



Why debt is killing the poor

The Third World is held captive by massive unpayable debts to rich country Banks, Governments and Financial Institutions. The debts result from reckless, wasteful and often corrupt lending and borrowing and a global economy rigged to reward the rich. The world's poorest people, a billion of whom survive on less than 60p a day, had no say in this. Yet they are the ones who pay the price, as their leaders divert scarce resources from health, education and basic services to feed growing debts. Debt is a major cause of the poverty that kills 19,000 children each day in the developing world. So far the rich have cancelled just 5% of poor country debts with only 10% more likely to be cut over time.

What is Jubilee Scotland

Jubilee Scotland campaigns for full cancellation of unpayable poor country debts by fair and transparent processes. It represents an alliance of Scottish organisations including the main churches, overseas aid charities and trades unions. As Jubilee 2000 Scottish Coalition, it was part of a global movement that that called for unpayable Third World debts to be wiped out to mark the new millennium. By 2000 it had forced rich country leaders and global bureaucrats to acknowledge the problem and cancel a little of the debt. The campaign now continues, in Scotland and across the world, to achieve a fair and lasting solution to the global debt crisis.

All Hands on Debt

All Hands on Debt is Jubilee Scotland's campaign theme for 2002. Throughout the year we will offer individuals and groups in Scotland easy-to-do campaign actions that can help persuade Tony Blair to support our demands.

Why Tony Blair?

Tony Blair says he is committed to building a world in which each individual has the "economic and social freedom to develop their potential to the full". We would like him to back up his fine words by supporting full cancellation of unpayable poor country debts and using his influence with other rich country leaders to make this happen. Britain has stopped collecting debts from several of the poorest countries, yet as a paymaster of the biggest lenders (the World Bank and International Monetary Fund) it is still partially responsible for the debt crisis. Britain continues to support the deeply flawed Heavily Indebted Poor Countries programme which cancels too little debt for too few countries.

Why 'All Hands on Debt'?

2001 was a year of disappointments for the Jubilee campaign, as rich country leaders failed to offer the world's poor a better deal on debt. In 2002 we want them to get 'all hands on debt' to concentrate on solving the problem for good rather than tinker with it as they have been doing. The hands theme can also be helpful in explaining to people why they should support our campaign. For example:

Time to Hand back the Money

Cancelling debts is about giving poor people back their money. Each Nigerian, for example, will end up paying £5 for every £1 their Government's borrowed.

Our Hands are Dirty

The rich countries carry much of the blame for the debt crisis and we should recognise our responsibility in resolving it. Many loans were tied to lucrative arms deals or inappropriate construction contracts that benefited Western firms. Many were given recklessly to dictators who pocketed the money.

Blowing up in our Hands

By enforcing unpayable debts we are also making trouble for ourselves. Countries forced to their knees by debt can become exporters of crime, drugs, environmental problems, terrorism, disease, refugees and conflict.

Write to Tony Blair

Writing to Tony Blair about world debt might seem an insignificant action given the size of the problem. Yet letter writing has played a big part in any progress so far towards cancelling poor country debts. In the run up to the millennium the UK Government received 500,000 postcards calling for more action. For every 150 postcards they received one new primary school classroom has been built in Uganda using money which would otherwise have been spent on debt repayment.

If you can, please write a letter to Tony Blair using your own words as this is likely to make the biggest impact. If you feel unable to do this, however, you can use all or part of the sample letter below.

Dear Mr. Blair,

I am writing to urge you to return to the unfinished business of Third World Debt.

I welcome your ambition to help the world's poorest countries in the struggle against poverty. Yet without full cancellation of their massive unpayable debts, it is battle they are likely to lose. I acknowledge the lead taken by your Government in tackling the debt crisis up to the millennium year. I am extremely concerned, however, that progress since then has been unacceptably slow and that fatal flaws in the Heavily Indebted Poor Countries (HIPC) programme for debt relief are being ignored.

I would like to see Britain calling for and working towards a fairer deal for poor countries entrapped by debt. HIPC claims to reduce debts to a 'sustainable' level, yet these levels are set so high that many countries will still be unable to manage their debts on completing the programme. Your Government is committed to Millennium Development Goals that aim to halve absolute poverty by 2015. Where developing country Governments are likewise committed to the goals it surely makes more sense to cut enough of their debts to allow them to achieve these.

To meet the Millennium Development Goals the poorest countries will need 100% debt cancellation and a substantial amount of additional aid on top. So far HIPC has cancelled 5% of their unpayable debts and promises further cuts of just 10% over time. I urge you to challenge this and to use your influence with world leaders, the World Bank and International Monetary Fund to achieve justice for the world's poor.

Yours Sincerely

Letter writing need not be a solitary task. Ask your friends, workmates, classmates, church group or members of a club you are attending if they would take twenty minutes to write a letter with you. This will work best if you provide the paper, pens and envelopes, and ask for a donation to cover the cost of stamps.

If your group are not the kind to write letters you could ask them to sign an **All Hands on Debt postcard**. These can be ordered using the form at the back.

It is important to also let your own Member of Parliament know how you feel about the debt. Write to your Westminster MP (the Scottish Parliament does not have powers in this area) raising the same points as in the letter to Tony Blair. Ask:

- For their support for 100% cancellation of unpayable poor country debts
- That they raise your concerns with Tony Blair

It is best to write to your MP's constituency office – you will find this in the local telephone directory. If you don't know who your MP is you can find out by phoning the House of Commons on 020 7219 3000 or visit http://www.locata.co.uk/commons/ When you receive a reply, it is likely that your MP will be broadly supportive of debt cancellation in principle, although they may disagree with specific Jubilee Scotland demands. If you would like more information to help you to continue the correspondence the Jubilee Scotland office may be able to help.

* Please note – if Gordon Brown is your MP you can ask him to do something about the debt personally in his role as Chair of the International Monetary Fund Finance Committee.

The national handprint petition

Jubilee Scotland is calling on the people of Scotland to support our campaign by adding to a national 'All Hands on Debt' handprint petition. For this to make an impact we need schools, churches and community groups across Scotland to make their own handprint petitions which will in turn become part of the national one.

Making a hand-print petition

To create an 'All Hands on Debt' hand-print petition we suggest you make a banner from a large white sheet and put the following slogan at the top of this: "(NAME OF YOUR GROUP) says All Hands on Debt". You can then encourage people in your group to show their support for the campaign by adding their handprint and signature to the banner.

You can use your banner to get local publicity for the campaign. Contact local newspapers and invite them to send a photographer to take a picture of your group putting handprints on the banner. You could also invite your members of parliaments (Scottish, UK, European) or a local celebrity to join you and add their handprint.

Hand-printing logistics

It is important that only right hands are used for printing, as use of the left hand is considered offensive in some cultures. Prints can be any colour, although use of red is not advised due to associations with sectarianism. We suggest using acrylic paint, or children's paint, which should be fairly easy to wash off. In circumstances where paint would not be practical, e.g. at an outdoors event, an alternative would be to draw around hands using a marker pen.

What next?

Once your banner is complete (or banners if you can fill more than one) please send to:

Jubilee Scotland 41 George IV Bridge Edinburgh EH1 1EL

Your banner will join a high-profile national display of all handprint petitions in Autumn 2002, following which the hand-print petition will be taken to London by a Jubilee Scotland delegation and handed over to Tony Blair.

Spreading the word

Politicians respond when large numbers of voters ask them to take action on an issue. If you can tell others the facts about Third World debt and encourage them to take action this can make a real difference.

Posters

Put up All Hands on Debt posters in your school, workplace, library, church or any other public place where it might get noticed. Posters are available in A1 and A4 sizes and can be ordered using the form with this pack.

Website

Email the address for our campaign website www.all-hands-on-debt.com to your friends and colleagues and ask them to check it out. If you know of any websites which might be sympathetic to the campaign you could ask them to include this as a link.

Getting informed

In raising the debt issue with other people it will help to know your facts. You won't need an indepth understanding of economics, just a general idea of how the debt developed and the case for debt cancellation. Most people will be sympathetic to the plight of people in heavily indebted poor countries, but sometimes debt campaigners do come across negative views generally based on myths and stereotypes about developing countries. The 'Debt Devils Advocates' sheet at the back of the pack should help with some of the common and the more difficult question.

There are several publications offering a good introduction to the debt issue, including the *Jubilee 2000 Debt Cutters Handbook* (see order form on back page). Background information and updates are also available on our general website www.jubileescotland.org.uk (this is linked and complementary to the All Hands on Debt site). Jubilee Scotland's quarterly newsletter (free to all our supporters) includes debt case studies and campaign actions. For those who want to keep their finger on the pulse a short monthly briefing is also available. To receive by email please send a blank email to: jubileescotland-subscribe@yahoogroups.com. If you don't have email you can request by post from our office.

For campaigners who are willing and able to give talks about the debt crisis a Jubilee Scotland Speaker's Pack is available. This includes powepoint/overhead projector slides and accompanying notes. The pack can be ordered using the form at the back.

What's happening when

All Hands on Debt will run until the end of 2002. Although actions can be taken at any time it will be particularly effective when close to key international meetings at which progress on debt could be made. Campaigners are therefore encouraged to take action on or around one or more of our three All Hands Action Days. These will take place as follows:

Action Day 1: Saturday 6 April

 Leading up to International Monetary Fund and World Bank Spring Meetings, April 20-22 in Washington DC.

The IMF and World Bank are giant international public banks to which much of the debt is owed, and to whom debts must be repaid first. They are also responsible for forcing poor countries to introduce economic 'reforms' which hurt the poor and make the problem worse. The richest countries have effective control over IMF/World Bank policies.

Action Day 2: Saturday 8 June

Leading up to the Group of 8 Summit, June 26 -28 in Kananaskis, Alberta, Canada.

The Group of 8 (or G8) is the informal club of the richest countries; USA, UK, Canada, Japan, Italy, Germany, France (Russia makes the '8' but doesn't take part in financial decision making). The G8 together has power to cancel debts, working thorough the IMF and World Bank.

Action Day 3: Saturday 14 September

Leading up to IMF/World Bank Annual Meetings, 1 to 2 October in Washington DC

Involving the media

Whether your are organising a letter writing afternoon, a hand-print petition or an awareness raising event you have thought up yourself (let us know if you have any good ideas!) you will make a bigger impact if you involve your local media. Dealing with the media can seem a bit daunting. By following a few simple steps, however, you will stand a good chance of getting your action covered.

1. Check if anything else is happening your area

If there is it will help to co-ordinate your approach to the media with other groups who are taking action. If you have a local Jubilee Group in your area (see contact list) get in touch and ask what they are doing. It will also be useful to keep Jubilee Scotland informed of your plans

2. Find out who your local media are

Your local media might include weekly press (free and for sale), commercial radio stations, student radio/magazines and community magazines and websites. You may know these already, but if not Jubilee Scotland can provide a full list of local commercial media on request. Once you have contact details get in touch and ask them when their deadlines are so that you can meet these.

3. Write a media release

This should be short (no more than one page with 1½ spacing between lines) and to the point.

TOP OF THE PAGE	But the date of the release any group logge ate
TOP OF THE PAGE	Put the date of the release, any group logos etc.

HEADLINE This should be short and snappy, e.g. Anytown Guides put 'all

hands on debt' to help world's poor.

1ST PARAGRAPH This must say **What** your event is, **Who** is involved, **Why** it is

happening, **Where** it is happening, **When** it will happen and **How**. The first paragraph should tell the whole story and spell out the

connection with your community.

NEXT PARAGRAPHS This is just adding detail, and can includes quotes and facts, e.g.

"poor countries spend more on debt than on healthcare" says Susan Someone of Anytown Guides. Make clear how people can get involved, e.g. by turning up and adding their hand-print etc. Give the

All Hands on Debt Website a plug if possible. After your last paragraph write 'ENDS' so that your stopping point is clear

NOTES FOR EDITORS Usually these will be in smaller print with single line spacing. Include

contact details for one or two group members, with mobile phone and/or evening phone numbers. If you think you have a particularly good photo opportunity explain what this is. If it is radio you are contacting suggest that a group member will be available for

interview.

4. Send the media release

Send your release by post, fax or email to arrive at least a day before media deadlines (if you are using email do not send it as an attachment as some media will not open these in case of viruses). Always follow up with a phone call, and be prepared to send your release again (these are easily overlooked).

5. At your event

No matter how good your media release your event might be squeezed out by other news or the press photographer might not get around to covering it. It is a good idea, therefore, to take your own pictures and send these to the press as soon as you can after your event. Please keep Jubilee Scotland posted as to any coverage you receive.

4

Debt Devils Advocate

If poor countries didn't want to pay their debts they shouldn't have run them up in the first place! Much of the debt is the result of reckless lending to dictators or corrupt governments that have since been replaced. Is it right that new democratic Governments should be saddled with these, let alone their peoples? Also, circumstances have meant that many poor countries are paying far in excess of the original loan as an unfair global economy devalues local currencies, undermines trade and locks them into a cycle of borrowing to repay old loans.

How do we know that Governments in poor countries won't squander the money? Jubilee Scotland calls for debts to be cancelled where there is a clear commitment by Governments to use the money freed up to effectively tackle poverty and, crucially, where citizens groups are given the power and opportunity to hold them to account. Corruption is a problem, but much of the blame lies with banks, rich country Governments, the World Bank and IMF who can do more to ensure that loans are used for the good of ordinary people.

How do we know that debt cancellation will help poor people?

Because it has already. In Uganda, one of the few countries to complete the current debt relief process, primary school enrolment has doubled as a result.

Didn't Gordon Brown already cancel Third World Debt?

No. Gordon Brown stopped taking payments on debts owed to Britain from poor countries taking part in the current debt relief process. This leaves huge amounts of debt, owed in particular to the World Bank and International Monetary Fund over which Britain has considerable influence.

Why should I do anything about the debt?

Because it affects you. Conflict, crime, disease, environmental destruction and terrorism flourish where poor countries collapse because of bankruptcy, and none of these respect borders.

Why do you need to cancel 100% of poor country debts

This is what is needed if the poorest countries are to meet the United Nations Millennium Development Goals that aim, amongst other things, to halve absolute poverty by the year 2015.

What makes you think you will succeed?

The global Jubilee movement has already succeeded in getting rich country leaders to put debt onto their agenda and to actually cut some debt. The argument for debt cancellation has been won in principal – the battle now is over how much, for whom and how quickly.

Why don't poor countries just stop paying their debts

Because they badly need investment and sources of this would dry up. And where a country stands on the brink of default, the IMF and others will step in with new loans and economic shock treatment to delay, and ultimately worsen, the crisis.

What is the point of cancelling debts if they can't be paid anyway?

Some debts can never be repaid. Creditors have already written these off in practice. Other debts can only be repaid at an unacceptable human cost. Both kinds should be formally cancelled to give the poor a fresh start.

How much will debt cancellation cost me?

The World Bank, IMF and rich Governments have sufficient existing resources to cancel all the debts of the poorest countries. All that is lacking is political will. There would be no need for taxes to rise but, were the cost to fall on the people of the richest countries, it would come to about a penny a day per person.

Why aren't people in poor countries doing something about it?

They are and have been protesting for a long time, although it doesn't often get reported. We can help them by using our power as voters to persuade Britain, a rich and influential country, to act.

Shouldn't debt cancellation depend on economic reform?

It is reasonable to expect reforms that ensure money is spent effectively on tackling poverty. The reforms which rich lenders demand, however, often hurt the poor by making the basics of life unaffordable and allowing multinationals unprecedented freedom to exploit poor country economies and populations.

Joining a local group

As an individual you can make a difference, but as part of a group you can achieve even more! Whether you are involved in your local church, trade union branch, community centre, or student group, All Hands on Debt campaign is a great opportunity to get your local community involved in the debt campaign. Jubilee Scotland also has local groups and campaign networks across Scotland that welcome new members. If there is no contact for your area we can provide guidelines for setting up a Jubilee group or local network.

AREA	CONTACT	<u>EMAIL</u>	PHONE
Ayr	Sheila Merchant	Esm@fish.co.uk	01292 262259
Banchory	Sheila Wood	Sheilawood@sunnyside1.demon.co.uk	01330 823379
Clarkston	Albert Naismith	Albert.naismith@ntlworld.com	0141 586 6183
Cupar	Anita Wilson	Wilson.capelrig@virginnet.co.uk	01337 831262
Dundee	Ann Gammack	Deved@oneworld1.freeserve.co.uk	01382 454603
East	Liz Macdonald	<u>Lizmac@ntlworld.com</u>	0141 586 5126
Dumbartonshire			
Edinburgh	Jenny	Jennyfar50@hotmail.com	0131 552 3452
	Farquharson		
Highland Group	Jubilee Scotland	Mail@jubileescotland.org.uk	0131 225 4321
Lanarkshire	Carol Clarke or	Carol_a_clarke@hotmail.com or	0141 333 0238
	Ian Barcroft	106107.2014@compuserve.com	(Carol Clarke)
Moray	Jenny Adams	Jenny.Adams@care4free.net	01343 548720
Perth	Marjorie Clark	Mclark@christian-aid.org	01738 643 982
Tweeddale	Diana Brown		01721 720817

Growing the coalition

The Jubilee Scotland coalition welcomes new member organisations. If you are part of an organisation that is interested in social and economic justice you could suggest that they apply for membership. The Jubilee Scotland office can provide a form on request.

Jubilee Scotland Contact Details

Campaign Co-ordinator: Doug Anthoney Campaign Assistant: Kristin Waag

Address for postal correspondence

41 George IV Bridge, Edinburgh EH1 1EL

Telephone: 0131 225 4321

Website: www.jubileescotland.org.uk E-mail: mail@jubileescotland.org.uk

E-Group jubileescotland-subscribe@yahoogroups.com

Scottish Charity No. SC031827 Limited Company No. 220549

Keep in touch!!

We would like to keep you posted on our campaign and send you our FREE quarterly newsletter. Please complete and return this form:

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Debt Cutter's	£5		
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Send to Jubilee Scotland, 41 George IV Bridge, Edinburgh EH1 1EL