

DROP THE DEBT

WHY DROP THE DEBT?

DEBT COSTS LIVES:

In the world's most impoverished nations, the majority of the populations do not have access to clean water, adequate housing or basic health care. These countries are paying debt service to wealthy nations and institutions at the expense of providing these basic services to their citizens. The United Nations Development Program estimated in 2003 that 30,000 children die each day due to preventable diseases. Debt service payments take resources that impoverished countries could use to cure preventable diseases. Debt cancellation could free up resources to reverse this devastating reality.

"Must we starve our children to pay our debts?" Julius Nyerere, former President of Tanzania

THEY ALREADY PAID:

These nations have already paid back their debts time and again. The debt crisis set in when interest rates skyrocketed and compound interest made repayment impossible.

FACT: Nigeria borrowed \$5 billion, paid \$16 billion to date and still owes \$32 billion.

STRINGS ATTACHED:

The conditions that come with new loans and debt relief hurt the poor. Debt relief under the current program keeps essential human services, like primary health and education and access to safe water, out of reach of the impoverished majority.

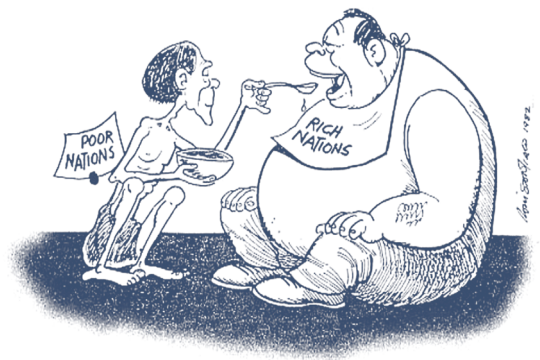
FACT: Interim debt relief is conditioned on the requirement that countries sign a new loan.

DON'T OWE:

Much of the debt is a result of "bad faith" lending including:

- the practice of pushing loans on developing nations because banks had too much money and had to lend it;
- knowingly lending to corrupt governments for political purposes;
- lending with conditions ensuring profits return to the creditors.

Some debt also resulted from stolen wealth or loans that served the purposes of the elite and not the people. Other debt resulted from irresponsible projects that failed to serve a greater purpose or caused harm to the people or the environment.



This is why debt campaigns from around the world say, "Don't Owe, Won't Pay!"

THE BIBLE TELLS US SO:

Texts in both the Hebrew Scriptures and throughout the New Testament call for debt cancellation and the righting of relationships every 7 years with a super Jubilee every 50th year. The practice of debt cancellation can also be found in history among early Pagan kings. The Koran also challenges debt by harshly criticizing usury.

"Proclaim liberty throughout the lands and to all the inhabitants thereof, it shall be a jubilee for you." Leviticus 25:10



DEBT CANCELLATION IS ADDING BY SUBTRACTING:

Debt cancellation allows countries to access their own resources for poverty eradication. Savings from debt service can now be allocated for health care, education, fighting HIV/AIDS and more.

FACT: Experts estimate it would take an annual commitment of \$10-15 billion a year to reverse the AIDS crisis in Africa that claims 7,000 lives a day. Sub-Saharan Africa pays almost \$15 billion in debt service to the wealthy nations and institutions every year. Just do the math.

DEBT SUCKS:

Debt sucks the natural resources out of a country, forcing countries to become dependent on international creditors for more aid and new loans.

“Debt is tearing down schools, clinics and hospitals and the effects are no less devastating than war.” Dr. Adabayo Adedeji, African Center for Development Strategy

DEBT IS A NEW KIND OF SLAVERY:

International debt slavery means that countries are caught in a debt trap that they can't escape. The debt trap is composed of up by economic conditions that take away a country's sovereignty and freedom. When countries are enslaved by debt they can't improve the lives of their citizens nor gain control over their own futures.

“Every child in Africa is born with a financial burden which a lifetime's work cannot repay. The debt is a new form of slavery as vicious as the slave trade.” -All Africa Council of Churches

LESSENS DEPENDENCE ON FOREIGN AID:

Currently, our foreign aid frees up money for countries to pay back their debts to other wealthy nations and international banks. Debt cancellation would help ensure that new funds can be used effectively for poverty eradication, ultimately lessening countries' dependence on aid.

FACT: Africa pays more in debt service than it receives in aid, new loans and assistance.

DEBT CANCELLATION GETS RESULTS:

The small amount of debt cancellation given so far has achieved startling results, including more than doubling school enrollment in Uganda, vaccinating five hundred thousand children in Mozambique and adding three more years of schooling for Honduran children. But much more must be done!

FACT: After debt relief and the elimination of school fees, 1.5 million children returned to school in Tanzania almost overnight.

YOU HAVE THE POWER:

Ordinary Americans, working with partners around the world, can generate the political will needed to achieve full debt cancellation. The United States has the most influence of any nation over creditors and international banks. Our Congress could leverage full debt cancellation for impoverished countries. However, they won't act unless they think you care.

FACT: The progress Jubilee has made so far toward debt cancellation could never have happened without the concern and action of people like you. You have the power to make freedom from debt a reality. Join us today!

Learn more at www.jubileeusa.org or call us to get involved at 202-783-3566.