

MAKEPOVERTYHISTORY

NorthEast

***Global Debt Week,
14-21 October***

Autumn 2007, Special Debt Edition

Make Poverty History NE is joining with Jubilee campaigns in over 30 countries to take part in the week, which was called for at the World Social Forum (see below) in Nairobi, Kenya, in January.



See pages 6-7 for our supporter-friendly 'Week of Action'!

MPH-NE acknowledges with thanks the support of Jubilee Debt Campaign in the production and distribution of this newsletter.

In view of the major debt write-offs in 2006, earlier this year Jubilee Debt Campaign re-stated its vision under the title “*Breaking the Chains: A Vision of Jubilee*”.

Breaking the Chains: A Vision of Jubilee



In a world where a child dies every three seconds because of poverty, we want to see a world where:

- **poor people and poor nations are set free from poverty**
- **unjust and unpayable international debt is cancelled**
- **debt relief is not used as an instrument of power and control**
- **there are fair, democratic and open processes to deal with historic debt and prevent future crises**
- **loans and debt repayments do not damage people, their communities and their environment**

This is a vision of justice

This is a vision of Jubilee

It embodies aspirations and values shared by peoples of all faiths. It echoes the trumpet call of Jubilee first heard in the ancient scriptures of the Jewish and Christian faiths: when those enslaved as a result of debt are freed, lands lost because of debt are returned and communities torn by inequality are restored.

It is the call to “*let the oppressed go free*”.

Faith leaders urge PM to further action on debt

To mark the publication of 'A Vision of Jubilee', seventeen leaders of faith and other communities signed a letter to the then Prime Minister, Tony Blair, urging him to take further action on the "affront and injustice of international debt."

The Archbishop of York was joined by the Chief Rabbi, the General Secretary of the Muslim Council of Great Britain, Hindu and Sikh leaders, the Director of the Evangelical Alliance and the CEO of the British Humanist Association in calling for "processes and decisions which prioritise the rights and needs of people who are poor."

"We fully recognise that this government has done much to keep the issue on the international agenda, and there has been progress which has brought benefits for the health and education of people who are poor," the letter says. The leaders continued: "Without further action the existing international debt crisis will not be ended and the new debt crisis that is brewing will not be averted – and people who are poor will continue to pay the price."

The letter, echoed in a letter published in the Daily Telegraph, refers both to 2007 as the year "when together we recognise the affront and injustice of slavery and acknowledge the extraordinary commitment of campaigners that made such a difference" and to a renewed vision of Jubilee.

Stephen Rand, Co-chair of JDC, explained "When ten years ago campaigners first proclaimed the vision of Jubilee – a new start for poor people and poor nations – it was a vision of justice, of openness and transparency, of new processes that would hold lenders responsible for the impact of their loans on people and the environment. We have restated that vision in a statement entitled 'Breaking the Chains'; and we have launched a new initiative to encourage churches, groups of all faiths and schools to commit themselves to doing what they can to work for this vision of a new relationship between rich and poor nations."

"It has been exciting to see the response of these key leaders", says Stephen. "Many of those in their communities have been campaigning on debt for many years. They will be encouraged by this letter, with its pledge of action: 'Today we are once again committing ourselves to work for the realisation of that vision of Jubilee, urging our communities to continue to play their part as we call on you, and all world leaders – whether of rich or poor countries – to do the same.'"

Re. the 'new initiative' for faith groups and schools, see editor's comments (p. 8).

Illegitimate Debt

JDC's focus for action during the Global Week is 'illegitimate debt', – the idea that not only borrowers, but lenders also, are responsible for improper lending. The following are extracts from an article on the subject by Dr Joseph Hanlon of the Open University, perhaps *the* world expert on debt and debt relief.

The world's three most corrupt dictators were Suharto in Indonesia, Marcos in the Philippines and Mobutu in Zaire, according to Transparency International. The World Bank and IMF lent billions of dollars to them, knowing they would steal and waste the money, because they supported the 'West' in the Cold War. Those dictators are long gone and the Cold War was over 15 years ago. But the World Bank and IMF want the children of those countries to keep repaying the debts.

If a British bank lent me money knowing I was going to waste or steal it, no court would allow them to try to collect that debt from my children. We do not allow lenders to collect loans which were "unfair" or "extortionate". But different rules apply to the international financial institutions. They can make the most stupid, corrupt and unfair loans and demand repayment.

For two decades the IMF imposed harsh conditions and lent money to support its 'structural adjustment' policies. The policies were a total

Lift the Lid!

Many countries around the world are servicing illegitimate debts at the expense of health and education for their people. JDC is calling on lenders to open up their past lending to scrutiny, and to take debt cancellation much further by cancelling all illegitimate debts. See page 6-7 for what *you* can do.



failure, but the IMF demands repayment of those loans. The World Bank pushed... projects which were environmental disasters, then lent more money to clean up the mess – and now demands repayment of both sets of loans.

The concept of 'illegitimate debt' was initially proposed by campaigners in Jubilee South and has been developed using the ideas of fairness underlying British consumer credit acts. It argues that lenders must take responsibility for their loans, and cannot collect on loans which violate basic principles of fairness. Norway last year became the first country to adopt the concept and campaigners are now pressing other countries to adopt it.

A letter to UK campaigners from Erik Solheim, the Norwegian Minister for International Development

Dear Campaigner

This year Norway will cancel debts of Ecuador, Egypt, Jamaica, Peru and Sierra Leone, which amount to \$78 million, unilaterally and unconditionally. Many say that it was high time to do so – and I'm one of them. In line with the core principle of the Norwegian debt relief policy, this cancellation will not be financed via the development budget or reported as development assistance. Norway cancels the debts on the grounds that we share responsibility for their existence: an important step in establishing a culture of creditor responsibility for bad lending and the debts that result.



These debts originate in the Norwegian Ship Export Campaign (1976-80)... At the time, Norway did not assess properly the affordability of the purchases or the need for them; many of these projects proved to be economically unsustainable. ... Norway accepts the political co-responsibility for such development policy failure.

Left, Jubilee Norway campaigners

Norway hopes its decision will stimulate a debate on creditor responsibilities and responsible lending, and encourage other creditors to take a critical look at the claims vis-à-vis developing countries. It's the right thing to do.

Erik Solheim

We applaud the decision of the Government of Norway (potentially of huge significance), thank Mr Solheim for his encouragement and congratulate our friends in Jubilee Norway for the success of their campaign! UK Government take note!

A 'campaigner-friendly' Week of Action on debt

Sunday 14th October – Sunday 21st October

Dear Supporter,

Sunday 14th October: Make Poverty History NE requests that you send an email to your MP. You can do this by going to www.WriteToThem.com, or you can get his/her email address from our website, www.mph-northeast.org.uk. [If you don't have email, please see below.]

A draft letter is provided, but you may wish to say something about yourself and any connections you have with an aid agency, faith group, trade union, etc. Keep a copy of your text!

On each of the following days, send your message, with minor adaptations as appropriate, to those shown below. For example, for MEPs, replace "the UK's" by "Europe's"; for non-Labour MPs and MEPs, replace "the Chancellor and Secretary of State for International Development" with "the leaders of your party".

Monday 15th October: Mr Martin Callanan, Conservative MEP for NE England
Email, martin.callanan@europarl.europa.eu

Tuesday 16th October: Mrs Fiona Hall, Liberal Democrat MEP for NE England
Email, fiona@fionahallmep.co.uk

Wednesday 17th October: Mr Stephen Hughes, Labour MEP for NE England
Email, stephen-hughes@btconnect.com

Thursday 18th October: Rt Hon Douglas Alexander MP, DFID
Email, enquiry@dfid.gov.uk

Friday 19th October: Rt Hon Alistair Darling MP, Chancellor of the Exchequer
Email, ministers@hm-treasury.gsi.gov.uk

Saturday 20th October: Rt Hon Gordon Brown, Prime Minister
Website, <http://www.number10.gov.uk/output/Page821.asp>

Sunday 21st October: David Cameron MP, Leader of the Opposition
Email, camerond@parliament.uk

If you don't have email, please write a letter to your MP and, if possible, one or more of our three MEPs.

MP's name, House of Commons, London SW1A 0AA

Mr Martin Callanan MEP, Aston House, Redburn Road, Newcastle NE5 1NB

Mrs Fiona Hall MEP, 55a Old Elvet, Durham DH1 3HN

Mr Stephen Hughes MEP, Room 4/38, County Hall, Durham DH1 5UR

Dear

As we mark the 200th anniversary of the abolition of the slave trade, I am concerned, as a supporter of Make Poverty History NE, that *chains of illegitimate debt* still bind Haiti, Liberia and many other poor countries. What I mean by "illegitimate" was illustrated perfectly by Paul Wolfowitz, when he was President of the World Bank, with reference to Liberia:

"It's really unfortunate when you get a government with this kind of commitment and energy, ready to do important things and having absolutely zero responsibility for the debts, that they have to spend so much time and energy dealing with the creditors – who have a responsibility for having made loans [to corrupt dictators] in the first place."

Note that Liberia, which now has the first democratically elected woman president in Africa, has "absolutely zero responsibility for the debts"! And that its situation is "really unfortunate", which must be the understatement of the year!

I understand that some of these countries will get debt cancellation eventually - but what they need is cancellation *now* of all illegitimate debts. Furthermore, cancellation must not involve countries being shackled by the undemocratic and damaging conditions imposed by rich countries.

I hope, most of all, that you will lend your support to calls for a parliamentary investigation into the UK's [Europe's] past lending, with a view to identifying and cancelling all illegitimate debts 'owed' to us. Norway has already done just that.

Will you please also endorse the Parliamentarians Declaration for Shared Responsibility for Sovereign Lending (see www.debtdeclaration.org) and raise these issues with the Chancellor and Secretary of State for International Development [the leaders of your party].

I would be grateful to know whether or not you support this just cause.

Thank you,

Yours sincerely,

Liberia ('Land of Liberty') was founded in 1822 as a home for freed slaves and black people born free in the USA. Today, whilst trying to rebuild itself after a brutal civil war, it struggles under a total debt burden of \$3.7 billion, mostly run up by oppressive former regimes. Average income is just \$0.30 day. The rich world is proposing that Liberia will have to spend years meeting creditor-imposed conditions before the remaining debts are finally cancelled. And all the time, people suffer and children die.

Ellen Johnson-Sirleaf, 67, a grandmother fondly called the "Iron Lady" by her supporters, is Africa's first elected female head of state. She said she wanted to become president in order "to bring motherly sensitivity and emotion to the presidency" as a way of healing the wounds of war.

Did you take part in the G8 Human Chain in Birmingham on May 16th 1998?

In May 2008 JDC will be marking the tenth anniversary of that momentous day when 70,000 people forced the G8 to put developing world debt on the agenda. This will include an exhibition in Birmingham Central Library for which I am collecting photographs and memories of the event. If you were there, your contribution would be greatly

appreciated. It can take the form of art work, prose, photograph or poem – anything from short quotes to one side of A4. Please send to me before the end of 2007. Those selected will be on display for the whole month of May 2008. I am not able to guarantee the return of all materials, but will endeavour to do so wherever possible.

Audrey Miller, tel 0121 471 4175; email www.jubileedebt.pwp.blueyonder.co.uk

Speaking personally...

I was most encouraged to read not only the endorsement by so many of the country's religious leaders for the re-stated 'Jubilee Vision', but also that they were "urging our communities to continue to play their part". One obvious way we can do so is to become Jubilee Schools or Congregations, a new initiative which has been warmly welcomed by the Archbishop of York, Dr John Sentamu.

The concept, pioneered with considerable success by Jubilee USA, is designed to help communities become more active in the fight for economic justice and against poor country debt. Many are already 'Fair Trade' (if not, why not?!) – affiliation to Jubilee will enable them to add a balancing, advocacy element to their support for the world's poor. *The commitment involved is a most modest one!* Of course, those who feel that they are already fulfilling this responsibility (eg, by their involvement in Justice & Peace or the Micah Initiative) can let it pass.

With every kind wish, David (David Golding, Editor)

Our growing e/ mailing list

If you are on email, please make sure we have your address. This will enable us to give you advance notice of forthcoming events, etc. Send it, with your names and postcode, to: mphne-mailing@yahoo.co.uk

Regional Roadshow, October-November

There is still time to invite us to your town! Formal or informal; long or short; wide variety of topics available. No gathering too small!

Make Poverty History *NorthEast*

Chair, Judith Sadler; Vice-Chair, Kevin Haigh; Secretary and Website Manager, Tim Kenny; Treasurer, Mike Waller; Development Coordinator, David Golding; Minutes Secretary, Maureen Osborn; Mailing List Manager, Veronica Golding.

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