



International Debt Relief

WFPHA
33rd Annual Meeting
May 17, 1999

The World Federation of Public Health Associations, recognizing that,

The gap between rich and poor is growing at a dangerous and unprecedented rate, and the world's 225 richest people have achieved a combined wealth equal to the annual income of the poorest 47 per cent of the world's people - that is 2.5 billion persons (United Nations Development Program report, 1998),

The debt of the poorest countries has become un-payable, rendering them virtually bankrupt, and robbing ordinary people of the most basic necessities of life,

The debt crisis poses a dangerous threat to democratic systems and to peace, because of the increasing polarization between rich and poor, and to the health and security of millions of people around the world,

Transfers of wealth from the poorest nations to the rich mean that, instead of meeting the needs of their people, struggling nations are forced to cut essential spending on health and education in order to meet debt payments, resulting in increasing levels of hunger, sickness, poverty and environmental degradation,

Borrowers have had no control over the skyrocketing interest rates and plummeting commodity prices that have pushed many of them to the brink of collapse,

For every \$1 dollar that Northern countries provide in aid, over \$3 comes back in the form of debt servicing,

The announced initiatives by the World Bank and International Monetary Fund to reduce the debt obligations of some of the poorest countries fall far short of what these countries need in order to make a fresh start (the HIPC, or Highly Indebted Poor Countries Initiative, will ensure only that these countries keep on paying debt service while being forced to adopt measures that continue to erode health care, education and the environment),

There is a global movement urging the relief of debt of the 50 poorest and most indebted countries, the process to be administered by an international body, under the auspices of the United Nations, providing a forum for creditors and borrowers to work out the principles of eligibility for debt cancellation, and ensuring that the money saved from debt payments be used primarily for social development,

Debt relief would be an important step towards addressing the massive inequalities that currently deform our global relationships,

Debt relief would enable debtor countries to make a fresh start towards genuine social and economic development, and therefore constitutes a significant act of healthy public policy in the international arena, and

Such a policy is consistent with the World Federation of Public Health Association's mission and goals and to the current priority given equity and social justice,



World Federation of Public Health Associations

800 I Street, NW, Washington DC 20001-3170 USA / Tel: +1.202.777.2486 Fax: +1.202.777.2533

THEREFORE BE IT RESOLVED that the World Federation of Public Health Associations (WFPHA) urge the governments of member associations, where appropriate, to support debt relief for the 50 most impoverished and indebted nations at the upcoming Cologne G8 summit, June 18 and 19, 1999 and in cooperation with the United Nations, to develop an appropriate mechanism to ensure that debt relief translates into social, economic and health improvements for citizens rather than propping up corrupt regimes,

AND FURTHER BE IT RESOLVED that the WFPHA urges the governments of member associations, where appropriate, to demonstrate leadership and commitment to the principle of debt relief by initiating steps to eliminate the debt owed to member Governments by the most impoverished nations.

This resolution was initiated by the Canadian Public Health Association, which is to submit a similarly worded draft resolution for the consideration of its members at the Association's Annual General Meeting to be held on June 9, 1999. Once voted on at the meeting and if approved, the resolution will become the official position of the Association.