

Jubilee Debt Campaign's *Debt and...* briefings, produced with different partners, explore the impact of debt on real lives. They argue that 'unpayable debts', which a country cannot afford whilst meeting basic human needs, and 'illegitimate debts', which arose from unfair or irresponsible lending, should be cancelled.

"The very things that can help raise women's status – education, healthcare and employment – are being decimated as governments struggle to meet crippling debt repayments to the creditors."

Barbara Kalima, African Network on Debt and Development

Debt and Women

Poor countries around the world are crippled by the debts they have to pay to rich countries; the impact on women and girls is particularly brutal. These debts worsen poverty by forcing poor countries to give money to the rich, even though many of the debts are of dubious origin – so-called 'illegitimate debts'.

The debt crisis has its origin in loans given in the 70s and 80s: many loans were given recklessly to oppressive or corrupt regimes by rich governments in return for support in the Cold War; others arose through unfair loan terms; yet others were given by private companies in return for contracts which were often overpriced and of little value to the borrowers. But the rich world ignores its responsibility for poor countries' debt crises, either continuing to demand payment or only cancelling debts on their own very restricted terms.

Globally, women and girls are more likely to be poor and disadvantaged. They are routinely excluded from decision-making at all levels, and have almost no independent control over resources: only 1% of the world's land and property belongs to women. Less likely to be educated than men, many women are totally dependent on their husbands, and live with the daily threat of socially-condoned violence. Despite this systematic discrimination, societies worldwide depend on the skills, work and knowledge of women to weather

▲ Mwajuma Salum from Kisemo in Tanzania fetches water from a dam. Debt cancellation for Tanzania was made conditional on the country privatising water supplies in its largest city, Dar es Salaam. The policy was disastrous, severely reducing access to water for the poorest.



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Zambia – debt delivery

Brenda Mwila is the only nurse at Chipapa Rural Health Clinic in Zambia. Staff at the clinic work seven days a week, meaning that Brenda and her colleagues have hardly any time to spend with their own families. There is no doctor at the clinic, and there is a severe shortage of medicines and equipment: Brenda and the staff do what they can, but are simply unable to cope with severe cases. Even the basic provisions that are taken for granted in the North are lacking, but the demands are huge. Brenda explains:

“We need water, salaries and electricity. Imagine delivering a baby in the dark. Sometimes someone holds a torch for you, but you can’t even see what’s coming! ... We have so much to do here. We don’t have time to stay at home with our families because we are alone in the clinic. We can’t even go on leave, because there is no one to remain at the centre. We have to continue working.”

Fact:

In Uganda, debt relief enabled the government to abolish fees for primary school: there was a huge increase in the number of children attending school, particularly girls. Before debt relief, there were 20% fewer girls than boys in school, now numbers are almost even.

poverty: finding food to put on the table, caring for the sick, and bringing up the next generation.

The impact of debt on women

When debt payments drain the poorest countries of resources, there is less funding for basic services. Many countries – such as Burundi, Sierra Leone, Nepal, Kenya, Vietnam, Jamaica, Indonesia and the Philippines – pay more to the rich world in debt service (interest and repayments) than they can afford to spend on essentials such as health or education. It is women and girls who enable families and communities to weather the crisis, by taking over

“Progress is slowest on the Millennium Development Goals [internationally agreed targets for development] that depend most heavily on improving the status of women and girls. Gender discrimination is not only unjust but holds back economic growth and sustainable development.”

Making governance work for the poor, UK government white paper, July 2006

responsibility to provide the resources and services which the government cannot provide.

Being poor and severely indebted also places a country under the control of the World Bank and the International Monetary Fund (IMF). In order to get debts reduced or cancelled, or to get new loans, poor countries have to adopt the policies favoured by the World Bank and IMF, undermining their own democratic structures. These policies have included: privatisation of utilities like water and electricity; cuts in public spending; redundancies from the civil service, the major employer in many countries; the introduction of user fees for basic services like health and education; forcing farmers to switch from growing staple foods to cash crops for export; and ‘liberalising’

trade by removing subsidies and import tariffs. These controversial and sensitive policies are often forced through by unaccountable bureaucrats from outside, regardless of local circumstances and opinions. They add to women’s work providing care and food, and at the same time push them into earning money when the men in their families lose jobs. The result is exhausted women and unsustainable livelihoods.

For example:

- When there is a shortage of basic healthcare or other social services, women, who usually care for the young, sick and elderly in a household, take on the burden of the extra care work. For younger women, this is often at the expense of education.
- When school fees are introduced as a result of public spending cuts, girls lose out most: since a woman’s role is generally seen as being ‘in the home’, and parents know that men get jobs more easily than women, cash-strapped families usually prioritise their sons’ education over their daughters’.
- Water privatisation can reduce access to water, both through cuts in services and through increased fees: this can increase the workload of women, who tend to bear the burden of fetching water.
- When families grow cash crops for export, rather than staple foods, women’s work produces money – not food – which men usually control. Women’s positions are thus weakened in marriages, families and the wider community. And men are much less likely than women to spend money on family welfare.
- When controls and assistance are removed, farmers and producers can be left unable to compete with subsidised imports from the US and Europe. Women produce 60% to 80% of the food in poor countries: they and other small-scale farmers are the first to suffer from this loss of state support. Eventually whole industries can be destroyed, as for instance with Ghana’s poultry industry.



Debt and women's health in Malawi

In 2006, Malawi finally got cancellation of much of its \$3.5 billion external debt. It was a long and arduous path to get there: Malawi entered the international debt relief scheme back in 2000, but it took six years for it to receive any debt cancellation. In 2006, it paid \$75 million servicing its external debts. Meanwhile, Malawi has been going through both a food crisis and a health crisis: and the latter particularly affects women. The country has only 2,200 nurses and fewer than 200 doctors for around 12 million people – the least number of doctors per person anywhere in the world. It has the second highest maternal mortality rate in the world: on average, one woman in seven dies in childbirth. Malawi's horrendous HIV and AIDS crisis – which means that one in seven adults is HIV positive – also disproportionately affects women, particularly young women. The HIV infection rate among Malawian women aged 15 to 24 is more than twice that of men in the same age group. Studies have shown that Malawian girls who go to secondary school are less likely to become infected with HIV: but less than one third of girls go to secondary school.

The amount that Malawi was spending on debt service could have made a huge difference to its HIV and AIDS crisis and the provision of healthcare and education. But the IMF kept telling Malawi that it had to “contain expenditures” if it wanted to get debt relief. Meanwhile some creditors kept demanding that Malawi hand over money to them. In the meantime, many people, particularly women, have been dying unnecessarily.

“The debt problem is a problem of economic justice because expenditure on debt service endangers women's right to human development.”
Yassine Fall, Senegalese economist

Fact:

Côte D'Ivoire has an external debt of around \$12 billion, and gives the rich world more than \$500 million a year in service on this debt. Meanwhile, it has so little to spend on education that it charges fees for primary school. This is very bad news for the country's children, but particularly for girls. Nearly a third of school-age boys and almost half of school-age girls in Côte D'Ivoire are out of school.

The impact of debt cancellation on women

Thanks to campaigners, debt cancellation has moved over the last decade from something the leaders of rich countries refused to consider into a reality. The debt cancellation process is still too slow, too limited, one-sided, and comes with harmful conditions. Nonetheless, when countries do get debts cancelled, the impact is very positive. Those poor countries that are paying less to the rich world, are spending more on the needs of their own people. This can make a big difference for women, as long as these resources are spent in a way that ensures women's equal access to resources and services.

- After receiving debt relief, primary school fees were abolished in Tanzania, Uganda, Zambia and in rural areas of Benin. Girls in particular are more likely to attend school when there are no fees.

- Funds from debt relief are helping Burkina Faso, Chad, Senegal, and Tanzania to increase provision of basic healthcare, including prenatal care for pregnant women.
- Uganda abolished fees for basic healthcare after debt cancellation. Zambia did the same in rural areas.
- Benin, Bolivia, São Tomé and Príncipe, and Tanzania are using debt relief to help fund schemes to educate mothers about nutrition and family planning.
- Benin and Niger used funds from debt cancellation to increase access to safe water: fetching water is usually the responsibility of women and girls and is often a reason for girls not going to school.

Further to go

However, many countries still have severe and unjust debt burdens; and policies around contraction, payment or forgiveness of debt (including conditions for debt cancellation) still ignore or even violate women's rights, including those enshrined in UN conventions and other international treaties. The impact on ordinary women and girls is severe. Debt cancellation has helped, for instance, in getting more girls into education, but other issues of major importance to women remain outstanding. For example, there has been little progress in reducing maternal mortality through provision of access to safe and appropriate reproductive health services. Cancellation of illegitimate and unpayable debt will free up resources, and countries must be able to determine how to use these resources to benefit their citizens, in line with their commitments on women's rights. Donors must not impose conditions that undermine countries' accountability to their own people. Women's organisations – and individual women – have the right to an equal role in deciding how to use and track funds released through debt cancellation, and in holding their government to account for the proper use of these funds.

- Governments must uphold the commitments they have made to women and ensure that agreements concerning loans, debt and debt cancellation do not violate their human rights.
- There must be full cancellation of all illegitimate and unpayable poor country debt, through a fair, transparent process.
- There should not be externally-imposed conditions attached to debt relief or cancellation.
- To decide how the funds released by debt cancellation are used and monitored, countries should have an open process, in which women are fully involved and women's needs are fairly considered.

Fact:

Bolivia and Mauritania both directed funds from debt relief towards improving healthcare. Before debt relief, only around 40% of births in each country were attended by a health professional – now it is nearly 60% in Mauritania and 70% in Bolivia.



HELEN SELIGSON / AMOR L'AMVISION

Fact:

Worldwide, women have an average 1 in 74 risk of dying in childbirth. In Malawi it is 1 in 7 and in Sierra Leone it is 1 in 6. These countries have spent many years struggling under huge debt burdens. In late 2006 they finally got the debt cancellation they had been waiting for, after years of having to comply with stringent and misguided conditions.

Sources: International Monetary Fund, Jubilee Debt Campaign, Oxfam, Save the Children, UN Programme on AIDS, UNICEF, UN Population Fund, Voluntary Services Overseas, WOMANKIND Worldwide, World Bank, World Health Organisation.

▼ Gertrude with her son Ian and daughter Prudence, in Zambia. Gertrude's husband has AIDS, meaning that she is the sole breadwinner in her family, as many women across Zambia and Africa are.

Jubilee Debt Campaign works to alleviate extreme poverty through the cancellation of unjust and unpayable poor country debts. It is a UK coalition of about 200 national organisations and local groups, supported by thousands of individuals.

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