

## Injustices in Sub-Saharan Africa

Illegitimate debts have caused millions of poor in Sub-Saharan Africa to suffer for something they did not cause and do not deserve. In the words of Liberian President Ellen Johnson Sirleaf, "It's not fair for our young children to inherit this debt from which they've received very little benefits." The poor are crying out for help, and it is about time we answered. We must join hands and speak out for those whose cries for help have been silenced; we must get our Senate to pass the Jubilee Act.

In 1960, interest rates plummeted and banks all over the world were faced with a financial crisis (Jubilee USA). Then in 1970, oil exporting countries began making an excess of money which they put into Western banks. The Western banks then began to loan money out to Third World countries that were looking to develop their economy (The Third World Debt Crisis). For many of these countries this was their first time taking out a loan. The money was originally borrowed to help the poor, but very little of the money went to improve their living conditions, such as healthcare. Instead most of the money went to corrupt government leaders or the military. (Jubilee USA).

Then two things happened that would almost guarantee that these Third World countries could never pay off their debt. Cash crops were main sources of income for Third World countries. However, when many other countries started to grow cash crops, Third World countries lost a major source of their income. An increase in interest rates was the second thing that helped to solidify the debt (Jubilee USA, The Third World Debt Crisis). Third World countries found themselves having to borrow more money to pay off the high interest rates. This began a downward spiral of debt(Jubilee USA).

Liberia was a country that borrowed money to improve their economy. In 1989, a civil war broke out that lasted fourteen years. During those fourteen years, money was spent on the war, and paying off the debt was pushed to the bottom of the budget's priorities. Liberia is now faced with both recovering from a civil war and trying to pay off a huge and ever growing debt. "Creditors expect Liberia to begin servicing its debt at a cost of \$80-100 million per year. Since Liberia's annual government budget stands at \$80 million fully servicing these debts means that the country's entire budget would have to be given over to debt service." This leaves no money for the government to help the poor, who are also trying to rebuild after a brutal civil war (Jubilee USA, factsheet Liberia's debt).

Germany, Italy, UK, Japan, France, US, Canada, and Russia make up a group called the G8. The goal of the G8 is "to resolve conflicts and promote peace between member countries. They also intend to reinforce the global economy and promote cooperation between countries on issues such as finance and trade" (Crystal). In 2005, the G8 made a pledge to double their financial aid to Africa by 2010 and to forgive Third World nation's debt. Not a single member of the G8 kept its pledge. It was estimated that if the G8 had lived out its pledge to help Africa, over 3 million lives could have been saved through access to better healthcare (Wengraf).

In 1983 Third World countries were receiving \$165 billion dollars in aid. By 1989 Third World countries had to give \$165 billion dollars to pay off their debts. In 1994, it was estimated that Third World countries paid \$112 billion more than they received in aid (The Third World Debt Crisis). According to Jubilee USA, "Sub-Saharan Africa has repaid 90% of the \$294 billion received in loans between 1970 and 2002. However, high interest rates and vulture loans have left \$201 billion in debt remaining, totaling \$14 billion of annual debt service for all Sub-Saharan nations combined." In other words for every dollar Africa receives in aid, it must pay

\$2.40 to debt services. Demba Dembele, a member of the African Forum on Alternatives, stated that, "Finding a lasting solution to Africa's external debt is a matter of justice and fairness. It is not a matter of charity." (Jubilee USA)

The World Bank and International Monetary Fund created the HIPC (Heavily Indebted Poor Countries) initiative in 1996. The IMF is a group of 186 countries whose goal is to insure that countries are financial stable and to reduce poverty by encouraging global monetary cooperation and trade (IMF). The World Bank is an organization that was founded after the Second World War, to help countries with the rebuilding process (Smith).

The HIPC was created with the hope that no country would have to face a debt that they could not manage. The first step of the process is that countries have to agree to certain policy changes and meet certain criteria set by the World Bank and IMF such as a Structural Adjustment Programs or SAPs, which is a strict economic program (IMF). This program was designed to help the country decrease its imports and increase its exports. However, most of the time it resulted in the countries cutting the money it spends on healthcare, education, and food subsidies (Jubilee USA).

HIPC are also very susceptible to vulture Funds, which are when a company works in secret to try and make a profit by buying up a debt. These companies then sue the country to try and get more money back than they invested (Jubilee USA). According to Jubilee USA:

As of late 2007, 11 of 24 Heavily Indebted Poor Countries (HIPC) surveyed by the International Monetary Fund were facing litigation from 46 different commercial creditors. Of these, 25 creditors had received court judgments against HIPCs amounting to about \$1 billion on original claims of \$427 million (Jubilee USA).

How can we expect HIPC to be able to pay off their debts when the world is determined to keep them in debt just so a few people can make a profit. We must put an end to the injustices and greed before we can figure out how to help these indebted countries.

According to the United Nations Development Program in 2003 around 30,000 children died from preventable diseases because they had no access to healthcare (Jubilee USA). Countries in sub-Saharan Africa spend as much as four times the money paying off their debt as they do paying for healthcare. (The Whirled Bank Group) They are giving money to wealthy countries to pay off debt instead of spending it on their citizens. Most of their citizens do not even have access to clean water, basic healthcare, or adequate housing (Jubilee USA). It is not uncommon for whole towns to get sick from contaminated water (Crystal).

“Experts estimate it would take an annual commitment of \$18 billion a year to reverse the AIDS crisis in Africa that claims 7,000 lives a day. Sub-Saharan Africa pays almost \$13 billion in debt service to the wealthy nations and institutions every year” (Jubilee USA). As deaths from the HIV virus continue to grow, more and more children left dead or orphaned. It costs \$6000 to cure someone in the US of Aids, but only \$600 to cure someone in African of Aids. However because of debt, countries in Sub-Sahara Africa can only afford to spend \$40 a year on one person's healthcare. That leaves \$560 unpaid; that individual does not stand a chance (Crystal).

Our Congress has created a bill called the Jubilee Act which if passed, will cancel expanded debt without harming the economy (Sittther). This Act would help to end the expanded debt allowing burdened countries to help their poor, but it would also put a stop to the irresponsible lending that caused these debts (Paul and Adrienne Kalmes).

The Jubilee Act ensures that once a country is out of debt, new lenders are not allowed to get them back into debt. It would try to protect countries from vulture funds, and offer legal

support to countries being sued for vulture funds. It ensures that the debt cancellation process is not conditioned with any requirements that will deepen poverty or hurt the economy. It prohibits harmful economic and political policies that a country must agree to in order to get help, such as the SAPs. The Jubilee Act would make twenty-four poverty stricken countries eligible for debt relief that would not get help from the World Bank or IMF. According to Jubilee USA:

Expanded debt cancellation can be funded utilizing the existing resources of the World Bank and IMF, to the extent possible without diverting funds from other high-priority poverty alleviation programs. Researchers have identified the World Bank's IBRD reserves and the sale of the IMF's gold reserves as potential sources of funds for IMF and World Bank debt cancellation. If these internal IMF and World Bank resources were tapped to fund debt cancellation, the cost to the United States and other wealthy countries would be minimal (Jubilee USA).

On April 16<sup>th</sup> 2008, the House of Representatives voted to pass the Jubilee Act; however the Senate did not pass the Jubilee Act. The Jubilee Act is planned to be reintroduced sometime in the next year (Jubilee USA).

You may be wondering why it is you should care about anything this. The reason is simple. God clearly explains how he wants us to treat the needy. "So in everything, do to others what you would have them do to you, for this sums up the Law and the Prophets," Matthew 7:12 (NIV). In Matthew 25: 34 – 40, Jesus tells us that we should treat the needy as if they were Jesus himself.

Then the king will say to those on his right, "Come, you who are blessed by my Father; take your inheritance, the kingdom prepared for you since the creation of the world. For I

was hungry and you gave me something to eat, I was thirsty and you gave me something to drink, I was a stranger and you invited me in, I needed clothes and you clothed me, I was sick and you looked after me, I was in prison and you came to visit me.” Then the righteous answered him. “Lord when did we see you sick or in prison and go visit you? The King will reply, “Truly I tell you, whatever you did for the least of these my brother you did for me.” Matthew 25: 34 – 40 (TNIV)

Christian songwriter Chris Rice puts this idea into a more modern way of thinking with his song “Face of Christ.” Here are a few lines from “Face of Christ”:

How did I find myself in a better place  
 I can't look down on the frown on the other guy's face  
 'Cause when I stoop down low, look him square in the eye  
 I get a funny feeling, I just might be dealing  
 With the face of Christ.  
 See you had no choice which day you would be born  
 Or the color of your skin, or what planet you'd be on  
 Would your mind be strong, would your eyes be blue or brown  
 Whether daddy would be rich, or if momma stuck around at all (Rice).

Too often when we think about poor countries, we fail to see the people behind it. We see countries in debt and that is all we see. We do not realize that there are millions who are dying because of the debt. I implore you to think for one second, what if you were the one dying in Africa and no one cared? Sociologists say that religion is becoming more secular and losing its influence in everyday life (Thomas). The Bible is clear on how God wants us to treat the needy. We must bring the Church back into the World, not to become part of the world but to save the

world. The people in Sub-Saharan Africa have suffered for far too long. It is about time we helped them. Join me in being a voice for those who have been silenced, write to your congressmen today supporting the Jubilee Act.



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