

House Committee on Financial Services
Opening Remarks
By Rep. Maxine Waters

Markup of *H.R. 2634, Jubilee Act*

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2128 Rayburn, 10:00AM

I would like to begin by thanking Chairman Barney Frank and Ranking Member Spencer Bachus for organizing this markup and for their strong and consistent support for poor country debt relief over the last decade.

According to the World Bank, more than 10 million children in developing countries die every year before the age of five, most from preventable illnesses. More than a billion people in developing countries do not have access to safe drinking water, and approximately 100 million school-aged children do not attend school. In Sub-Saharan Africa, 41% of the population lives on less than \$1 a day. It was because of injustices such as these that I first got involved in the issue of debt relief.

In 1999, I worked with my colleagues on this Committee to pass legislation to provide debt relief to the world's poorest countries. Our legislation provided complete debt cancellation for the bilateral debts that certain poor countries owed to the United States. Several other donor countries followed our example and canceled the debts that were owed to them as well. Our legislation also directed the Clinton Administration to negotiate with other world leaders to significantly reduce poor countries' multilateral debts. The following year, the House passed my amendment to the Fiscal Year 2001 Foreign Operations Appropriations bill, which increased funding for debt relief from \$69 million to \$225 million. This amendment proved that Congress supported full funding for the debt relief program.

Since then, we have continued to work together in a bipartisan way to urge the Clinton Administration, the Bush Administration, the IMF, the World Bank, and other multilateral financial institutions to expand debt relief. As a result of our efforts, 23 heavily indebted poor countries have received complete cancellation of their debts.

Debt cancellation has proven to be effective at freeing up resources for poverty reduction. Cameroon is using its savings of \$29.8 million from debt cancellation in 2006 for national poverty reduction priorities, including infrastructure, social sector and governance reforms. Uganda is using its savings of \$57.9 million on improving energy infrastructure to ease acute electricity shortages, as well as primary education, malaria control, healthcare, and water infrastructure. Zambia is using its savings of \$23.8 million to increase spending on agricultural projects and to eliminate fees for healthcare in rural areas.

I am proud to report that debt relief has made a real difference in the lives of millions of impoverished people. This came to pass because our country showed leadership, and our country showed leadership because this Congress showed leadership!

We are here today to continue our efforts. We are here today to enable additional needy and deserving poor countries to benefit from the cancellation of their debts. The Jubilee Act would make up to an additional 25 low-income countries eligible for debt relief – provided that these countries meet strict criteria and prove their ability to use the savings to reduce poverty. Nine of these countries are expected to qualify quickly.

Julius Nyerere, the former President of Tanzania, once asked, “Must we starve our children to pay our debts?” For Tanzania, the answer to this question is, “not any more!” That is because Tanzania is one of the lucky ones; it is one of the 23 countries that have already received complete debt cancellation. Tragically, many other countries are still starving their children to pay their debts.

Debt forgiveness is a moral imperative, and it is encouraged by many religious traditions. The Bible instructs the people of Ancient Israel to cancel debts periodically through the celebration of a Sabbath Year every seven years and a Jubilee every fifty years.

Leviticus 25:10 says, “Proclaim liberty throughout the lands and to all the inhabitants thereof, it shall be a jubilee for you.”

Let us once again proclaim a jubilee for millions of people in some of the poorest countries in the world. I urge my colleagues to support the Jubilee Act.

I yield back the balance of my time.