

Hospitals Become Jails in Ghana

By Sara Grusky, Ph.D.*

IN THE WEST AFRICAN COUNTRY OF GHANA, hospitals can become prisons if you are a patient unable to pay the bills. In the town of Tarkwa located in the Ashanti gold mining region, a young woman waited for weeks, detained in the hospital nursing her newborn baby, while her husband tried to borrow money from relatives to pay the hospital fees. The Ashanti region sits on a mountain of gold, but the local people are not benefiting from this wealth.

At the Tema General Hospital, outside the capital of Accra, 40 patients were detained, some for as long as four months, because they could not pay their bills. In May 2002, local businesspeople finally raised the money to bail them out. The detained patients included 22 nursing mothers, 10 other adults, and eight children. (Daily Graphic, Accra, Ghana, May 4, 2002, p.24)

How did such a situation come about? When Ghana gained independence in 1957, the Nkrumah government had a policy of universal access to free health care services. However, the rising mountain of debt and World Bank policy advice convinced the government to implement "user fees" or cost recovery in the health sector in 1985. Today the government spends less per capita on health care than it did in the late 1970s, and more on debt service payments. And it is the citizens of Ghana, 75 percent of whom make less than \$2 a day, who must bear the burden of this debt in the form of "user fees," or cost recovery for health care, education, water and other basic human services.

Even World Bank officials recognize that user fees are an obstacle to people receiving needed health care services. Bank loan documents for Ghana state that "after user fees were initially introduced in 1985, utilization of health services at public clinics fell markedly." (Staff Appraisal Report, Health Sector Support Program, World Bank, 1997, p. 8.) Yet neither the Government of Ghana nor the World Bank appear ready to take the bold and courageous step of condemning their past policies and abolishing the user fee system. Until this happens, innocent people will be detained in hospitals merely because they cannot afford the fee. And, countless others in need of health care will never seek services. *

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Wheelchair Granny and Dreadlocked Students Take to the Streets

A Reflection on the September Activities of Jubilee

by Betsy Bell of Jubilee Northwest

IT IS 3 WEEKS BEFORE THE SEPTEMBER IMF/World Bank meetings in DC. Beep, beep. Another voice from a grassroots' group joins the monthly conference call to hear reports, practice approaching local press and share ideas about our respective communities' efforts to cancel the debt. Enthusiasm for gathering the Jubilee Network on the Monday following meetings and Teach In is infectious. I decide to go to Washington. Jim Wallis's prophetic words spoken the night before the human chain surrounded the WTO ministerial meeting in Seattle, November, 1999, rings in my ears, "Hold up your finger. The wind is changing. This is a movement that will not be stopped!"

While I have read much and studied hard, the Teach Ins put me back in school. The failures of globalization and the local

continued on page 2



INSIDE THIS ISSUE

Hospitals Become Jails in Ghana	1
A Reflection on September Activities	1
Policy Update	3
Mobilizing For a Common Goal	4
International Debt Movement Lives On!	6
Jubilee Network Council Meeting	7
Highlights	8



"...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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p 5: ?
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efforts to reverse them are clearly defined. Techniques for organizing against the so-called beneficial partnerships for development are described and shared. In my naiveté, I struggle to take in the degree of damage privatization and other development projects have caused to the environment and to the poor.

The Interfaith Prayer Service lifts the devastating plight of the poor in song and dance. Music, prayers and chants in many languages give me a sense of solidarity and hope for the future.

And then the march of protest, Saturday, Sept 29th. The Jubilee crowd assembles with others in the bright sunshine at the US Treasury with our signs, banners, giant puppets and new "Drop the Debt" T-shirts. The speeches by members of Jubilee South and Mara Vanderslice from the Jubilee USA Network fill us with purpose.

While we wait for the march to begin, two bus loads of police file out to take positions in front of the US Treasury and Bank of America. It sends a chill through me to see the long Billy clubs, at least a yard of hard wood, and their plastic face shields and weighty leather bags full of who knows what, mace, pepper spray and other devices to subdue unruly protestors.

We are a band of gaily-dressed, halter-topped, sunglasses-wearing people of all ages: from the wheelchair granny and her garden hatted friend to the dreadlocked students and everyone in between. The two of us from Seattle unfurl our homemade banner and find a couple more people to help us carry it. We slowly move past the Treasury and on down the Mall until the whole band of 10,000 gathers at the Sylvan Theater, hot and thirsty, surrounded by large caricatures and puppets depicting the many faces of corporate oppression. I lie under a tree where protestors settled in to listen and watch the program. Ralph Nader intones his rhetoric against the establishment, while other leaders raise chants of discontent and solidarity. A troupe of actors play a political satire that drives home the injustices and blind greed of business with dark humor.

We are a band of gaily-dressed, halter-topped, sunglasses-wearing people of all ages: from the wheelchair granny ... to the dreadlocked students and everyone in between.

Delegates from the Global South begin the return march, followed by the River of Blue Gold water rights people and the many other groups here to protest the damage the IMF and The World Bank continue to inflict on the poor in the Third World and here at home. Once back at the Treasury, the speeches and demonstration call for a quarantine of the official meeting until they change their policies in favor of basic human rights.

At last I meet the movers and shakers of this global movement at the Sunday evening Jubilee USA Network reception. The delegates from the Global South arrive in coats and ties from an afternoon of debating members of the IMF and Bank. Here are the folks I have been conferencing with on our monthly Grassroots calls. And here is the staff extraordinaire of the Jubilee office. Great food, great talk.

On Monday, Sept 30, we go to work. We are updated on the state of the debt world wide and discuss what we can do about it. In an aching decision for practicality, we agree to continue push for adoption of the "Debt Relief Enhancement Act of 2002", recognizing the value of incremental steps to partially alleviate pain and suffering.

We decide that it is vital to write our own legislation that mandates and spells out in some detail what we really want, a mandate that the IMF and World Bank cancel 100% of debt of the most impoverished countries.

I left the meeting knowing we would soon have a strongly articulated position to take to our constituents at home and a better understanding of how to present the complex issues of Third World Debt. *

Respectfully submitted, Betsy Bell, Jubilee Northwest Coalition, Seattle

ORDER NOW!

Brand New Jubilee T-Shirts and Education & Action Packets

Jubilee has recently updated its Education and Action packet. Learn more about the history of the debt crisis, World Bank and IMF policies, the current debt relief plan and why you should care! Also included are guides on how to start your own Jubilee group, working with your member of congress and getting press coverage on Jubilee issues, plus much, much more!

Education and Action packets are \$5.

T-shirts featuring the "Life not Debt" slogan are also available for purchase for \$12. To order, contact Sebastian at 202-783-0214 or coord@j2000usa.org. Bulk order discounts are available.

The problem of global debt today, as in biblical communities, is that the debtors not only pay with their lives, but also the lives of future generations.

Part of God's creation has been diminished, the covenant broken.

Jubilee is the restoration of God's covenant with us and our world.

Your congregation can join with us to restore right relationships and economic justice through Jubilee. Jubilee

Congregations help keep the Jubilee vision alive through financial stewardship and lively action for debt cancellation.

Become a Jubilee Congregation.

Coming soon...new materials for Jubilee Congregations. Updated worship materials, activities for faith communities, "how-to" guidelines for recruiting your house of worship to become a Jubilee Congregation, sermon notes and more!

Call us for more information:

contact Mara at 202-783-0129 or mara@j2000usa.org

POLICY UPDATE

By Michelle Edmonds - Jubilee Fall Policy Intern

Debt Relief Enhancement Act Of 2002 Failed to Pass in the House

This bill, introduced by Senators Biden (D-DE) and Santorum (R-PA) and Representatives Smith (R-NJ) and LaFalce (D-NY), pushes for additional debt relief for Heavily Indebted Poor Countries (HIPC). A contribution of \$43 million from the US Treasury Department along with an additional \$1 billion of annual debt service relief from the World Bank, IMF and G-8 is expected to help HIPC reach technically sustainable levels of debt.

The enhanced HIPC structure already reduces the debt-to-export ratio to 150%, meaning a country's total debt cannot exceed 150% of its annual exports. This bill will also limit debt service payments to 10% of national income; in nations facing public health disasters, such as the HIV/AIDS pandemic, debt service cannot exceed 5% of internal revenue. The Senate version was incorporated into S. 2525 "The United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2002."

This bill unanimously passed the Senate on July 12, 2002. However, the language is not as strong and binding as we would have liked. In the House of Representatives, Representative Bereuter from Nebraska held up this language from being included in a similar AIDS bill on the House side. As a result, the Debt relief Enhancement Act has failed to pass this year. The sponsors of the legislation are eager to try again next year.

Arbitration Options

At the September 30th Network Council Meeting, the Council discussed supporting a plan for addressing the debt crisis through a process of arbitration. A great deal of controversy arose regarding the Chapter 9 proposal and whether or not Jubilee could support such a process without endangering the goal of definitive debt cancellation for the Global South. No final decision was made at the Network Council Meeting; thus, the task has been passed on to the Policy Working Group. To learn more about this issue and to take part in this discussion, join Jubilee's Policy Working Group by subscribing at j2000-policy-subscribe@yahoogroups.com.

Two main arbitration options are currently being considered: The Kruegers Sovereign Debt Restructuring Mechanism (SDRM) and the Chapter 9 proposal. The Kruegers SDRM was the main product of the IMF's fall meeting in September. This mechanism gives the IMF the authority to create the Dispute Resolution Forum (DRF), the only institution capable of resolving creditor-debtor disputes. The Kruegers proposal claims the DRF will be somewhat independent of the IMF. In the DRF the majority of creditors must accept any decision made in the process. This option therefore increases the power of the IMF in international debt issues, which is highly unfavorable. This program would be most likely heavily influenced by the IMF and creditor nations, and would not address multi-lateral debt. Jubilee USA does not support this mechanism, as debtor nations' interests are not sufficiently protected or considered.

The Chapter 9 Proposal is an adjustment of U.S. bankruptcy laws applicable to bankrupt municipalities. An ad hoc third party panel, under UN authority, will serve as the court for the process. Judges must consider whether debt is legitimate and if it is deemed legitimate if the debt would be cancelled or the terms of any repayment. If the debt would be found to be illegitimate, it would be immediately annulled. Civil society representatives would be heavily involved in the process of determining how funds will be spent for social services and debt payments; they will

continued on page 6

mobilizing for a common good



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4

1. A multicultural choir leads the interfaith service in song.
2. Liturgical dancer lights the Jubilee fire.
3. Learning from the experts about Latin America at the Global Struggles against the IMF/WB Teach-ins.
4. Jubilee Network Council meeting participants.
5. Jubilee activists from across the nation join the mobilization for global justice during IMF/WB meetings.
6. Jubilee voices from North and South tell IMF/WB to Drop the Debt to Fight AIDS.
7. Demba Dembele from Senegal shares his experience at the foot of the US Treasury Department.
8. Marie Clarke welcomes the Debt/AIDS feeder march to the mobilization for Global Justice.



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Global



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The International Debt Movement Lives On!

Eurodad conference Nov. 1-3, 2002 Copenhagen, Denmark

By Mara Vanderslice

IN EARLY NOVEMBER, international debt campaigners gathered in Copenhagen, Denmark for the annual conference of the European Network on Debt and Development, known as Eurodad. The event was a time for reflection and planning amongst international debt and development organizations, especially those in Europe. Approximately one hundred people from around the world were in attendance.

The participation and enthusiasm at the two-day event made it clear that debt campaigns remain active all over Europe and around the globe. Jubilee campaigns worldwide are finding ways to rejuvenate their grassroots and work with members of parliament in spite of the “debt is done” myth held by some after the end of the Jubilee 2000 campaign. Jubilee campaigners from the UK, Netherlands, Germany, Sweden, South Africa, Zambia and Uganda attended the conference. It was inspiring to see that thousands around the world continue to be active in their work to find a definitive resolution to the debt crisis.

Eurodad put forward a proposal in an attempt to reach a consensus position on major building blocks of a new joint debt position and campaign. The plan suggests that a new campaign on debt include the following five elements:

- Debt sustainability based on the achievement of the Millennium Development Goals (MDGs) or similar principles of debt sustainability, such as the proposal before the US Congress of limiting debt service to 5 or 10% of revenue.
- Debt arbitration based on a Fair and Transparent Arbitration Process – known as FTAP.
- Illegitimacy of (parts of the) debt as it is an implicit and logical element of the arbitration model and acknowledgement of the co-responsibility of creditor and debtor.
- Conditionality on debt reduction as set by the IMF and World Bank to be replaced by genuine Southern ownership of the design and implementation of development and anti-poverty planning.
- Responsible lending and borrowing, and the development of monitoring of the quantity and quality of foreign credit. Both Southern and Northern NGOs have worked and are working on this.

Jubilee USA’s Policy Working Group is currently defining a position on debt arbitration. The group is eager to see if a consensus position for future work on debt can be agreed to, especially once adequate consultation with

partners in the Global South can take place. Jubilee USA plans to have a response to the IMF’s proposal for arbitration by the April 2003 meetings of the World Bank and IMF.

Tensions arose between South and North agendas during the Eurodad conference. The problem of campaigners in the South feeling like the Northern groups are setting the agenda and not listening to the voices from the Global South was clearly expressed throughout the Eurodad conference.

A variety of opinions were expressed on what role Northern NGOs should play in work on development issues that primarily affect people in the South. Some felt that Northern groups should only play a role of solidarity and only work on projects and issues that are defined by Southern groups. Others felt that Northern groups have an obligation to keep the pressure on their governments and World Bank and IMF representatives because they are fighting against an unjust system, not just for the people of the South.

It was clear that more time and thought needed to be devoted to building better communication and partnerships between North and South. If that task were taken as seriously as any other goals we

campaign for in the coming year, we would build much-needed trust and come out with a more viable global movement in the long term.

Many other intriguing issues were discussed, such as the role export credit agencies (ECAs) play in generating developing country debts and fears that President Bush’s initiative on foreign aid will primarily focus on giving aid to the private sector in poor countries and bypass the government all together. For more information on these topics, please join the Policy Working Group. *

MDGs – The United Nation’s Millennium Development Goals (MDGs) are an eight-point plan of development targets, including reducing poverty by one half. It is hoped that the goals will be achieved by 2015. To learn more, visit: <http://www.un.org/millenniumgoals/index.html>

FTAP – Fair and Transparent Arbitration Process – a bankruptcy mechanism for poor countries to resolve their debt burdens. This process would need to be binding on creditors and debtors, as well as independent of either creditor or debtor. To learn more, visit: www.jubileeresearch.org or <http://www.erlassjahr.de>

SDRM - Sovereign Debt Restructuring Mechanism – the IMF’s proposal for a bankruptcy court for countries. The IMF is likely to play a heavy role in this proposal and multilateral debt might not be considered at all for reduction. To learn more, visit: <http://www.imf.org/external/np/exr/facts/sdrm.htm>

REPORT

Jubilee USA Network Council Meeting

By Marguerite Smalls – Jubilee Staff

JUBILEE USA HELD its Network Council meeting in Washington, DC on September 30. The meeting was used as a time to strategize about the movement and approve the budget for the next year. Staff and Network Council Members provided updates and discussions were held on key issues such as legislation, grassroots and outreach efforts. Aaron Goldzimer, Environmental Defense; Rick Rowden, RESULTS; Rita Jankowska-Bradley, Jubilee Missoula and Stan Duncan, UCC Pastor, MA were elected to serve on the Coordinating Committee.

Jubilee Congregations was introduced as the latest program of the Network. As a Jubilee Congregation, a contribution of \$1 per member to Jubilee and one letter per member on the issue of debt to elected officials is requested. The Network set an ambitious goal of recruiting 250 congregations over the next 12 months. Jubilee Congregation brochures have been produced and Jubilee Congregation packets, which will include a variety of resources such as sermon notes and religion-specific worship resources, will be developed subsequent to the meeting. We are pleased with the initial interest in this program, especially with the Evangelical Lutheran Church of America (ELCA). The Pacifica Synod of the ELCA in California pledged \$100,000 over the next two years. As of the NC meeting, \$2,000 has been received from the Synod. The Jubilee Congregations Program is a great way to involve faith communities. For more information about the Jubilee Congregations Program, please contact the Jubilee USA National Office.

Staff, as well as local group representatives, provided an update on grassroots activities to date and began to plan for the upcoming year. Members of the grassroots have worked on the Jubilee Congregations quilt project, a week-long Mobilization in Seattle, WA and appeared on a radio show on debt in the Los Angeles/Orange County areas of California. Proposals for next year included holding regional mobilizations around the February 27 anniversary of debt cancellation for Germany, reaching out to college campuses in efforts to connect them with regional Jubilee groups, and fundraising for regional grants for part-time coordinators in the regions to strengthen our grassroots work.

Staff provided an update on a variety of legislative possibilities for the upcoming year. While the Network will con-



Jubilee Network Council Meeting

tinue work on the current legislation in Congress that would require countries not to pay more than 5/10% of their government revenue on debt, the Network agreed to draft a Jubilee Bill that outlines Jubilee's ideals. The goal is to have the Bill pass within the next three years. The Network Council noted the tremendous effort needed to write such a bill and push it forward in our Congress. Details about the language of the bill will be discussed on future teleconferences of the Policy Working Group. To become active in supporting this bill, feel free to join monthly teleconferences of the Grassroots Working Group.

The proposal made by Jurgen Kaiser of Jubilee Germany and Kunibert Raffer of Austria for a debt arbitration process was met with a great deal of contention. The IMF, at its September meeting, considered Krueger's Sovereign Debt Restructuring Mechanism. This plan would be a heavily creditor influenced and run program that will only address some of the debt. Jubilee is faced with a decision about supporting an alternative arbitration proposal proposed by Jubilee Germany that would protect the interest of the Southern countries and ensure a fair and transparent process. Contention was met during this point of the discussion, especially from partners of Jubilee South, as the Jubilee South position calls for definitive debt cancellation and fear that entering into an arbitration process would distract interest from that call. Partners from Jubilee South emphasized that any proposal supported by Jubilee needs to reflect the rights of all people and allow their voices to be heard. The Network Council made no decision on arbitration and deferred further discussions to the Policy Working Group, though it was agreed that any position supported by Jubilee must not undercut Jubilee South's bargaining position. For more information on legislative activities being conducted by Jubilee USA, please refer to the Policy Update.

The meeting concluded with members buzzing with energy about pushing forward the work of Jubilee USA Network. Regional council meetings will be held in the spring and the Network Council will meet on October 25 and 26, 2003 (Location TBD). Please mark your calendars.

To review minutes from the September 2002 meeting in their entirety, please visit the Jubilee USA Network Website at www.jubileeusa.org. *

HIGHLIGHTS

100 Women Travel to Africa:

Will you be one of them?

In early May Jubilee, along with several key organizations, will sponsor a delegation of 100 women, some of them mother and daughter teams, to travel to several countries in Africa to learn first hand about the impact of international debt and the AIDS pandemic from our African partners.

On Mother's day, these delegates will work on press and special events to share their experiences and call for women to stand up for Africa and work towards definitive debt cancellation and a resolution to the AIDS crisis. Jubilee and the other sponsors will assist in providing pre-trip resources, press training, guidance on event planning and will provide fundraising support for participants.

To learn more, contact our office at 202-783-3566 or write to coord@j2000usa.org. Details about this delegation will be posted on our Website at www.jubileeusa.org. *

New Foundation Grant Received!

The Equity Trust, Inc. has awarded Jubilee USA Network a \$15,000 grant in support of the Jubilee Congregations Program. As an added bonus, Equity Trust has agreed to provide Jubilee with a challenge grant. Funds raised through contributions from individuals or faith communities will be matched up to \$10,000 making the total raised \$35,000.

We are grateful to Equity Trust for their commitment to Jubilee USA and their support of the Jubilee Congregations Program.

Based in Voluntan, CT, Equity Trust, Inc. is a non-profit organization concerned with the principles of equity and their practical applications. *

Star Flash

Heartland USA –

Bono, of the Irish rock band U2, and a Ugandan Pastor who is HIV positive will be on a "Heartland Tour" sponsored by DATA, speaking out on AIDS and it's connection to debt. They will travel to Louisville, KY, the Chicago metropolitan area, Iowa City and more. The tour will kick off on December 1st, World AIDS Day, in Lincoln, NE – home of Representative Bereuter who, as you know from our alerts, has been the gatekeeper for much of our legislative work. Perhaps some stardust will soften him up to promote debt and AIDS legislation that will bring us closer to a true Jubilee! *

A Special Thank You

Staff of Jubilee USA would like to extend a special **Thank You** to the sixth grade class at St. Joseph/St. Robert School in Warrington, PA. After discussing the current debt crisis in Africa, the students wrote letters to President Bush urging him and Congress to pass legislation that would assist Africa, and held a bake sale for fourth through eighth graders at the school. The students raised and donated \$306.83 to the drop the debt campaign. *

be also be granted veto power on the final decision. The Policy Working Group is exploring the main concerns about such a proposal, such as civil society participation, arbiter selection, as well as the role or potential in regards to illegitimate and odious debt. Jubilee is also following up with our Southern partners as Jubilee South has expressed concern about an arbitration proposal. Other Southern partners have been in favor of such a proposal as a process by which to determine the legitimacy or illegitimacy of the debts and to involve debtors in the process of determining a resolution to the debt crisis.

World Bank/IMF Annual Meeting Follow-up

While many protesters hit the streets September 27-29th, the IMF and World Bank held their ministerial meetings. The IMF's main project was the Krueger's Sovereign Debt Restructuring Mechanism. Jubilee USA has recently published a report on the Heavily Indebted Poor Country Initiative (HIPC) called "Determined to Fail." This document shows that debt relief has been effective in increasing social service spending; however, there is obvious need for additional debt relief if countries are to reach points of debt sustainability, which is being set at 150% debt-to-exports ratio. Most HIPCs will need additional money if they are to be "sustainably indebted". The report also found that in several country case-studies, countries were having their interim debt relief suspended by the IMF for minor cause. In Honduras, for example the IMF was displeased about a local law that would increase the salaries of teachers and suspended Honduras' interim debt relief as a result. Read more about it on our website at www.jubileeusa.org

Network Council Goal:

Jubilee Visionary Legislation

Jubilee USA has begun drafting a new piece of legislation, a Jubilee bill that reflects our ideals. We hope to have the bill successfully passed in Congress within three years. If we are to write a bill that reflects our ideas, we must realistically expect that such a bill would not pass in Congress this year. Thus this will be a longer-term effort that will only be realized with some considerable work to raise the voice of people around the country in affirmation that we need definitive debt cancellation. We need as many volunteers as possible to help draft and support this bill as we fight for justice in U.S. Congress. To become involved in drafting the bill or help to support the effort in any manner, join the Policy Working Group at j2000-policy-subscribe@yahoogroups.com. For more details please check our website at www.jubileeusa.org or contact the office at (202) 783-0129. *