



2022 Financing for Development Forum

Session on Financing the SDGs by increasing fiscal space for an inclusive and sustainable recovery

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The spectre of volatile capital outflows from developing countries in the context of international monetary tightening and the phasing out of quantitative easing policies requires that capital account regulations on both outflows and inflows are a permanent and pre-emptive policy tool not only for liquidity and solvency crises but also for the prevention of debt and currency crises. The developmental role of the state to mediate between the logic of global finance and the economic and social rights of citizens is severely affected on multiple fronts: from the turn to a new age of fiscal austerity as debt defaults proliferate to the lack of consensus on core financial regulation tools for food and energy futures and derivatives markets, fintech and digital currencies.

The systemic reform of the international financial architecture is precisely why we need a new international conference on FfD. We urge member states to urgently agree to a new FfD conference to ensure a new global consensus on an economic architecture that works for people and the planet.