

DROP THE DEBT

Summer 2004

NEWS and ACTION from Jubilee USA Network, Washington, DC

G8 Summit 2004: Hopes Raised on Debt

Jubilee Begins "Countdown to Freedom from Debt" to Build Pressure for 100% Cancellation in Coming Months

by Neil Watkins, Outreach and Communications Coordinator

LEADERS AT THIS YEAR'S G-8 SUMMIT, held from June 8-10 in Sea Island, GA, raised hopes for a possible breakthrough on support for 100% debt cancellation, but they ultimately failed to take the bold action needed.

In the summit's final communiqué, leaders announced a meager two-year extension of the IMF/World Bank's Heavily Indebted Poor Countries (HIPC) Initiative. Jubilee USA finds that, after 8 years, the HIPC Initiative has failed to provide an exit from the debt crisis – it provides too little relief for too few countries and stipulates too many harmful conditions. Jubilee USA had urged the G-8 to abandon HIPC and support instead 100% debt cancellation without harmful economic policy conditions for all impoverished nations.

Despite their failure to act on 100% cancellation, the fact that the leaders discussed the issue at the highest levels – and that the concept of 100% multilateral debt cancellation reportedly has the support of the US and UK Treasuries – are unprecedented developments, making this a critical moment for debt campaigners.

The final G-8 Summit communiqué left an opening for further discussions of 100% cancellation proposals in the coming months. The communiqué directed G-7 Finance Ministers to "consider measures that can further help the poorest countries address

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Jubilee USA supporters delivered 11,000 birthday cards to the World Bank on April 21st. Photo from washingtonpost.com

Jubilee USA Calls for 100% Debt Cancellation at Unhappy Birthday Party

by Morigan Phillips, Jubilee Fellow

THIS APRIL JUBILEE USA NETWORK was in a frenzy of activity for the spring meetings and the 60th "birthday" of the World Bank and International Monetary Fund. Our unhappy birthday party in front of the World Bank and a plethora of teach-ins and protests during this year's spring meetings were met with a chorus of Jubilee voices demanding 100 percent debt cancellation!

On April 21st Jubilee USA held an "unhappy birthday party" in front of the World Bank headquarters. This event was the culmination of months of work on the part of Jubilee activists and supporters from around the world. Jubilee USA printed thousands of unhappy birthday cards addressed to the World Bank and IMF calling on the institutions in their 60th year to cancel 100 percent of the debts of impoverished countries. Over the course of two months we received a truly overwhelming response to the campaign. People from around the globe requested cards and returned them signed by members of their communities. We collected over 11,000 cards from several dozen countries.

At the unhappy birthday party over 200 supporters came out to wear birthday hats and blow on party horns, both decorated with the words "drop the debt". There were colorful signs and banners demanding 100 percent debt cancellation spread throughout the crowd. Speakers from the Global South gave moving testimonies from a small stage and some led the crowd in cheer. There were also party games such as "pin the structural adjustment on the country" provided by Student Global Aids Campaign.

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"...proclaim liberty throughout the land to all its inhabitants; it shall be a jubilee for you..."
– Leviticus 25:10

Jubilee USA Network began as Jubilee 2000/USA in 1997 when a diverse gathering of people and organizations came together in response to the international call for Jubilee debt cancellation. Now over 60 organizations including labor, churches, religious communities and institutions, AIDS activists, trade campaigners and over 9,000 individuals are active members of the Jubilee USA Network. Together we are a strong, diverse and growing network dedicated to working for a world free of debt for billions of people.

In the Jubilee Year as quoted above in Leviticus, those enslaved because of debts are freed, lands lost because of debt are returned, and community torn by inequality is restored. Today international debt has become a new form of slavery. Debt slavery means poor people working harder and harder in a vain effort to keep up with the interest payments on debts owed to rich countries including the US and international financial institutions such as the International Monetary Fund (IMF) and the World Bank. Jubilee USA Network brings together people to turn this reality around by active solidarity with partners worldwide, targeted and timely advocacy strategies and educational outreach. Please join us in working for Jubilee justice.

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Introducing the JUBILEE Act!

by Marie Clarke, National Coordinator

THE JUBILEE USA NETWORK'S POLICY WORKING GROUP is pleased to announce the introduction of the JUBILEE Act, HR 4793, sponsored by Representatives Waters (D-CA), Bachus (R-AL), Leach (R-IA), Frank (D-MA), and Lee (D-CA) and Maloney (D-NY).

The JUBILEE Act is groundbreaking legislation that would require the U.S. Treasury Department to work in appropriate multilateral settings to achieve 100 percent cancellation of the debts of 50 nations by the multi-lateral development institutions including the International Monetary Fund (IMF), World Bank, African Development Bank (ADB) and Inter-American Development Bank (IDB). The bill calls on these institutions to fund cancellation by using from their own resources, and without harmful conditionality attached.

The JUBILEE Act will help build a better, safer world by providing impoverished nations the fresh start necessary for development. Over the past eight years Jubilee has found that initial debt relief has proven highly effective. When a country has more access to its own resources, these resources have enabled nations to raise health and education spending by 40-90 percent. Imagine the impact of 100 percent cancellation by the largest creditors, the multi-lateral development institutions.

The JUBILEE Act will require that the institutions pay their fair share of the burden of debt cancellation, and it will not cost the U.S. taxpayer a dime. Multilateral development institutions, as primary creditors for the most impoverished nations, must bear the burden for making risky loans and should follow the lead of bilateral creditors like the U.S. that have already committed to 100 percent cancellation. It is high time for the multi-lateral institutions to do their fair share.

The IMF and World Bank will respond to the call for 100 percent cancellation from their own resources by pleading poverty. Reports by British accounting firms, and just last fall by Jubilee Research in the UK have shown that the World Bank and IMF have enough resources to cancel 100 percent of the Heavily Indebted Poor Country debts without any impact on their credit rating or ability to lend, and could likely expand to cover cancellation for many countries outside the HIPC Initiative.

This groundbreaking legislation would be the next step towards achieving our Jubilee goal of 100% cancellation of all impoverished country debt without harmful structural adjustments. There are countries beyond the 50 in the bill that deserve cancellation, so we will still have work to do once this legislation passes into law, but it is a great stride forward.

Now is the time to invite your member of Congress to support the JUBILEE Act. Check out www.jubileeusa.org before you call for updates on the bill and talking points on the legislation. You can reach your representative by calling the Capitol Switchboard number at 202-224-3121.*

The G-8 in Georgia:

Connecting the Local with the Global

by Jakeya Caruthers, Outreach Fellow

"Their [poor people of the Global South] issues are our issues" – Rev. Zack Lyde

AT FIRST GLANCE, it would seem that the problems of globalization are unrelated to the daily activities of people in small communities. Yet over a week of meaningful exchange, protest, and public outcry during the Group of Eight Summit on Sea Island, Georgia, it became clear how closely linked global and local issues are in the small communities of coastal Georgia.

The hypocrisy and irony of the G-8's decision to meet on Sea Island, a luxury resort village that sits across a bridge from poverty stricken, heavily polluted, and historically oppressed Brunswick in Glynn County was evident from the start.

The coastal mainland and the Sea Islands, which dot the coasts of South Carolina, Georgia and North Florida, once belonged to an African slave community called Gullah/Geechee. After Emancipation, the Gullah/Geechee (whose unique identity is marked by the maintenance of their cultural connection to West Africa) were allotted the land that they had developed into profitable rice and cotton industries that enriched the Southern economy. Over time, that land has been systematically bought or taken away.

Many of the predominantly Black communities of coastal Georgia and North Florida now live in poverty and among the toxic pollution of factories that have exploited the labor and resources of the African-American community in particular for close to a century. The hypocrisy and injustice was obvious: the G8, who have historically acted in favor of corporations and profit, met on Sea Island, comfortably removed and oblivious to the pollution and poverty of nearby Brunswick. In an outrageous twist, several Brunswick plants actually closed down for the 3 days of the summit, and turned off their pollution-emitting smokestacks, so as not to burden the leaders with foul air or an eyesore on the horizon. Nevermind that residents of Brunswick and Glynn County must tolerate the toxic fumes year-round.

The G8's policies, in particular through their support for IMF and World Bank structural adjustment programs that exploit and extract resources, maintain a system of neo-colonialism and a slavery to poverty and debt. People in coastal Georgia suffer from pollution and poverty, similar pro-corporate policies. The loss of farmland that is the result of cheap corporate buy-ups and insufficient subsidies to small farmers, land owners and agro-laborers is the same in Alabama, Mississippi, and Georgia as it is all over Latin America. The less than livable wages, harsh working conditions, and joblessness that plague Southern communities mirrors the situation in impoverished countries around the world that is encouraged through G8 policies which promote an anti-worker, neo-liberal economic agenda. Rev. Zack Lyde, a Brunswick pastor and activist, notes that these leaders seem to "perfect policies locally and implement them nationally and internationally."

As Reverend Lyde further explains, the people of coastal Georgia still live in a state of neo-slavery, and racism is still pervasive. In a park on one of the Sea Islands, a plaque is planted in false honor of the supposed loyalty of a



Rev. Zack Lyde speaks at the press conference where a letter from religious leaders was released. Rev. Tim McDonald and Joe Beasley, SE Regional Director for Rainbow/PUSH Coalition also spoke. Behind them were photos of Jubilee supporters from across the nation.

slave and Gullah hero, Neptune Small, to his master. A descendent of Small, Rev. Lyde notes that just as that plaque tells a false story about slaves who loved slavery (Small actually was a spy for the union army and fought slavery), the G8 and corporations hold a false belief that "we're the same people that [like Small] love slavery and enjoy oppression."

The G-8 did not inquire about local issues in Brunswick or Glynn County while they were there. Their refusal to even look at the history and reality of this impoverished region was perhaps not surprising. After all, these are the same leaders whose empty promises have allowed the AIDS pandemic to spiral out of control as 8,000 people die in Africa of the disease every day. The cost of security and the \$800/night paid to sleep on this land stolen from former slaves could easily pay for medicines to treat the AIDS crisis that plagues the continent that provided those slaves.

Though the Group of Eight Summit on Sea Island, Georgia was only one of many points for the meeting of global and local issues, the solidarity that ensued is sure to be just the beginning of the strengthening and mutual support of justice campaigns around the way and around the world. *

Grassroots Actions at the G-8

Jubilee Supporters, Religious Leaders Call on Leaders to Drop the Debt

by Celeste Kennel-Shank, Outreach and Communications Intern

JUBILEE USA NETWORK MEMBERS participated in several actions targeting the Group of Eight Summit on June 8-10. Many took photos with banners telling the G-8 to 'drop the debt.' Religious leaders signed a letter calling on the heads of powerful nations to bring the year of Jubilee by canceling the debt.

Signers included Rev. Jesse Jackson, Rainbow/PUSH Coalition; Rev. Mark S. Hanson, Presiding Bishop of the Evangelical Lutheran Church in America; Rev. Dr. Clifton Kirkpatrick, the leader of the Presbyterian Church U.S.A.; Rev. Dr. Robert W. Edgar, General Secretary of the National Council of Churches; Rabbi Eric Yoffie, President, Union for Reform Judaism; Bishop Charles E. Blake, of the Church of God In Christ; and Tony Campolo, an evangelist.

In addition to heads of groups in the U.S., dozens of global leaders joined the call, such as Neville Gabriel of the Southern African Catholic Bishops Conference, as well as a Hindu leader, Swami Shuddhananda Brahmachari, Founding President of Lokenath Divine Mission.

Together the religious leaders called on the eight heads of state to "restore right relationships between nations."

"Cancel the debts of impoverished nations so that all people might live with dignity and justice," the letter stated.

The letter was released on June 8, the first day of the G-8 meetings, at the site of The Other Economic Summit, the main alternative conference to the G-8 Summit.

Several local pastors spoke at the letter's release, including Rev. Tim McDonald, Atlanta, and Rev. Zack Lyde, Brunswick. McDonald and Lyde connected Africa's struggle against the burden of debt with their local economic battle against racism.

Barbara Kalima, a leader of Jubilee Zambia, now the director of the African Forum and Network on Debt and Development in Zimbabwe, also addressed the conference.



The Peace Circle of the DeKalb Interfaith Network for Peace and Justice in Illinois gather to put faces on the movement for debt cancellation. Cele Meyer, formerly a Marine during World War II, now an 80 year-old activist, organized the Peace Circle's photo. This photo was displayed at the G-8 in Georgia as one of several hundred from across the US and UK.

Also speaking at the conference was Adam Taylor, Associate Minister of Shiloh Baptist Church and Jubilee USA board member. "The Judeo-Christian Jubilee scriptures compel nations and communities to cancel debt in order to build right relationships," Taylor said. "In this world broken by AIDS, war and economic injustice there is no time to waste; complete debt cancellation must be realized as a matter of life and death."

Several print and TV reporters attended the conference, as well as local and national activists.

Over 200 Jubilee grassroots members were also in the room while the letter was being released—through their photographs, which hung behind the speakers. Jubilee staff created a backdrop of 10 panels, two-feet-by-four-feet, above which they hung a sign that said: "People of Faith and Conscience Call on the G-8 to Drop the Debt."

Among those displayed in the photos were people from the United States and United Kingdom, as well Jubilee activists from Haiti, Zambia and Zimbabwe.

Many of the photos were taken at rallies and events from World Debt Day in the United Kingdom, May 16, and events across the United States including the CROP Walk for Hunger in California, May 15.

Jean O'Leary, of Bethlehem Lutheran Church, Encinitas, Calif. gathered a group at the CROP Walk to pose with a banner that read: "G-8: Drop the Debt to Fight Hunger."

O'Leary said the photo action "really does send a good message off. We obviously couldn't all be in Georgia for the G-8 Summit, so any avenue we can take to get the message out about Jubilee is great."

On June 8, while President Bush considered a proposal from Prime Minister Blair of Great Britain for 100 percent debt cancellation, Jubilee members rallied again to call the White House and the Treasury department. "The secretary told me that they were inundated with calls that day," O' Leary said. "She asked me where I got the phone number."

O'Leary said, "It's a good grassroots movement. It takes time, but it's catching on."*

In Their Own Words...

Compiled by Lisa Vu,
Policy and Research Intern

"If the downfall of someone is what it takes, I volunteer to step down if our debt will be written off,"
-President Obasanjo of Nigeria, referring to President Bush's desire to reduce Iraqi debt after the downfall of Saddam Hussein, 6/1/04

"Unsustainable debt is a burden imposed from the past on the present which is depriving millions of their chance of a future and preventing them breaking out of the cycle of poverty, illiteracy and disease."
-Gordon Brown, UK Chancellor of the Exchequer, 7/10/04

"The international financial institutions and northern industrialized governments have used the deepening cycle of indebtedness as a tool of domination to create favorable conditions for predatory corporate expansion to further loot and plunder Africa's human and natural resources. In this cyclical process Africa has repaid this debt several times over and no longer do we just shout WE DON'T OWE WE WONT PAY but declare that AFRICA IS THE CREDITOR."
-Africa Jubilee South's Declaration at the Illegitimate Debt Audit Workshop, 6/11/04

"Should gold sit wherever the IMF keeps it? Or should the money that that gold represents be used to alleviate some of the most desperate poverty in the world? I don't know how anybody can think that's a hard question."
-Barney Frank (D-MA) speaking about the JUBILEE Act, 6/4/04

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the sustainability of their debt." Reports in the media and official sources interpreted this to mean that proposals for ways to enact 100% cancellation will be discussed by ministers in the months leading up to the Finance Ministers' meeting in October, as well as before next year's G-8 summit in Gleneagles, Scotland.

As the summit got underway, reports in the Guardian, the Washington Post, the Wall Street Journal, Financial Times, and other media stated that UK Prime Minister Tony Blair was pushing a proposal that would cancel 100% of the multilateral debt of some set of countries in the current HIPC Initiative. The US Treasury Department was reported to be supportive.

Several media reports also indicated that US support for 100% poor country cancellation was linked to the administration's push for debt cancellation for Iraq. The UK and other nations reportedly had stated that their support for Iraqi cancellation was contingent on a similar deal for other poor countries. Ultimately, no consensus was reached on Iraq's debt either – France and Germany balked at US proposals.

Despite the failure of the leaders to act decisively on debt at the Sea Island summit, Jubilee USA is emboldened by the new political space generated for the concept of 100% debt cancellation. Jubilee USA is working to build on this opening and to push forward our call in the coming months.

Jubilee USA Network has launched a multi-pronged campaign to pressure leaders to take bold action at the upcoming October G-7 Finance Ministers meeting. Our "Countdown to Freedom from Debt" campaign will last from July-October. As part of this campaign, Jubilee activists will be building support for the JUBILEE Act HR4793, (see *Introducing the Jubilee Act*, p2). Introduced in June, the JUBILEE Act calls on international financial institutions to enact 100% debt cancellation without harmful economic policy conditions for 50 countries. Jubilee supporters will also participate in fax-in days, call-in days, and vigils and actions directed at the White House, Treasury and other key targets. For all the latest updates, visit the Jubilee USA website at www.jubileeusa.org.

During the G-8 Summit, Jubilee USA participated in a number of alternative and civil society events that took place in Brunswick, GA. Jubilee USA held several workshops at The Other Economic Summit, a three-day parallel conference to the G-8 Summit. Jubilee board member Adam Taylor spoke at an Interfaith Service for Global Peace and Justice on June 7 in Brunswick, and the Jubilee staff participated in the Fair World Fair, marches, rallies, and much more. *

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Also at this event we delivered the cards to the World Bank. Jubilee activists and supporters carried the multiple large (and quite heavy) laundry bags full of the unhappy birthday cards to the front steps of the World Bank and presented them to a representative waiting at the door. Across the street the crowd cheered and continued to chant "drop the debt!" We received great press coverage as well as plenty of compliments from unhappy birthday party attendees. A big round of applause to all who helped to make the Unhappy Birthday card campaign a huge success; Jubilee USA is blessed to have such wonderful and active supporters!

The 60th anniversary of the World Bank and IMF continues through the rest of the year. So if you still have cards, get them signed and send them in!

April also saw Washington, D.C. bustling with various teach-ins, film screenings, rallies and much more. All these activities were to raise awareness of the ongoing international debt crisis perpetuated by the policies of the World Bank and IMF. Jubilee South representatives came to DC to be part of the events. From teach-ins to rallies, Southern voices played a huge role in the events of April. Jubilee USA also held its network council meeting in April. Network Council members gave updates and shared success stories from the past year. Jubilee campaigners from Ireland talked about a study they commissioned that concluded the IMF could indeed cancel 100 percent of the debts of the HIPC countries using its own resources. Southern partners gave updates on debt cancellation activities from places like Malawi and the



Virginia Setshedi from South Africa and Mai Fii-Flynn of Public Citizen, along with hundreds of others, participated in the Unhappy Birthday.

Philippines. Jubilee South Africa gave updates regarding the movement calling for reparations from the apartheid debt. It was an energetic and highly productive meeting.

On April 24th there was a large march and rally to show opposition to the policies of the World Bank and IMF. The march was a loud and boisterous cacero-lazo style march. People brought pots and pans, drums and whistles. Together over 3,000 people marched to World Bank headquarters and made quite a racket. Jubilee South and Jubilee USA both had a strong presence at the "festival of resistance." It was a peaceful and spirited

April mobilization.

Using the success of the events of April as a springboard, Jubilee USA looks forward to jumping into an exciting year to come. The World Bank and IMF will again meet in the fall in Washington, D.C. The 2004 elections are also approaching. Busy days lay ahead, but if April is any measure of Jubilee's ability, then Jubilee USA is up for the tasks! *

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