

# Half of world sinking into debt crisis, warns UN chief

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Some 3.3 billion people 'almost half of humanity' now live in countries that spend more money paying interest on their debts than on education or health, according to a new UN report released Wednesday.

UN Secretary-General Antonio Guterres told a press conference launching the report that because this "crushing debt crisis" is concentrated mostly in poor developing countries, it is not judged to pose a systemic risk to the global financial system.

"This is a mirage," the UN chief warned. "3.3 billion people is more than a systemic risk, it is a systemic failure."

Guterres said financial markets may seem not to be suffering yet, but billions of people are and the levels of public debt are staggering and surging.

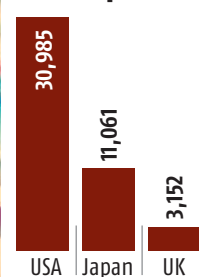
"In 2022, global public debt



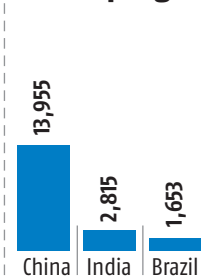
## LEADER BOARD

Country-wise public debt division in '22 (\$ bn)

### Developed

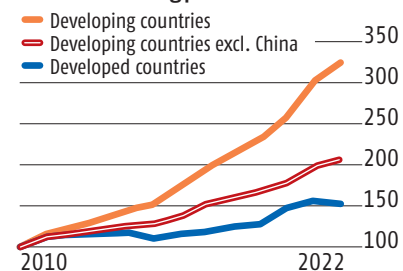


### Developing



## PUBLIC DEBT IS GROWING FASTER IN THE DEVELOPING WORLD

Index outstanding public debt in 2010 = 100



Source: UN Global Crisis Response Group calculations based on IMF World Economic Outlook (April 2023)

reached a record \$92 trillion and developing countries shoulder a disproportionate amount," he said.

According to the report, the number of countries facing high debt levels has increased sharply from 22 nations in 2011 to 59 in 2022. The secretary-general said a growing share of debt is held by

private creditors who charge sky-high interest rates to developing countries.

As an example, he cited African countries that on average pay four times more for borrowing than the United States and eight times more than the wealthiest European countries.

The debt crisis is leaving gov-

ernments with no money to invest in lagging UN development goals for 2030 that include ending extreme poverty; ensuring that every child has a good-quality primary and secondary school education, and investing in transitioning to renewable energy, he said. The report says public debt has reached "colossal levels"

largely due to two factors: First, countries' financial needs soared as they tried to fend off the impact of cascading crises including the Covid-19 pandemic, the rising cost of living and climate change, and second, the global financial architecture 'makes developing countries' access to financing inadequate and expensive.

## 2.4 bn didn't have constant access to food in 2022: UN

The UN delivered grim news on global food security Wednesday: 2.4 billion people didn't have constant access to food last year, as many as 783 million faced hunger, and 148 million children suffered from stunted growth.

Five UN agencies said in the 2023 State of Food Security and Nutrition report that while global hunger numbers stalled between 2021 and 2022 many places are facing deepening food crises.

They pointed to Western Asia, the Caribbean, and Africa where 20 per cent of the continent's population is experiencing hunger, more than twice the global average.

"Recovery from the global pandemic

has been uneven, and the war in Ukraine has affected the nutritious food and healthy diets," Qu Dongyu, director-general of the Food and Agriculture Organization said in a statement. "This is the 'new normal' where climate change, conflict, and economic instability are pushing those on the margins even further from safety." According to the report, people's access to healthy diets has deteriorated across the world.

More than 3.1 billion people – 42 per cent of the global population – were unable to afford a healthy diet in 2021, an increase of 134 million people compared to 2019, it said.



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