issue 2).* http://rootsforequity.org/wp-content/uploads/2023/09/Issue-II-August-23-In-a-Nutshell-1.pdf

212 Ara, I. (2023). *Estimating the Distributional Burden of General Sales Tax in Pakistan*. The Pakistan Development Review, *62*(3), pp. 395–408. Pakistan Institute of Development Economics. https://www.jstor.org/stable/27293344

213 Reuters. (2023, December 15). *IMF denies it plans to ask Pakistan to raise taxes on salaried class*. The Express Tribune. https://tribune.com.pk/story/2450123/imf-denies-it-plans-to-ask-pakistan-to-raise-taxes-on-salaried-class

2.2.3 Industrial decline aggravating the cost-of-living-crisis

The state of the country's economy is not only a consequence of recent events but demonstrates longstanding, recurring adverse effects of neoliberal policies enacted as much as three decades earlier. One of these policies includes the privatisation of the energy sector in the 1990s. The Independent Power Producers (IPP) policy was brought into effect to attract private investment into electricity generation. Consequently, nearly half of the country's electricity was produced by private firms under contracts that guaranteed them profits in USD, including through obligatory payments even when power would not be purchased; in case of unmet payments, the country can be sued at the International Centre for Settlement of Investment Disputes (ICSID), as has happened before whereby Pakistan was fined a hefty USD six billion by the Australian mining company, Tethyan Copper, for pausing project implementation. Further, IPPs also rely on imported fossil fuels that makes electricity generation much more expensive, increases the economy's reliance on oil and gas imports, along with being ecologically harmful. The combination of obligatory profits/ payments denominated in USD and fluctuations in global fuel prices shift financial risks of currency fluctuations onto the government and the public, leading to recurring debts, power outages and industrial decline. The latter is worsened when currency fluctuates as, being a heavily import-dependent country, the depreciation of PKR to USD raises production costs, thereby weakening market competitiveness of local manufacturers.[214]

The aforementioned structural issues, combined with a lack of investment in developing the local manufacturing sector and industries, the rise in electricity, gas and water bills, the resultant high cost of raw materials, transportation and other business-related operations have gravely impeded the growth of local industry. The continued challenges have led to country-wide strikes and protests among the people, including the business and trading community, amidst the closures of hundreds of local manufacturing units, leaving millions unemployed in the wake of the gradual dismantling of the local economy.

2.3 Kyrgyzstan[215]

Kyrgyzstan transitioned to a market economy after the collapse of Soviet Russia. A major part of this transition were the reforms introduced by IFIs such as the IMF, which meant the privatisation of state enterprises, including public sectors like education and health, trade liberalisation and major tax reforms, restrictions on regulating the exchange rate or configuring currency arrangements/practices without the IMF approval. Currently, debt repayments further reduce public spending on housing and environmental protection, and coupled with increased tariffs for energy

214 Rahman, T. (2023, October 17). *How the International Monetary Fund Is Squeezing Pakistan*. Tricontinental. https://thetricontinental.org/dossier-69-how-the-international-monetary-fund-is-squeezing-pakistan/#toc-section-7

215 [APWLD Debt MCRR-I] Women's Public Foundation Kyrgyzstan. (2024). *Documenting the Impact of Economic Challenges on Women's Human Rights in Kyrgyzstan*. [Unpublished].

and essential commodities, maintain a constant cost-of-living-crisis with household debts a persistent pressing problem. This is worsened by lack of transparency, accessibility and comprehensibility of processes despite continuous foreign borrowing, coupled with nearly non-existent state accountability mechanisms and scarce independent research and information regarding the impacts of state loans and grants in both the countries.

As of 31 July 2025, Kyrgyzstan's total public debt amounted to USD 8,407.9 million. Its main lenders were the Bank of China, the Export-Import Bank of China, the International Development Association, the Asian Development Bank and the International Monetary Fund.

2.3.1 IMF conditionalities and national budget priorities

Budget Category	Per cent of government expenditures (2025)
External debt servicing	26.3
Education	15.4
Defense, public order, and security	14.5
Social protection	4.6
Housing and communal services	0.2

In conjunction with increased taxation, broader price and tariff increases further reinforce economic precarity. In 2025, consumer prices rose by 8.2 per cent, electricity tariffs increased by 23.6 per cent, and costs of communal services and production chains by an additional 7.1 per cent. Overall, while social spending increased by nearly 50 per cent in 2025, its share within the budget declined, as other categories—particularly economic development and defense—expanded at a faster pace, while expenditures on housing and communal services decreased approximately sixfold, by 70 per cent.

2.3.2 Public social safety nets

The organisation and provision of public services is regulated by the following basic laws and government decrees in Kyrgyzstan:

- Law 'On State Benefits in the Kyrgyz Republic' (2017 No. 163)
- Law 'On older citizens in the Kyrgyz Republic' (2011 No. 133)
- The 'Social Contract' programme is a mechanism for helping low-income families—100,000 soms are allocated to start their own business
- Law 'On internal migration' (2002 No. 133)
- Law 'On promoting employment of the population' (2015 No. 214), receiving free services for vocational guidance, vocational training, retraining and advanced training in the direction of an authorised government body
- Law 'On healthcare organisations in the Kyrgyz Republic' dated August 13, 2004 No. 116
- Regulations on the procedure, conditions and timing of payment of unemployment benefits (2021 No. 2)

- Law 'On the protection of the health of citizens in the Kyrgyz Republic' dated January 9, 2005 No. 6
- Law 'On the rights and guarantees of persons with disabilities' (2008 No. 38)
- Law 'On preschool education' (2009 No. 198)
- Law 'On education' (2003, No. 92)

Public social services—such as healthcare, education, social protection (employment support, pensions and disability benefits), childcare and support for vulnerable groups—include family support allowances like 'Üy-bülögö kömök' and a national programme like the 'Social Contract'.

The Social Contract is a state-supported social assistance measure designed for low-income and vulnerable families who possess a social passport or receive the monthly benefit Üy-bülögö kömök. Provided to families whose per-capita income falls below the officially established Guaranteed Minimum Income (GMI) of 1,000 KGS (USD 11.5), the programme emphasises the importance of encouraging low-income families to engage in economic activity, aiming to reduce long-term dependence on social assistance, in line with its objective of helping families transition from receiving the monthly benefit to participating in income-generating and entrepreneurial activities. Other than income criteria, families are selected based on the motivation to participate, sufficient labour and asset potential, and a business plan developed in accordance with the official methodology.

However, in practice, these services are only partially implemented, largely due to insufficient funding (see above table on per cent of national expenditure 2025). As a result, beneficiaries—especially women, single mothers, and low-income households—face significant economic, social, and psychological challenges. Many families lack safe and stable housing, and women are particularly vulnerable to violence, which often leads to loss of income, high medical expenses, and dependence on abusive partners. Women also carry a heavy burden of unpaid domestic work due to limited childcare services. Older persons and individuals with disabilities encounter difficulties accessing state benefits through complex bureaucratic processes. Additionally, poor infrastructure, including limited public transport, aggravate circumstances. The above, coupled with high levels of unemployment, result in worsening living conditions that have driven labour migration out of the country.

2.3.3 The state of transparency and public participation in debt governance

The Public Debt Management Strategy 2022-2024 is the main document on public debt and risk management policy. Other than that, no other information is made publicly available; this includes information on the official mechanism for redressing complaints and accountability, about working with the population, with the local community, for what period of time the loan is issued, at what interest rate, the start of repayment, the breakdown into tranches, receipt and disbursement of money. It should also be noted that women learned for the first time during this study about the concept of the country's debts.

2.4 Sri Lanka[216]

Sri Lanka's debt crisis (current debt USD 99.8 billion, as of June 2025),[217] including its first-ever default on foreign debt in 2022, is a culmination of both external and internal challenges. The COVID-19 pandemic, the Russia-Ukraine war, and high inflation. Years of conflict, reliance on foreign debt, cuts to essential public sectors and mismanagement ultimately have driven the country into severe economic hardship, leading to widespread protests and political instability.

Since 1978, the Sri Lankan economy has shaped up to become import-dependent, with successive governments prioritising imports with low investment in the local economy, leading the country to keep borrowing in order to cover its trade deficits. Sri Lanka has faced a long-standing issue of centralisation of power. The executive presidency, a powerful position, has often been misused, leading to corruption,[218] misuse of public funds, and lack of oversight, monitoring and accountability. Large-scale infrastructure projects undertaken by the government, often funded by foreign loans and many of which have failed to generate sufficient revenue that would justify their investment, have been criticised for incurring high costs and adding onto the country's debt burdens, straining public finances.[219,220]

2.4.1 Fertiliser ban and the lack of public participation in economic decision-making

The agricultural sector, once the backbone of Sri Lanka's economy, took a huge hit as extreme weather events, coupled with fuel shortages gravely impacted the productivity of harvests in the lead up to and following the economic default in 2022. This was partly driven by the abrupt ban on the usage of fertilisers in 2021. The ban was brought into effect apparently to mark a shift towards organic farming. However, instead of gradually phasing out the policy through ensuring complete information, trust and ownership of the country's farmers, the policy was abruptly introduced without warning and legitimate justification. Although reversed shortly after being introduced, the policy exacerbated the economic and food security crisis in the country, bringing it to the brink of starvation.[221,222]

---

216 [APWLD Debt MCRR-I] We Women Lanka Sri Lanka. (2024). *Rural Women Affected by Sri Lanka's Debt Crisis*. [Unpublished].

217 CEIC. (2025). *Sri Lanka National Government Debt*. https://www.ceicdata.com/en/indicator/sri-lanka/national-government-debt

218 Abeyagoonasekera, A. (2023). *Sri Lanka's political-economic crisis; corruption, abuse of power and economic crime*. Journal of Financial Crime, *30*(6), 1432-1443. https://ideas.repec.org/a/eme/jfcpps/jfc-03-2023-0069.html

219 Ramachandran, S. (2022). China and Sri Lanka's debt crisis: Belt and Road Initiative blowback. *China Brief, 22*(10). https://jamestown.org/china-and-sri-lankas-debt-crisis-belt-and-road-initiative-blowback/

220 Hameiri, S. &Jones, L. (2020, December 14). *Debunking the Myth of 'Debt-trap Diplomacy'*. Chatham House. https://www.chathamhouse.org/2020/08/debunking-myth-debt-trap-diplomacy/4-sri-lanka-and-bri

221 Ellis-Peterson, H. (2022, April 20). *'It will be hard to find a farmer left': Sri Lanka reels from rash fertiliser ban*. The Guardian. https://www.theguardian.com/world/2022/apr/20/sri-lanka-fertiliser-ban-president-rajapaksa-farmers-harvests-collapse

222 Jayasinghe, U. & Ghoshal, D. (2022, March 3). *Fertiliser ban decimates Sri Lankan crops as government popularity ebbs*. Reuters. https://www.reuters.com/markets/commodities/fertiliser-ban-decimates-sri-lankan-crops-government-popularity-ebbs-2022-03-03/

2.4.2 Sub par essential public services

In the lead up to the economic default and, following the subsequent IMF loans acquired for 'recovery', massive inflation, a rise in utility prices (up to 260 per cent)[223] and a major cost-of- living-crisis engulfed the nation, while wages remained stagnant.

The closure of educational institutes caused major disruptions, as transportation issues due to fuel shortages were worsened by a lack of supplies (uniforms, textbooks, stationery) and the inability to provide school meals, which often were relied upon by parents to provide meals for their school-going children,[224] resulting in learning losses that exacerbate poverty and inequality in the long run. The healthcare system has been similarly impacted, as shortages of medicines and equipment, as well as mass emigration of trained medical personnel from the country owing to the economic crisis, have impeded service provision.[225] While meagre wages are mostly spent on arranging food, families have had to reduce meal sizes or skip meals altogether, foregoing items like fruits and vegetables. At one point, one-third of the children under the age of five were malnourished.[226] Prioritisation of expenses also means that needs that are important, but not yet critical, are deprioritised, including healthcare and education-related expenses.[227] Social safety nets are not sufficiently helpful, as the Aswesuma welfare scheme covers only 1.4 million households, and is impeded by implementation challenges as well as underresourcing—the 2024 budget allocation for the cash transfer programme was only 0.6 per cent of the GDP.[228]

2.4.3 Rotating Savings and Credit Associations (ROSCAs)

The Rotating Savings and Credit Associations (ROSCA), also known as the '*cheetu/ seettu*' system in Sri Lanka, is an informal, community-based savings and credit arrangement that serves as a crucial safety net for low-income and rural communities who lack access to formal banking. Operating largely on trust, social relationships, and mutual accountability, members regularly contribute a fixed amount, pooling a common fund which is then given to each participant in turn, thereby allowing individuals to acquire lump-sums without complex formalities/collateral complications. While the advantages of the system include the ease of process, its rapid accessibility

---

223 DAWN. (2022, August 9). *Sri Lanka raises electricity tariffs by up to 264pc*. https://www.dawn.com/news/1704092/sri-lanka-raises-electricity-tariffs-by-up-to-264pc

224 UNICEF. (2022). *Humanitarian Action for Children*. https://www.unicef.org/media/122356/file/2022-HAC-Sri-Lanka.pdf

225 Woo, M., Emmanuel, S., De Silva, T., & Shumail, Z. (2024). Is the IMF a primary, direct perpetrator of human rights violations? Evidence from Sri Lanka, Pakistan and South Korea. *Development 67*, 326–340. https://doi.org/10.1057/s41301-025-00428-8

226 Dahanayake, N. (2024, October 24). *Understanding lingering poverty and malnutrition in the aftermath of Sri Lanka's economic crisis.* Global Voices. https://globalvoices.org/2024/10/31/understanding-lingering-poverty-and-malnutrition-in-the-aftermath-of-sri-lankas-economic-crisis/

227 Perera, I. (2024, March 18). *The gendered burden of care in Sri Lanka's polycrisis*. Institute of Development Studies (IDS). https://www.ids.ac.uk/opinions/the-gendered-burden-of-care-in-sri-lankas-polycrisis/

228 Feminist Collective for Economic Justice (FCEJ) (2023). *Into the Abyss Feminist Collective for Economic Justice Statement on the Budget for 2024.* https://www.srilankafeministcollective.org/_files/ugd/06bf48_54ec9ab055164cef924004c24eb3ee0b.pdf

and flexibility, the disadvantages include the risks of members defaulting, amongst other sources of mismanagement, made more precarious by the lack of any legal regulations/protection.[229,230]

In March 2026, the government passed the Microfinance and Credit Regulatory Bill into law which threatens to take away the support provided by the lending and borrowing system at the grassroots level. 2025 also reflects growing concern over rising household indebtedness. without meaningful public consultation, especially excluding the very communities most affected by microfinance practices, engaging borrowers, grassroots groups, or civil society. The process through which the law has come into effect is symptomatic of the larger, deeper disconnect between the state and its people, and the exclusivity of crucial laws, reforms and policies that impact people in their daily lives. The exclusion of grassroots communities, primarily those who utilise the system the most, and the larger civil society, coupled with the rushed process which limited any prospects of meaningful consultation and/or constitutional challenge, received widespread public critique. In addition, the law does not adequately address exploitative lending practices nor sufficient safeguards for vulnerable borrowers. Instead, it excludes documented abusers of the practice and adds on bureaucratic difficulties for community-based, often women-led, financing systems, by making formal registration mandatory, with the risk of minor administrative failures being criminalised in the future.

2.5 South Korea[231]

South Korea's economy, initially focused on state-led development in the 1970s, shifted to a chaebol-driven model in the 1980s, marked by rapid industrialisation. The Asian financial crisis of 1997 was a pivotal moment, exacerbated by excessive corporate borrowing, reckless bank lending, and a depletion of foreign exchange reserves. South Korea sought an IMF bailout, which imposed stringent conditions including the prohibition of government intervention in bank management and lending decisions, opening of the Korean financial market to foreign capital, and the deregulation of the labour market with revision of labour laws that legalised contractualisation and mass layoffs. These measures led to significant economic hardship, unemployment, and social distress.

South Korea's experience with structural adjustment is evidence of the life-altering, intergenerational trauma of adverse economic policies that lingers long after its economic woes in the wake of the 1997 Asian financial crisis may seem to have been overcome. The IMF loan was repaid by 2001. However, deep scars of the crisis

229 De Silva. J. (2025). *Seettu System: Informal Savings and Credit in Rural Sri Lanka*. LinkedIn. https://www.linkedin.com/posts/jayadeva_the-seettu-system-also-known-in-some-areas-activity-7354337575903416320-4mn

230 Fernando, E. (1986). Informal credit and savings organisations in Sri Lanka: The Cheetu system / Le credit informel et les organisations d'epargne au Sri Lanka: Le systeme Cheetu. *Savings and Development*, *10*(3), 253-263. https://www.jstor.org/stable/25829968

231 [APWLD Debt MCRR-I]. Kim, Y. & Lee, J. (2024). *National Debt and Women: The Legacy of the IMF in Korea*. Korean People's Solidarity against Poverty South Korea. http://antipoverty.kr/xe/publish/1277609

remain, evidenced in the country's low fertility rates, high gender pay gap, high suicide rates and a persistent household debt crisis.

2.5.1 Diminished role of the State

The implementation of the IMF structural adjustment reforms entailed granting institutional independence to the Bank of Korea, as part of the overall prohibition of government intervention, and instead commercialising the banking sector. The government purchased bad debt from commercial banks and insurance companies, thereby transferring the responsibility of the private sector to the public sector and taxpayers. Same as in the banking sector, government regulation of the industrial sector also loosened, liberalising trade and opening the economy to foreign capital focussing on export-led trade, increasing foreign ownership, stakes and control in the national economy. The priority was cash flow and short-term profits over sales, growth, and investment.

2.5.2 Deregulation of the labour market

Further, the government also pushed for the deregulation of the labour market over the exit of insolvent financial institutions, as a 'strategy' to attract foreign capital for market development. As a result, the 1998 Dispatch Labour Law was signed into effect, creating a loophole in the provisions of Article 9 of the Labour Standards Act, the Exclusion of Intermediary Exploitation, which stipulated that 'no person shall intervene in the employment of another person for profit or acquire profit as an intermediary, except in accordance with the law'. Subsequently, Article 31 (Employment Adjustment for Management Reasons) of the Labour Standards Act was changed to Article 31 (Restrictions on Dismissal for Management Reasons), which allowed layoffs in response to 'urgent business needs' deriving from 'transfer, acquisition, or merger of a business to prevent deterioration of management'. This revision of the labour laws institutionalised and legalised conditions for labour market flexibility, such as mass layoffs and the contractualisation of work, depriving workers of a legal basis to counteract workplace exploitation.

2.5.3 Rescinding safety nets & household/private debts

Evidently, the priority was to protect the financial sector rather than the people. As mass unemployment unfolded, along with widespread irregular, low-paid, precarious work, especially for women, the concept of 'productive welfare' took root, whereby welfare was linked to employment (only a quarter of laid off workers were able to receive unemployment benefits); social services were marketised through privatisation that impeded affordability. As incomes were lost and social safety nets rescinded, in desperate attempts for their own and families' survival, people resorted to borrowing from banks doling out financing at lower interest rates. While this meant a boom in the private insurance market and revenues for banks, crippling private debts mounted at the household level, the material and social repercussions of which have shaped generations of the Korean society ever since.

In the wake of the crisis, the government, in hopes to revive the stagnant economy, and large corporations and bank-affiliated credit card companies, seeking to secure profits from personal loans, took measures to 'revitalise' credit cards. The government allowed large companies to enter the card business and abolished the cash advance limit of 700,000 won per person. Between 1999 to 2002, the number of credit cards issued increased from 39 million to 140 million, with credit card loans increasing by more than sevenfold, from 48 trillion won to 357 trillion won in the same period. Credit card companies gave out cash for cards, or lent to people with no credit at all at very high interest rates, effectively operating as a de facto usury business. Stable jobs and social security were too far away for people who were struggling financially, but using credit cards or taking out cash advances was the easy and, in many cases, the only option for many leading to long-term financial vulnerability.

2.6 Mongolia[232]

Mongolia entered 2026 reeling from a spate of political reshuffling and the resultant public unrest, against a backdrop of high inflation and one-third of its population living below the poverty line. The country's overdependence on the mining sector is a structural challenge—while bringing in high revenues in periods of high growth, it entails economic, social and environmental risks during periods of low-growth. As commodity prices rise and exports decline (especially to neighbouring China), government revenues decline, leading to a balance-of-payment crisis, and impacting spending on public services, as well as ripple effects on other related commercial sectors like transport and services.[233,234]

The country joined the IMF in 1991, and since then received a total of USD 750 million through six lending contracts:

1. Stand-by programme (1991-1992)
2. Enhanced Structural Adjustment Facility programme – 1 (1993-1996)
3. Enhanced Structural Adjustment Facility programme – 2 (1997-2001)
4. Poverty Reduction Growth Facility programme (2001-2005)
5. Stand-by programme (2009-2010)
6. Extended Fund Facility programme (2017-2020)

Under the first stand-by programme, the government undertook major reforms such as privatisation of state enterprises, and liberalisation of prices on goods and services. Consequently, the size of the public sector was reduced to foster the private sector, with the privatisation of the education and health services; further, tax reforms,

232 [APWLD Debt MCRR-I]. Centre for Human Rights and Development Mongolia. (2024). *Mongolia's Debt Analysis - Summary report*. [Unpublished].

233 Chuluunbaatar, S. (2025, September 30). *Mongolia's 2025 Political Earthquake*. The Diplomat. https://thediplomat.com/2025/09/mongolias-2025-political-earthquake/

234 Farmonaut. (2025). *Effects of Ups and Downs in Mine in Mongolia 2025: Comprehensive Impacts on the Economy, Society, and Infrastructure.* https://farmonaut.com/mining/effects-of-ups-and-downs-in-mine-in-mongolia-2025

including the removal of import duties, and restructuring of the banking system followed; the Tax Law, and the adoption of the law on Budget Stability in 2010 were passed upon the recommendations of the IMF, however, the implementation of the latter did not take place.

2.6.1 Laws regulating debt governance and management in Mongolia

Several strategy documents have been developed by the government to manage debt. For example, the Constitution of Mongolia stipulates the duties of the Parliament and the Government to implement planning, implementation, and control of public debt. Further, the 2010 Law on Fiscal Stability and the 2011 Law on Budget both have provisions on debt. The 2015 Law on Debt Management has led to developing and implementing debt management strategies and monitoring the implementation by the General Audit Office through the Law on State Audit, and the 2021 revised Law on Development Policy Planning and Management. Subsequently, three strategy documents on debt management have been adopted and implemented according to the Law on Debt Management since 2016: 2016-2018, 2019-2022, and 2023-2025.

Laws and strategies debt reporting and monitoring should go through the following steps:

- All aid project implementing organisations, project implementing units annually report on the implementation progress to the Government;
- The government reports to the Parliament on implementation of the medium-term strategy once in three years;
- National Audit Authority will audit the three-year strategy implementation report and present to the parliament;
- The Government develops and runs on-line platform on aid (grant and loan) projects accessible for everyone with project data including project name, implementation status, project goal, expected outcomes, sector, starting and completing years, budget portfolio manager, implementing agency, implementation site at the URL:www.odamis.mof.gov.mn;
- The Glass Account Law requires all government organisations, state owned enterprises to report online all expenses exceeding MNT 5 million; and
- The D-parliament platform enables public participation in policy and law-making processes.

2.6.2 The state of transparency of debt governance

Despite these progressive laws, regulations and digital platforms, not all information, especially information on implementation of loan project activities is made available, and the regulation to assess the projects results by the independent specialised evaluators implemented. For example, out of 109 projects financed by foreign loans in 2023, 51 per cent did not upload audit reports, 42 per cent did not upload full procurement reports, and 41 per cent did not upload any procurement reports at all.

There are very few independent evaluations and studies on Mongolia's foreign debt. In recent years only the Open Society Forum (OSF) commissioned a few studies on Mongolia's foreign debt. However, there is no study with a focus on the debt impact on the livelihood of the population in general or the impact on women's livelihood in particular. The OSF studies show that there is a lack of complete and clear information about the state's foreign debt, and public awareness of the debt issue is insufficient. The official information about the debt has never been discussed publicly. If sometimes an issue of foreign debt was raised, it quickly faded away, and there are almost no civil society organisations in the country that focus and work regularly on issues of foreign debt.

The government does not have good capacity in making agreements with foreign investors. Since 2001, the Mongolian government has been at the receiving end of six ISDS cases raised by foreign investors of which five relate to investments in the mining sector. Of these five, there is no available data on one of the cases, two disputes remain pending, and two cases have been decided—one in favour of the investor and one in favour of the government. In the case that was found in favour of the investor, the government was asked to pay USD 80 million, and in the two disputes that remain pending, investors have made claims against Mongolian government to the tune of USD 1 bn and USD 145 million respectively.

The **Asia Pacific Forum on Women, Law and Development (APWLD)** is the region's leading network of feminist and women's rights organisations and individual activists. For over 35 years, we have been carrying out advocacy, activism and movement-building to advance women's human rights and Development Justice.

This publication was produced with support from the Swedish International Development Cooperation Agency (SIDA), Foundation for a Just Society (FJS) and Open Society Foundations (OSF).

Written by: Zainab Shumail, Programme Lead,
APWLD Crises & Women's Human Rights Initiative

Based on the Debt Multi Country Rapid Research reports of:
Centre for Women's Resources, Philippines
빈곤철폐를위한사회연대 (Korean People's Solidarity against Poverty), South Korea
Women's Public Foundation, Kyrgyzstan
We Women Lanka & Sarala Emmanuel, Sri Lanka
Centre for Human Rights and Development, Mongolia
Roots for Equity, Pakistan

Edited and reviewed by: APWLD Secretariat
and APWLD Members Cielito 'Cham' Perez and Sarala Emmanuel

Designed by: E. Maravilla

Year of Publication: 2026

SWEDISH INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

All reports will be published/shared under the research partner's discretion.
Please reach out to the research partners for complete copies of the reports that are yet to be published.

apwld.org apwld@apwld.org apwld.ngo @apwld apwld_

Asia Pacific Forum on Women, Law and Development