

JUBILEE ACT SUMMARY

2007: THE SABBATH YEAR



SUPPORT BROADER DEBT CANCELLATION TO FIGHT GLOBAL POVERTY

Seven years after the historic Jubilee 2000 campaign brought the issue of crushing international debt onto the agenda of world leaders, 2007 is the Sabbath Year. The Sabbath Year is an opportunity to reflect on the life-saving impacts of debt cancellation provided in 1999 and again in 2005 while addressing the unfinished agenda on international debt. As part of the Sabbath Year, Jubilee USA Network is calling on Congress to pass legislation to expand debt cancellation, a proven means of fighting poverty, to all the impoverished countries that need it to meet the Millennium Development Goals (MDGs).

Why debt cancellation?

Debt costs lives. In the world's most impoverished countries, majorities do not have access to clean water, adequate housing or basic health care. Impoverished countries around the world currently pay debt service to wealthy nations and institutions at the expense of providing these basic services to their citizens. Every day 8,000 people die from HIV/AIDS, 70 percent of them in African countries. At the same time, most African countries spend more on debt payments than on health care. Broader debt cancellation is needed to meet the MDGs, targets agreed upon by world leaders to halve extreme poverty by 2015.

Does debt cancellation work?

Partial debt relief and full debt cancellation are tested and effective tools for releasing resources to fight poverty and injustice. Savings from debt cancellation agreed to by world leaders in 2005 have enabled Zambia to hire 4,500 new teachers and eliminate fees for rural healthcare, among many examples. While the initial record of debt relief is good, Jubilee USA continues to work to ensure that resources released by debt cancellation reach those who need it most, by demanding accountability and transparency from creditors and impoverished countries.

Didn't world leaders drop the debt in 2005?

The G-8 debt deal agreed to in 2005 is an important step, but only 1 in 10 people in impoverished countries will see any benefit from debt cancellation. Further, because of the harmful economic policies countries must implement to qualify for debt cancellation, half of the 40 eligible countries have yet to see their debt cancelled. These harmful policies include privatization of basic services and the imposition of user fees on health care.

What Congress Can Do in 2007

Jubilee USA Network is calling on Members of Congress, both in the House and Senate, to support debt cancellation in impoverished countries by co-sponsoring debt legislation to be introduced in the 110th Congress. The legislation will call for debt cancellation (of debts claimed by the U.S. government and international financial institutions) for all impoverished countries that need it to meet the MDGs, without imposing harmful economic conditions.

The new bill, to be introduced in March 2007, will build on legislation introduced in the 109th Congress – the JUBILEE Act (HR 1130), which garnered 82 co-sponsors. Initial co-sponsors on the legislation in the 109th Congress included Rep. Maxine Waters (D-CA), Rep. Barney Frank (D-MA), Rep. Spencer Bachus (R-AL), and Rep. James Leach (R-IA).

Once new legislation is introduced, Jubilee USA Network will work to bring the new bill to a hearing in the Financial Services Committee. There is currently no bill in the Senate. A goal in 2007 is to introduce a companion bill in the Senate as well.