

Educational Materials on the International Debt Crisis



For Middle School and High School Age Students

One of the challenges facing Catholic elementary and secondary schools, as well as religious education and youth ministry programs, is helping young people understand the Catholic social mission and giving them concrete opportunities to practice charity and work for justice. Many schools and parishes across the country do an excellent job. But in some cases, there are far more opportunities for students to learn about the importance of charity than about the importance of promoting justice and peace. This kit is designed to help parishes and schools work with middle school and high school age students on one particular justice issue: debt among the poorest nations.

Why is the Debt Crisis Important?

The debt crisis among poor nations is important to the Catholic community for several reasons. First, as followers of Jesus who calls us to care for the "least among us," we are concerned about the poverty and desperation caused when scarce government resources are used to pay interest on debts rather than to provide needed health care and education programs. As members of a universal church, we must join in a spirit of solidarity with our brothers and sisters around the world and work to relieve suffering wherever we find it. In addition, Pope John Paul II has asked the Catholic community to celebrate a jubilee year during 2000. The issue of debt provides an opportunity for sharing the tradition of jubilee with Catholics (of all ages) who are not familiar with it. It is a concrete way of applying that tradition to our day and time. Pope John Paul II has called on the Catholic community to use the jubilee as a time to promote debt relief.

Using These Materials

The attached materials include teacher background materials and handouts for young people. They are intended to be copied, quoted in part or in whole, or adjusted in any ways you would find

helpful. They can be used during one class or meeting, or over a period of weeks. As you consider the best way to use these materials, you may want to consider the following ideas.

- ✓ **Including any letters written on the debt issue by your students in a school or parish liturgy as an offering of letters.¹**

- ✓ **Using a video to help students understand the debt issue. Two helpful videos are:**
 - ✘ **“Proclaim Jubilee: Break the Chains of Debt”-- 8 minutes²**

 - ✘ **“A Matter of Interest,”-- 13 minutes³**

- ✓ **Getting updated information and additional background materials on the Catholic Campaign on Debt by visiting www.nccbuscc.org/sdwp, calling the U.S. Catholic Conference Department of Social Development and World Peace (202-541-3199), or calling Catholic Relief Services (410-625-2220; website: www.catholicrelief.org).**

¹Additional resources on an offering of letters are available from Bread for the World, 1100 Wayne Avenue, Suite 1000, Silver Spring, MD 20910, Ph.: 301-608-2400; website: www.bread.org. Also, Catholic Relief Services' **Operation Rice Bowl** kit and **Food Fast** kit for 1999 focus on debt. For information, contact Catholic Relief Services, 209 West Fayette Street, Baltimore, MD 21201; Ph.: 410-625-2220; website: www.catholicrelief.org.

²Available from Bread for the World. See address above.

³Can be borrowed at no cost from the Film Library of Church World Service, 28606 Phillips Street, Elkhart, IN 46515, 219-264-3102.

QUOTES AND FACTS

Scripture on the Jubilee*

The spirit of the Lord God is upon me,
because the Lord has anointed me;
He has sent me to bring glad tidings to the lowly,
to heal the brokenhearted,
To proclaim liberty to the captives
and release to prisoners,
To announce a year of favor from the Lord
Isaiah 61

At the end of every seven-year period you shall have a relaxation of debts, which shall be observed as follows. Every creditor shall relax his claim on what he has loaned his neighbor; he must not press his neighbor, his kinsman, because a relaxation in honor of the Lord has been proclaimed.
Deuteronomy 15

But during the seventh year the land shall have a complete rest, a sabbath for the Lord, when you may neither sow your field nor prune your vineyard. The aftergrowth of your harvest you shall not reap, nor shall you pick the grapes of your untrimmed vines in this year of sabbath rest for the land. While the land has its sabbath, all its produce will be food equally for you yourself and for your male and female slaves, for your hired help and the tenants who live with you, and likewise for your livestock and for the wild animals on your land.
Leviticus 25

This fiftieth year you shall make sacred by proclaiming liberty in the land for all its inhabitants... When one of your countrymen is reduced to poverty and has to sell some of his property, his closest relative, who has the right to redeem it, may go and buy back what his kinsman has sold...But if he does not acquire sufficient means to buy back his land, what he has sold shall remain in the possession of the purchaser until the jubilee, when it must be released and returned to its original owner...When, then, your countryman becomes so impoverished beside you that he sells you his services, do not make him work as a slave. Rather let him be like a hired servant or like your tenant, working with you until the jubilee year, when he, together with his children, shall be released from your service and return to his kindred and to the property of his ancestors.
Leviticus 25

The spirit of the Lord is upon me;
therefore he has anointed me.
He has sent me to bring glad tidings to the poor,
to proclaim liberty to captives,
Recovery of sight to the blind
and release to prisoners,
To announce a year of favor from the Lord...
Today this Scripture passage is fulfilled in your hearing.
Luke 4

*From the *New American Bible*.

Pope John Paul II on the Jubilee

The jubilee year was meant to restore equality among all the children of Israel, offering new possibilities to families which had lost their property and even their personal freedom. On the other hand, the jubilee year was a reminder to the rich that a time would come when their Israelite slaves would once again become their equals and would be able to reclaim their rights. At the times prescribed by law, a jubilee year had to be proclaimed to assist those in need.

Pope John Paul II
As the Third Millennium Draws Near

In his providence God had given the earth to humanity, that meant that he had given it to everyone. Therefore the riches of creation were to be considered as a common good of the whole of humanity. Those who possessed these goods as personal property were really only stewards, ministers charged with working in the name of God, who remains the sole owner in the full sense, since it is God's will that created goods should serve everyone in a just way. The jubilee year was meant to restore this social justice.

Pope John Paul II
As the Third Millennium Draws Near

All jubilees...refer to the messianic mission of Christ, who came as the one "anointed" by the Holy Spirit, the one "sent by the Father." It is he who proclaims the good news to the poor. It is he who brings liberty to those deprived of it, who frees the oppressed and gives back sight to the blind (cf. Mt. 11:4-5; Lk. 7:22). In this way he ushers in "a year of the Lord's favor," which he proclaims not only with his words but above all by his actions. The jubilee, "a year of the Lord's favor," characterizes all the activity of Jesus...

Pope John Paul II
As the Third Millennium Draws Near

For the church, the jubilee is precisely this "year of the Lord's favor," a year of the remission of sins and of the punishments due to them, a year of reconciliation between disputing parties, a year of manifold conversions and of sacramental and extrasacramental penance.

Pope John Paul II
As the Third Millennium Draws Near

From this point of view, if we recall that Jesus came to "preach the good news to the poor" (Mt. 11:5; Lk. 7:22), how can we fail to lay greater emphasis on the church's preferential option for the poor and the outcast? Indeed, it has to be said that a commitment to justice and peace in a world like ours, marked by so many conflicts and intolerable social and economic inequalities, is a necessary condition for the preparation and celebration of the jubilee.

Pope John Paul II
As the Third Millennium Draws Near

Thus, in the spirit of the Book of Leviticus (25:8-12), Christians will have to raise their voice on behalf of all the poor of the world, proposing the jubilee as an appropriate time to give thought, among other things, to reducing substantially, if not canceling outright, the international debt which seriously threatens the future of many nations.

John Paul II
As the Third Millennium Draws Near

Facts and Quotes on the Debt Crisis

While the details of the international debt crisis are quite complex, in essence it comes down to a fairly straightforward problem. Often through irresponsible practices on the parts of both creditors and debtor nations, the governments of some of the world's poorest countries have taken (and been given) loans that they do not have the capacity to repay. As a result, they have stopped spending on desperately needed health and education programs so that they can meet their obligations to international lenders. But some countries cannot make their full repayments, and so over time they are caught in an endless cycle of debt repayments at the expense of investment in the health, education, and development programs that could pull their people out of poverty.

According to the Human Development Report for 1997, published by the UN Development Program (UNDP), sub-Saharan African governments transfer to Northern creditors four times what they spend on the health of their people.

According to Oxfam International, if governments in seven highly indebted countries invested in human development rather making their debt repayments, an estimated three million children would live beyond their fifth birthday and a million cases of malnutrition would be avoided.

In Uganda, the government spends \$3.00 per person annually on health and education and \$17.00 per person annually on debt repayments. Yet one of every five Ugandan children dies from preventable disease before reaching the age of five (Oxfam International, Position Paper, February 1999).

In Ethiopia, debt payments are four times public spending on health, while over 100,000 children die every year from easily preventable and treatable diarrhea (Oxfam International, Position Paper, February 1999).

The problem of the foreign debt is not only--or even primarily--economic; rather, it is a human problem for it leads to an ever-greater impoverishment and blocks the development and slows the advancement of those who are poorest. We ask ourselves whether the debt is valid, when paying it seriously jeopardizes the survival of our peoples, when the population was not consulted before contracting the debt, and when it has not always been used for lawful purposes.

Latin American Catholic Bishops, Santo Domingo Conference, 1992

THE TRADITION OF JUBILEE

Background

The tradition of jubilee is a rich tradition that has much to teach us today, particularly in light of the Holy Father's call to celebrate the year 2000 as a jubilee year. In ancient times, the jubilee was a year when relationships were reordered—slaves were set free, property was returned to those who had lost it, and debts were cancelled. It was an ideal held up periodically to remind the Israelites of the kind of society—the kinds of social relationships—God expected them to build. In our time, this tradition can serve the same purpose. Pope John Paul II has described the jubilee this way:

The jubilee year was meant to restore equality among all of the children of Israel, offering new possibilities to families which had lost their property and even their personal freedom...At the times prescribed by law, a jubilee year had to be proclaimed to assist those in need.

As the Third Millennium Draws Near.

As Christians, we interpret this tradition in light of Christ's ministry and message to us. When he announced his public ministry, he used the passage from Isaiah (61) that refers to the jubilee tradition. He said He came to "bring glad tidings to the poor. ...to proclaim liberty to captives and recovery of sight to the blind, to let the oppressed go free." Then he added, "Today this Scripture passage is fulfilled in your hearing" (Lk. 4:18).

The tradition of jubilee, then, is deeply related to the Christian mission. As John Paul II has said:

All jubilees...refer to the messianic mission of Christ...It is he who proclaims the good news to the poor. It is he who brings liberty to those deprived of it, who frees the oppressed and gives back sight to the blind (cf. 11:4-5; Lk. 7:22). In this way he ushers in "a year of the Lord's favor," which he proclaims not only with his words but above all by his actions.

As the Third Millennium Draws Near.

Activity

Find out what the Scriptures tell us about the tradition of jubilee. Look up the following passages:

Leviticus 25
Isaiah 61

Deuteronomy 15
Luke 4

Discussion Questions

- (1) Pope John Paul II has asked Catholics to celebrate a jubilee year in 2000. What are some ways that we might apply the tradition of jubilee to our time and our lives?
- (2) Among the specific ways the Holy Father has asked us to apply this ancient tradition to our day is by working to relieve the debt crisis among poor nations. Why would canceling debts for poor countries be an appropriate way to celebrate a jubilee year?



THE DEBT CRISIS AMONG POOR COUNTRIES

What is the Debt Crisis?

Imagine that you borrowed one hundred dollars from a reluctant neighbor a couple of years ago. Also imagine that he is charging you so much interest that even though you give him your full allowance every week and you've already paid back the hundred dollars many times over, because of the interest you still have not yet begun to pay off the principal—the original \$100. This would mean that you could never save for a new CD player or a set of roller blades or anything else you'd like. You'd have to keep spending your allowance paying off the interest on your debt. Finally, to complete the picture, imagine that shortly after you borrowed the money, it was lost or stolen and you'd never gotten any benefit from it in the first place.

Questions:

- (1) How would you feel if this situation were real?*
- (2) If this had happened to you, do you think you should be given help to get out from under your debt? Why?*
- (3) Do you think it's easy for people in debt to pay off their debts? What about countries?*

Debt Among Poor Countries

This is what has happened in some of the world's poorest countries. Often through irresponsible practices on the parts of both lenders and borrowing nations, the governments of some poor nations have taken (and been given) loans that they do not have capacity to repay. As a result, they have stopped spending on desperately needed health and education programs so that they can meet their obligations to international lenders. Although the poor who need health and education programs are paying the price for the debt, often they did not benefit from the money that was borrowed. Now their government cannot make their full debt payments, and so over time they are caught in an endless cycle of debt repayments at the expense of investment in the health, education, and development programs that could pull their people out of poverty. Moreover, the debt crisis threatens the environment in serious ways. Pressure to raise hard currency to meet debt repayments often leads poor countries to deplete natural resources by exhausting fisheries, overusing the soil, denuding forests, and polluting waters.

Who is Affected by International Debt?

This crisis affects real people:

Sitting with her father on a wicker mat, three-year-old Zenithou has dark curls and a face that's been destroyed. She's fighting a disease, caused by ordinary mouth bacteria, that eats through her facial muscles, tissue and bones. Her father, Ali, a sieve maker, had to sell 150 sieves before he had the money to take her to the hospital. He comforts his daughter as best he can.

"When she's in pain she takes my hand and puts it against the part of her face that hurts and says to me, 'Daddy, it hurts.' I just stroke her and comfort her but my heart is thumping and thumping."

In Niger, Zenithou's country, there is no war, no famine—just constant, crippling poverty. Children whose immune systems have been weakened by chronic malnutrition have nothing with which to fight any disease. Simple antibiotics and mouthwash may have saved Zenithou if her illness had been caught early.*

Niger—the poorest country in the world—cannot afford these luxuries. Niger spends three times more money paying off its debt burden than it spends on health and education. According to Oxfam International, debt relief today would save 475,000 children in Niger.

**From Bread for the World's 1999 Offering of Letters Kit.*

Adapted from an article, "Suffering from Plague—The Plague of Debt" in The Guardian, May 11, 1998.

Questions

- (1) Should wealthy countries like the United States forgive the debt of countries like Niger? Why or why not?*
- (2) What values and concerns do you bring to this issue because of your Catholic faith?*
- (3) Do you think it's easy for those who are poor to get out of debt? What about poor countries?*



CATHOLIC SOCIAL TEACHING AND DEBT

The church's position in support of debt relief for poor nations is rooted in the fundamental themes of our social teaching.

The Life and Dignity of the Human Person

The starting point for Catholic social teaching is our belief in the dignity of human life. We believe that every human being is created in the image of God, is loved by God, and has been redeemed through the death and resurrection of Jesus Christ. This belief requires not only that we treat all people in ways that reflect their inherent dignity, but that we measure every policy and program by whether it enhances or diminishes human life and dignity.

Question:

In what ways does the debt crisis violate the principle of the life and dignity of the human person?

The Common Good

In the Catholic tradition, sacred and social are not distinct categories. We realize our human potential in relationship to others and have an obligation to build a society that allows all to realize their basic human rights. We do this by promoting the common good, which we define as the sum total of those conditions in society that make it possible for all people to achieve their full human potential. Our tradition demands that our decisions and actions, our policies and programs promote the common good.

Questions:

What kinds of conditions make it possible for people to realize their potential?

In what ways does the debt crisis violate the principle of the common good?

Solidarity

The principle of solidarity reminds us that we are one human family, that we are our brothers' and sisters' keepers whether they live across the street or across the globe. It calls us to pursue justice throughout the world no matter how distant the issues may seem.

Question:

What does the principle of solidarity tell us about the current debt crisis among poor nations?

Preferential Option for the Poor and Vulnerable

While Catholic teaching demands that we care about all of our brothers and sisters, the poor and vulnerable have a particular claim on our concern because their needs are the greatest. The "preferential option for the poor and vulnerable" reminds us that a key measure of all policies and programs is how they affect the "least among us."

Question:

Since governments take the loans and are obligated to repay them, how is our work on the debt crisis an example of the preferential option for the poor?

Care for Creation

In the Catholic tradition, care for the environment is more than a scientific challenge. It is a moral obligation. God has given us the responsibility of protecting the earth and the plants and animals that inhabit it. We show our respect for the Creator by our stewardship of creation.

Question:

How does the debt crisis threaten the environment?



RESEARCH PROJECT ON THE DEBT CRISIS IN POOR COUNTRIES

Questions:

- (1) How does the debt crisis affect poor people?
- (2) How does the debt crisis affect the environment?
- (3) List some of the poor countries affected by the debt crisis. Choose a country and learn more about it.
- (4) What can you do to address the debt crisis in poor countries?

Research:

Visit the following web sites to find answers to these questions:

U.S. Catholic Conference: www.nccbuscc.org/sdwp

Jubilee 2000/USA: www.j2000usa.org/edpac

and

www.j2000usa.org/action

Catholic Relief Services: www.catholicrelief.org

Bread for the World: www.bread.org



WHAT YOU CAN DO ABOUT THE DEBT CRISIS IN POOR NATIONS

During 1999 and 2000 the U.S. government will have a number of opportunities to address the issue of debt among poor nations. The first will involve relieving the debt owed by countries affected by Hurricane Mitch. Later, the Congress will consider legislation that will broaden debt relief for all poor nations. Finally, U.S. representatives at international meetings will have opportunities to promote debt relief by other wealthy countries and by international financial institutions.

One of the reasons the U.S. has not done more about debt relief for poor countries is that many elected officials believe it is not a very important issue for the American people. In a democracy, elected officials must work on the things that are important to the people who elected them. So whether or not legislation is being considered when you decide you want to write a letter, it is always appropriate and helpful to write about your general concern about the debt issue. This tells legislators that the debt issue is important to people in the United States, and they will be more likely to act on the issue the next time they have an opportunity.

Also, you don't need to be an adult to write a letter to a government leader. Legislators know that the young people who write to them have parents who vote. If you specifically ask for a response, you will almost always get one.

Your letter needn't be complicated or detailed. Here are some key points you might want to make:

- ✓ You have been studying the debt crisis among poor nations and are very concerned.
- ✓ It is wrong that poor people pay the greatest price for the debt crisis. (If you'd like, you can explain some of the ways poor people are affected.)
- ✓ The environment is also hurt by the debt crisis among poor nations. (Again, if you'd like, you can explain some of the ways the environment is affected.)
- ✓ Ask the legislator to support measures that will relieve the debt burden of poor nations. (If you want information about specific legislation, go to www.nccbuscc.org or call 202-541-3199. However, you can also keep your request general.)
- ✓ Ask the legislator to respond by explaining his position on the debt crisis among poor nations (or his position on a specific piece of legislation, if you have mentioned one.)

Write to:

The Honorable your representative's name
U.S. House of Representatives
Washington, DC 20515

The Honorable your senator's name
U.S. Senate
Washington, DC 20510

Salutation: Dear Representative _____:

Dear Senator _____: