



Us Against Debt: The Struggle of Women Against Indebtedness in the Global South

ANA CRISTINA DE OLIVEIRA MÉLO

Universidade Federal do ABC (UFABC), Brazil

Abstract: The debt situation of working-class families in Global South countries is marked by a dependence on the neocolonial capitalist system imposed by the Global North and its institutions. Women have been leading movements in the struggle against indebtedness and the consequent precarization of their lives. Cavallero & Gago (2021), Ferrer-Nuñez & Roldán (2023), and Federici (2023) invite us to reflect on microcredit, financial inclusion, and indebtedness, considering the neocolonial approach of institutions such as the International Monetary Fund (IMF) and the World Bank. From a feminist reading of debt, this research aims to present five women's movements from different countries in the Global South, which have the struggle against indebtedness and financial extractivism as their central causes. The five selected movements, which represent a sample, share similar analyses, such as criticism of neoliberalism, the denunciation of the neocolonial and predatory nature of austerity policies, and the recognition of how the dismantling of essential public policies contributes to the massification of massive indebtedness. To achieve this, feminist methodology was used, as it understands that women's experiences vary across countries and their lives are differentially impacted by the patriarchal capitalist system. The information collection method was a literature review based on published scientific papers, blogs, websites, and communications on social media that highlight women's struggles against indebtedness. The information analysis method will be interpretive and qualitative content analysis of the materials found.

Keywords: Global South; women's indebtedness; neocolonialism; women's movements

Introduction

The indebtedness of working-class families in Global South countries is marked by dependence on the neocolonial capitalist system imposed by the Global North and its institutions. The debt incurred by states is intrinsically linked to the everyday indebtedness of families, which is why this research focuses on the latter situation. Women have been at the forefront of movements fighting against indebtedness and the consequent precarization of their lives. Their efforts aim to politicize and collectivize the financial issue, as it is evident that the massive indebtedness faced by low-income women is not merely a consequence of the reckless and unreflective use of credit offered by banks, but rather the result of the precarization of public policies providing basic and essential services for human survival, as well as the financialization of the economy.

Cavallero & Gago (2021), Ferrer-Nuñez & Roldán (2023), and Federici (2023) invite us to reflect on microcredit, financial inclusion, and indebtedness, considering the neocolonial approach of institutions such as the International Monetary Fund (IMF) and the World Bank. This reflection



stems from the idea of "taking the debt out of the closet," which implies the need to discuss debt as a collective problem, as well as to conceptualize and narrate it (Cavallero & Gago, 2021). The main justification for granting credit to countries in the Global South is poverty eradication. However, these authors argue that the inclusion of women in microcredit programs and widespread financial inclusion make them even more dependent on the financial system, further precarizing their lives. From a feminist reading of debt, this research aims to present some of the women's struggles in the Global South against indebtedness and financial extractivism. To achieve this, a feminist methodology was used, recognizing that women's experiences differ across countries and that their lives are unevenly impacted by the capitalist and patriarchal system. Information will be gathered through a literature review, covering scientific papers, blogs, websites, social media communications, and other media that highlight women's struggles against indebtedness. The analysis of the information will be conducted through interpretive and qualitative content analysis of the materials found.

The focus on women is justified for two reasons: first, because the majority of the responsibility for social provisioning—meaning the task of ensuring the material and psychological subsistence so that they or others can face another workday—falls on the shoulders of women. Therefore, when food prices rise or when essential social services are privatized, they are the primary ones affected (Bhattacharya, 2019). Second, there has been an increase in the proportion of women among the poor and a growth in the number of female-headed households in this same income bracket, a phenomenon known as the feminization of poverty¹ (Pearce, 1978). Moreover, struggles against indebtedness are predominantly initiated by women, as will be discussed throughout the paper.

The paper, in addition to this introductory section, will address, in its second section, the indebtedness situation of working women in the Global South. Next, it will discuss how these women organize themselves into struggles and campaigns to denounce financial extractivism and the dismantling of public policies in times of neoliberalism. Finally, concluding remarks will be presented, highlighting some perspectives for Brazil.

Indebtedness of Women in the Global South

¹ The term "feminization of poverty" was first used in 1978 by American sociologist Diane Pearce to describe the trend, in the United States, of the increasing proportion of women among the poor, as well as the growth in the number of individuals in female-headed households among the poor, which occurred between the early 1950s and the mid-1970s. Subsequently, various studies were conducted to verify the existence of the feminization of poverty not only in the U.S., but also in other countries.



Debts have existed for much longer than we think, and their concept is quite ancient, according to Graeber (2011). Studies indicate that the level of household indebtedness has been increasing worldwide. However, although this is also a reality in developed countries, indebtedness does not manifest in the same way across all regions and affects different classes, races, and genders in distinct ways.

Thus, a feminist reading of debt is chosen, that is, an analysis that contrasts "the bodies and concrete narratives of its functioning with financial abstraction" (Cavallero & Gago, 2021). Commonly, debt is seen as something abstract, the result of mathematical calculations; however, the feminist perspective allows for the recognition of the materiality of indebtedness and its real consequences in women's lives.

A feminist reading of debt maps and understands forms of labor from a feminist perspective, giving visibility to domestic, reproductive, and community work as spaces of value that finance begins to exploit. (Cavallero & Gago, 2021, p.27, own translation)

Debt is closely linked to precarious forms of employment and the lack of basic public services (Cavallero & Gago, 2021). This analysis allows us to identify nuances and understand why women are at the forefront of movements and struggles against domestic indebtedness, as well as the indebtedness of countries.

Soederberg (2014) proposes in her study that neoliberal state intervention uses indebtedness as a means to mediate and normalize financial relations, contributing to the maintenance of the poverty industry². To better understand the current reality of debt in countries, it is necessary to consider the expansion of capitalism on a global scale, as well as the hierarchy and transfer of values from the Global South to the Global North. In the 1980s, indebtedness was crucial in the democratic transitions in Latin America, marking the shift from dictatorships to democratic systems. By the 1990s, neoliberal reforms brought new configurations to debt. Since then, capitalists have adopted a strategy involving the extension and creation of money in the form of credit for low-income workers, in exchange for high interest rates and other fees (Soederberg, 2014). Additionally, the package of actions implemented through the Washington Consensus resulted in the financialization of basic services, which should have been provided by the state, through the privatization of sectors such as healthcare, education, and housing.

[...] in order for finance to invade and colonize the sphere of social reproduction, it must first have carried out and completed a series of systematic plunders of public service infrastructure, common

² Soederberg (2014) uses the concept of the "poverty industry" developed by Michael Hudson (1996).



resources, and economies capable of ensuring autonomous reproduction [...]. (Cavallero & Gago, 2021, p. 32, own translation).

In the 2000s, in Brazil and other Latin American countries, progressive governments implemented expansionary economic policies that transformed the perception of debt. These policies, which focused on increasing wages and promoting "financial inclusion" through the expansion and facilitation of credit, led to a cycle of family dependence on banks, as well as a cycle of exploitation by the financial sector (Cavallero & Gago, 2021).

Faced with the reality of financial violence against women and the recognition that this debt is unjust, they question how to organize through strikes and resist financial pressures. With the slogan "I owe, I don't deny, but I will pay the fair amount" (own translation), women seek to hold the government and banks accountable for the increase in their debts (Cavallero & Gago, 2021).

The individualising, isolating and enigmatic aspects of money, captured by Williams' observation, can make people feel personally responsible when they do not have enough money to meet rent or mortgage payments, student loan payments, childcare expenses, health care costs and/or groceries bills – to the point where anxiety, fear and helplessness begin to invade and poison their daily lives (Soederberg, 2014, p.4).

Thus, women from different countries, inspired by the concept of financial disobedience, organize themselves through self-managed movements and campaigns that mobilize society to reflect on the true origin of debt and its consequences for working women's lives.

Women Against Debt

This research focuses on five women-led movements in countries of the Global South. The selection of these movements was based on two criteria: first, the availability of bibliographic data regarding them; second, the page limitations of this article. There are other movements that were not addressed here; therefore, the five chosen represent only a sample.

Argentine women, organized in the feminist collective "NiUnaMenos," in 2017 shouted "Alive, free, and without debts, we want to be!" (own translation), bringing to the forefront private, domestic, and family indebtedness as a central issue in feminist debate (Cavallero & Gago, 2021). NiUnaMenos is a women's collective that emerged in Argentina in 2015, primarily to denounce femicide. This movement was born with the slogan "Ni una menos" (which means "Not one less," i.e., no woman less) and spread, accompanied by symbols such as the green scarf (Ni, 2023). On June 2, 2017, women rose up against private, domestic, and family indebtedness, recognizing this issue as part of feminism. With the phrase "Alive, free, and without debts, we want to be!" (own translation), they demand and reflect on the impact of debt in their lives. The debt dependency that Argentina faced in 2018, with the IMF, led to the devaluation of wages, cuts in public spending,



and further precarization of their lives, highlighting how external debt functions as a mechanism of discipline and recolonization (Cavallero & Gago, 2021).

In Puerto Rico, the women of the *Colectiva Feminista en Construcción* situate their struggles not only around gender but also race and the colonial context. They fight against the debt that makes the country and its population even more dependent on the U.S. economy (Ferrer-Núñez & Roldán, 2023). With chants of "Ni una menos, Ni una menos, No vamos aguantar, Nosotras, las mujeres, Contra la austeridad," this collective, founded in 2014, claims itself as a legacy of Black and decolonial feminism. Anticapitalist, antiracist, anticolonial, and antipatriarchal, they launched the campaign "Nosotras contra la deuda" ("Us against Debt", own translation) in 2018 to raise awareness about the effects of debt on the people of Puerto Rico (Quienes, n.d.).

Ferrer-Núñez & Roldán (2023) address race as a primordial category for understanding colonialism as a political project that produces inequalities, asserting that race operates in three temporalities simultaneously: in the past, referring to the colonization of the Caribbean and the Americas; in the present, through the racial state and modernity; and in the future, imprisoning and kidnapping the possibility of a future through indebtedness. The reality of Puerto Rico, as well as that of other Latin American countries in the 21st century, is marked by "the intensification of public policies guided by austerity and by a single discourse, centered on one word and repeated ad nauseam: DEBT" (Ferrer-Núñez & Roldán, 2023, p. 40). Thus, they characterize debt as illegal, illegitimate, and unsustainable, as it was incurred under coercion and serves only private interests.

Mujeres de Frente is a collective that emerged in 2004 in Quito, Ecuador, formed by incarcerated and non-incarcerated women. Its initial campaign was a feminist anti-prison action (Mujeres, n.d.). They constitute themselves as a community of cooperation and care, sharing experiences of poorly paid underemployment and indebtedness to "chulqueros," loan sharks who, due to lack of access to bank loans, become dependent on informal credit systems. This group has been developing labor trajectories based on popular street economies and reflecting on women's participation in self-employed paid work and informal ties. They also understand the role of Social Security, recognizing that it often takes more resources than it provides. Thus, they have partnered with *Caja de Ahorro Primero de Mayo*.

The *Caja de Ahorro Primero de Mayo* is a concrete experience of cooperation between women and a banking cooperative aimed at supporting women traders, regardless of their activity. Its goal is to offer an alternative to loan sharks and traditional banks. Founded in 2019 in Quito, Ecuador, the *Caja de Ahorro* proposes the creation of savings and the redistribution of resources among its members, thus seeking to boycott the prevailing banking system.

Within the *Caja*, the credit amounts we are able to offer as *Mujeres de Frente* depend on what we manage to save as a collective. The guarantee is collective, and we have created a system of dialogue with the *compañeras* who, for one reason or another, are unable to pay an installment, so that we can reach agreements on payment without putting our relationships at risk. The only rule



is not to disappear. It is to use dialogue as a way to sustain the guarantee (Frente & Mayo, 2023, p.90).

The *Caja de Ahorro Primero de Mayo* emerged from the need to reconnect activism with indigenous references of self-management, community life, and criticism of neoliberalism. Upon coming into contact with the women of *Mujeres de Frente*, they began to reflect on the impact of indebtedness on women's lives. This organization operates through the process of "fondeo," which intermediates people with resources to save and those who do not have them and resort to credit. To facilitate the volunteer work of these individuals, an app was developed that automates the process, allowing the work to be carried out remotely. With this initiative, the women members have access to credits with lower interest rates than those practiced by the Central Bank of Ecuador (Frente & Mayo, 2023).

Chile inherited from Pinochet's dictatorship the commercialization of education, which became a major issue in the country. A generation of young students in debt finds itself trapped in a vicious cycle of poverty, being forced to accept poorly paid jobs to pay off their debts and break this cycle. The State-Backed Loan (CAE – Crédito con Aval del Estado), a form of financing that transfers the responsibility for financing education to banks, was created in 2005. It offers students credit to pay for university, with a repayment period of up to 20 years (Rojas, 2023). In 2013, the organization *Deuda Educativa* was founded with the goal of denouncing the vicious cycle that students are subjected to due to their debts. Its main demands are the "End of the CAE" and "Debt Forgiveness" (own translation). In December 2018, the organization presented a bill to Congress proposing the abolition and prohibition of records related to educational debt, arguing the social and economic damages caused by such debts. However, when the bill reached the Chamber of Deputies, it remained stalled for many months. In 2019, with the surge of the Chilean Spring, the bill was revived and advanced through votes, until it was approved on August 26, 2020, making it impossible for educational debts to exist (Rojas, 2023). This example shows that social pressure and societal organization can bring mutual benefits and serve as an incentive for other locations and realities.

In conclusion, the diverse struggles of women across the Global South highlight the deeply intertwined nature of debt, gender, race, and colonialism, as well as the collective power of grassroots movements to challenge and resist these systems. From Argentina's NiUnaMenos collective denouncing domestic debt as a feminist issue, to Puerto Rican women fighting against the ongoing colonial impacts of indebtedness, to Ecuadorian women creating alternative financial systems through the *Caja de Ahorro Primero de Mayo*, these movements emphasize solidarity and collective action as tools for liberation. Similarly, in Chile, the battle against the State-Backed Loan system and its negative effects on students culminated in a historic victory, proving that social pressure can lead to tangible change. These examples demonstrate that women are not only confronting the financial violence imposed upon them but also actively transforming their realities through community-led initiatives, advocating for a world where financial systems are equitable, inclusive, and just for all.



Conclusion

When analyzing the dependence of peripheral countries on central countries and the situation of women under neoliberalism, a sense of pessimism and hopelessness may arise. However, this text seeks to highlight the struggle and resistance of women in the Global South, who, despite being oppressed by the system, find strength in solidarity and a sense of community to resist. Although their fight lacks visibility in the media, these women are not passive, watching the system collapse without taking action. They are everywhere, shouting and demanding a better world for themselves and future generations.

This article briefly presented the debate on the indebtedness of working-class families from a gender perspective, highlighting five women's movements that fight against this neocolonial logic, which traps women in a vicious cycle of financial dependence. In Brazil, the situation is not much different. The Equit Institute has contributed to the debate on women's autonomy, without ignoring issues of class, race, and ethnicity inequalities that permeate the diverse realities of Brazilian working women. It is crucial that left feminist movements carefully analyze credit expansion policies and question the effects of easy access to credit and the growth of fintechs on women's lives. What may initially appear to be a beneficial solution for a family is, in essence, a capitalist trap that keeps women stuck in precarious and poorly paid jobs. As Cavallero & Gago (2021, p. 27) state, "debt is what prevents us from saying no when we want to say no" (own translation).

References

- Battacharya, T. (2024, November 28). Explaining gender violence in the neoliberal era. *International Socialist Review*. <https://isreview.org/issue/91/explaining-gender-violence-neoliberal-era/>
- Cavallero, L., & Gago, V. (2021). *Uma leitura feminista da dívida: Vivas, livres e sem dívidas nos queremos*. Criação Humana.
- Federici, S. (2023). Mulheres, dinheiro e dívida: Notas para um movimento feminista de reapropriação. In S. Federici, V. Gago, & L. Cavallero (Eds.), *Quem deve a quem? Ensaio transnacionais de desobediência financeira* (pp. 17-32). Elefante.
- Ferrer-Núñez, S., & Roldán, Z. T. Dávila. (2023). Nós contra a dívida. In S. Federici, V. Gago, & L. Cavallero (Eds.), *Quem deve a quem? Ensaio transnacionais de desobediência financeira* (pp. 35-49). Elefante.
- Frente Mujeres de, & Mayo, Caja de Ahorro 1° de. (2023). Comunidades de cooperação. In S. Federici, V. Gago, & L. Cavallero (Eds.), *Quem deve a quem? Ensaio transnacionais de desobediência financeira* (pp. 87-96). Elefante.
- Ferreira, C. C. O. (2023). Endividamento da classe trabalhadora no Brasil: Elementos para análise a partir da categoria superexploração da força de trabalho. *Revista de Economia Contemporânea*, 23(3), 337-358. <https://doi.org/10.1590/0101-6628.338>



DRAFT
Do not cite without permission
SMAIAS-ASN SUMMER SCHOOL
Harare, 3–7 February 2025



- Hudson, M. (1996). *The merchants of misery: How corporate America profits from poverty*. Common Courage Press.
- Mujeres de Frente. (n.d.). Comunidad de cooperación y cuidado. *Mujeres de frente*. <https://mujeresdefrente.org/>
- 'Ni una menos': Como o três de junho se tornou o dia de protesto contra o feminicídio. (2023, July 19). *Criação Humana*. <https://criacaohumana.com.br/2023/07/19/ni-una-menos-como-o-3-de-junho-se-tornou-o-dia-de-protesto-contr-o-femicidio/>
- Pearce, D. (1978). The feminization of poverty: Women, work and welfare. *Urban and Social Change Review*, 11, 28-36.
- Quiénes somos? (n.d.). *Colectiva Feminista*. <https://www.colectivafeminista.org/>
- Quem somos. (n.d.). *Instituto Equit: Gênero, Economia e Cidadania Global*. https://www.equit.org.br/novo/?page_id=2
- Rojas, J. P. (2023). Abolir a dívida. In S. Federici, V. Gago, & L. Cavallero (Eds.), *Quem deve a quem? Ensaio transnacionais de desobediência financeira* (pp. 99-104). Elefante.
- Soederberg, S. (2014). *Debtfare states and the poverty industry: Money discipline and the surplus population*. Routledge.