



# PRESS RELEASE

## For immediate release

Marrakech, October 5, 2023

### **Hundreds of organizations and academics call to end austerity, ahead of IMF-World Bank Annual Meetings in Marrakesh**

330 major civil society organizations and senior academics from around the world have signed a [declaration](#) calling on the International Monetary Fund, the World Bank and governments to end austerity measures, ahead of the IMF-WB Annual Meetings in Marrakech, Morocco, on 9-15 October.

Today, [6 billion people](#) are living under austerity around the world, resulting in harmful cuts in public services and social protection amid a cost-of-living crisis. These IMF and World Bank-promoted austerity policies are being implemented in the name of 'fiscal consolidation' as countries struggle to pay their debts.

Yet the world's [biggest five oil companies for instance shared profits of US\\$195 billion in 2022](#), and 20 of the world's top food corporations paid out US\$53.5 billion to their shareholders in the last two financial years alone, according to Global Witness. Meanwhile [billionaire wealth has surged during the pandemic](#) even as the richest people in many countries largely avoid paying taxes by hiding their wealth in tax havens, the tax burden falls on the middle classes with the poorest people in many countries are paying higher tax rates than the billionaires.

**John Nkae, country director of ActionAid Ghana**, says: "Countries should move away from austerity, and stop cutting crucial social security benefits, education, health, water and public transport, passing regressive taxes in the name of servicing their debts. This is harming vulnerable people the most, pushing millions of people into extreme poverty, and exacerbating gender inequality as women and girls bear the brunt of unpaid domestic and care."

The signatories of this declaration call for the urgent implementation of alternatives to austerity. They include calls to stop slashing much needed budgets for social protection and instead increase progressive taxes on corporations, the financial sector and the rich, including taxes on windfall profits and digital services; and fight illicit financial flows, such as money laundering, natural resources crimes, trade mispricing, and tax evasion.

**Jayati Ghosh, Professor of Economics at the University of Massachusetts Amherst**, says “The IMF and World Bank must stop pushing for austerity measures and raising revenues from the poor, especially when viable alternative strategies are available. These include taxing windfall profits from energy companies and other big corporations, introducing wealth taxes and clamping down on illicit financial flows. Introducing progressive tax reforms will help to compensate for rising economic and social inequalities, especially gender inequalities, since the pandemic.”

**Matti Kohonen, executive director of the Financial Transparency Coalition**, says: “Economic recovery [programs during the pandemic mostly benefitted large corporations](#) instead of small and medium businesses, informal workers and the poor. Insisting now on countries to impose harsh austerity measures to service debt will simply choke the economies and impact the most vulnerable, undermining any hope of just economic recovery that reduces gender and other inequalities, whilst eroding other UN sustainable development goals.”

ENDS

**Full EndAusterity Declaration and list of signatories can be found [here](#).**

**The EndAusterity Activism Festival will hold a series of in-person and online high-level events with experts and activists in Marrakech on Saturday October 7 ahead of the IMF-WB Annual Meetings to explore alternatives to austerity and its impact on populations especially women and girls. Details and program can be found [here](#).**

