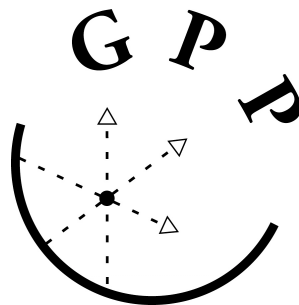


PROCLAIMING THE JUBILEE:
THE DEBT AND STRUCTURAL ADJUSTMENT NETWORK¹

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Case Study for the UN Vision Project on Global Public Policy Networks



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INTRODUCTION

Carmen Rodriguez heads the Catholic Charismatic Movement in a sprawling shantytown parish south of Lima, Peru. She and other lay leaders of the Lurin Diocese have been preparing for the upcoming millennium in an unusual way. Earlier this year, having participated in Lenten workshops offering economic and theological perspectives on debt relief, they went door-to-door and gathered some 90,000 signatures on an internationally circulated petition calling for a one-time cancellation of the unpayable debt of highly indebted poor countries by the end of the year 2000. Countrywide, more than 1,850,000 Peruvians signed the petition in just three months' time. Worldwide, 17 million people from over 160 countries signed the petition, which was presented to G-7 leaders in Cologne, Germany in June. The delegation presenting the petition signatures to German Chancellor Gerhard Schroeder, who accepted them in the name of the G-7 leaders, included such disparate figures as Archbishop Oscar Rodriguez Maradiaga of Tegucigalpa, Honduras and Bono of the Irish rock group U-2.

An extraordinary global coalition of churches, anti-poverty groups, and other civil society organizations, called the Jubilee 2000 campaign, organized the petition drive. Invoking a biblical norm from the Book of Leviticus, the campaign is urging the international community to mark the millennium by recognizing a period of "jubilee" in which debts are forgiven and the freed up resources are used to alleviate poverty. Campaign organizers, led by such groups as Christian Aid (UK), OXFAM, EURODAD (the European Network on Debt and Development), and Catholic national episcopal conferences, relief agencies, and the Vatican, argue that heavily indebted countries devote an inordinate portion of their national budgets to making interest payment on the debt, leaving too little available for desperately needed outlays for health, education, housing and job creation.

Campaign participants have also protested the disproportionate burden placed on the poor by structural adjustment programs (SAPs) mandated by the International Monetary Fund and the World Bank in conjunction with debt rescheduling and reduction. Such programs have regularly featured national currency devaluations to enhance export earnings and discourage imports, the privatization of government-controlled industries and services (causing cuts in jobs and wages), and cuts in government budgets which have typically slashed food subsidies and spending on health and education.

From the late 1970s through the 1980s, the Third World debt crisis had focused attention on large, middle income countries whose possible default on loans threatened the stability of the international financial system. As the decade of the 1990s opened, many financial analysts, policy makers, and journalists proclaimed that the crisis had effectively been resolved. Several

developments contributed to this judgment, most importantly: 1) the mid-1980s buildup of reserves by money-center commercial banks provisioning themselves against possible default by any of the largest debtor countries; 2) the Bush administration's belated recognition with the March 1989 Brady Plan of the need for debt *reduction* rather than rescheduling, and the subsequent negotiation of "Bradys" for most of the major debtor countries; and 3) the spectacular increase in the early 1990s of short-term portfolio equity investment flows to larger "emerging market" countries, facilitating the apparent restoration of those countries' ability to service their external debt and achieve solid economic growth.

Nevertheless, a movement grew to press for debt relief for the poorest, most heavily indebted countries, which tend to owe the vast majority of their external debt to bilateral and multilateral creditors rather than commercial lenders. The World Bank currently classifies 41 of 60 low-income countries as "severely indebted low-income countries (SILICs)."² Most of these countries, whose external debt overhang have represented serious drains on their economies for over a decade, are in Sub-Saharan Africa; however, they also include Cambodia, Guyana, Honduras, Myanmar, Nicaragua, Vietnam, and the Yemen Republic. The World Bank study also classifies 12 middle-income countries as "severely indebted"; they include Argentina, Bolivia, Brazil, Mexico, and Peru.³

This case study attempts to summarize and assess the work of the global public policy network -- predominantly composed of NGOs and church-related agencies -- which has mobilized to urge private and public creditors to adopt policies in their treatment of debtor countries that would embody the following transnational norm: Most succinctly stated by Cardinal Roger Etchegaray in his introduction to the Vatican's 1987 document on debt, "Debt servicing cannot be met at the price of the asphyxiation of a country's economy, and no government can morally demand of its people privations incompatible with human dignity."⁴ Accordingly, the network has targeted three categories of creditors: commercial banks, creditor governments organized in the "Paris Club" which governs the handling of official bilateral debt,

²The World Bank, Global Development Finance, 1997: Volume One, Analysis and Summary Tables (Washington, DC: The World Bank, 1997), 51. The number of SILICs is up from 32 of the 56 low income countries classified in the World Bank's 1994 report.

³World Bank 1997, op. cit., 51.

⁴ Pontifical Commission on Justice and Peace 1987.

and international financial institutions (IFIs: the International Monetary Fund, the World Bank and the regional development banks) to which multilateral debt is owed. Network participants, depending on where they lie on a spectrum from reformist to radical analyses of the crisis, its causes and solutions, have pressed targeted creditors to reduce or cancel outstanding debt and modify or eliminate the terms of SAP "conditionality" they impose on debtor countries.

The case study will review why and how the network emerged, how it operates, and attempt to assess what impact it has had. It will then suggest several factors accounting for the limited, yet measurable influence the debt network has had, and conclude with a brief discussion of questions the case raises for the global public policy network research program and for further UN involvement in the issue area. Until approximately two years ago, the network could be categorized as a relatively weak one when compared to those in other issue areas covered in the project, the principal reason being the complex, technically difficult and geographically diffuse nature of the issue addressed. Nevertheless, particularly with the rapid expansion and activism of the Jubilee 2000 campaign, the network has had some demonstrable success, attributable in part to the persistence of core activists, their increased sophistication in exchanging information and coordinating initiatives with partners in both creditor and debtor countries, and a post-Cold-War/Republican-U.S. Congress environment in which network activists have increased access to more sympathetic G-7 finance ministry and international financial institution staffs interested in maintaining, if not reforming, existing bilateral and multilateral concessional loan programs.

A further distinguishing feature of the network is the prominent role played by churches, religiously affiliated NGOs and foundations, and activists working for secular NGOs who had previously worked for church agencies. As indicated above, a biblical norm, the Jubilee concept of periodic wholesale debt forgiveness called for in the Book of Leviticus, has consistently undergirded much of the network's work and in recent years has helped breathe new life into the network as Christians and non-Christians alike prepare for the millennium.

It is also argued that a radical/reformist cleavage has marked the network from its inception in the mid 1980s. Activists have consistently had sharp debates as to which policies and strategies would accomplish the international norm sought, most basically along the lines of a wholesale condemnation of SAP conditionality and complete debt cancellation versus qualified acceptance of substantial debt reduction with reformed conditionality geared toward poverty alleviation. This cleavage has principally but not exclusively lined up on North/South lines. Nevertheless, the dominant tendency has been to seek common ground and maintain a steady critique of target institutions while acknowledging incremental improvements in policy. While the network could not be termed "tri-sectoral" (few private sector actors such as bank representatives are actively engaged on the issue), it has become bi-sectoral as many civil society

organizations within the campaign have become willing to engage government and IFI officials in regular, albeit contentious conversation.

WHY AND HOW THE NETWORK EMERGES

Phase I: Late 1970s - 1984/85. While the Mexican Weekend of August 1982 was the watershed event triggering widespread public attention to the debt crisis, several secular and church-related development groups were active earlier on the issue. Some of the first transnational expression of concern about the crisis' impact on the poor came by way of missionaries working in debtor countries who would return to their countries of origin and urge NGOs to take up the issue. For example, a Maryknoll priest, Rev. Thomas Burns, and several other U.S. Catholic and Protestant missionaries founded the policy advocacy group Peru Solidarity in the late 1970s to lobby for U.S. policy change vis a vis Peru. They pressed for modification of IMF conditionality in order to lessen its negative impact on the poor. Many activists like them had experienced firsthand the economic crisis' impact on their parishioners and friends in debtor country shanty towns, and had been deeply imbued with the injunction of Latin American liberation theology to examine and confront "sinful structures" that contribute to poverty.

It proved quite difficult in the early years of the crisis -- even after August 1982 -- to convince organizations to take on the debt question. Even though the case for urgent action to resolve the crisis had been made by several blue ribbon commissions (e.g., the Brandt Commission and Jimmy Carter's Presidential Commission on World Hunger, both of which issued final reports in 1980), groups had difficulty identifying legislative handles around which to mobilize grassroots membership. Also, the concern at the time, particularly between 1982 and 1985, was overwhelmingly middle-income-country debt owed to commercial banks. With the fear that default by any one of the major debtor countries could bring down the international financial system, even congressional critics of the banks were reluctant to press the latter on debt reduction. NGO efforts were thus sporadic and limited to the staging of protests at the joint IMF/World Bank annual meetings, visits to congressional offices to elicit support, and attempts at popular education through talks and newsletter briefings. The targets were principally commercial banks and the IMF, and the main actors NGOs and church-affiliated groups, with relatively little coordination among them.

Phase II: 1984/85 - 1989/90. The next phase was characterized by increased NGO and church interest as 1) the enduring social impact of both debt and SAPs became more apparent, 2) U.S. and European-based commercial banks took action to defuse the crisis from their perspective by increasing their reserves and severely curtailing new lending to debtor countries, and 3) creditor-country legislators became more willing to take on the banks. National networks, predominantly composed of NGOs and church-affiliated groups, were established to exchange information and coordinate efforts on the issue, and nascent efforts at international information exchange and policy coordination were attempted through conferences and mailings.

Nevertheless, the end of the decade saw a temporary fall off in activism as the aforementioned impression that the issue had been solved coincided with personal and policy rifts in several of the networks and the departure of key activists to different jobs.

In 1985, several Washington- and New York-based NGOs established the **Debt Crisis Network**. Funded almost entirely by progressive Protestant denominations, Catholic religious orders and Catholic Relief Services, the network was intended to facilitate the exchange of information and the coordination of strategy. The lead groups (and individuals representing them) were the Institute for Policy Studies (John Cavanagh), the Jesuit-sponsored Center of Concern (George Ann Potter), Methodist Church Women United (Barbara Weaver and Carol Barton), the ecumenical lobbying group Bread for the World (Lane Vanderslice and Dominic Ntube), and the Development GAP (Doug Hellinger). Of these, Potter and Barton had previously worked in Peru and Ntube was a Cameroonian citizen. Martin McLaughlin of the U.S. Catholic Conference staff also attended network meetings; he was the principal drafter of the U.S. Catholic bishops' 1989 statement on the moral dimensions of the debt crisis.⁵ However, in keeping with USCC practice, McLaughlin did not formally represent the U.S. Catholic bishops and signed any DCN joint statements on his own behalf only.

The immediate reason for the network's dissolution in 1990 was the departure from Washington of several of the participants; however, both Cavanagh and Potter report that personal and policy differences also inhibited the work.⁶ The major policy differences were over whether the DCN should: 1) focus solely on grassroots education first or proceed concurrently with lobbying activities; 2) endorse with reservation or definitively oppose debt-for-nature and debt-for-development swaps; and 3) endorse a complete revision of SAPs oriented more toward sustainable development or roundly condemn conditionality as imperialistic intervention. Several of the more radical economic justice groups, principally the Development GAP, toward the end of the 1980s pursued a stronger alliance with environmental groups critiquing the neo-

⁵.U.S. Catholic Conference Administrative Board 1989.

⁶.Interviews with John Cavanagh, Fellow, Institute for Policy Studies, July 16, 1992, Washington, DC; and George Ann Potter, former Research Associate, Center of Concern, July 27, 1995, Cambridge, MA.

liberal economic model embodied in SAPs promoted by the World Bank and the IMF, which they viewed as increasing both poverty and environmental degradation.⁷

In Britain, activists from OXFAM and War on Want began working on debt in 1984 and the **UK Debt Crisis Network** was established shortly thereafter. While one participant, Ed Mayo of the New Economic Foundation, reported that many development groups were initially reluctant to get on board ("It seemed a long way from wells and roads," he said⁸), the network effectively facilitated the sharing of information between a growing number of groups. Again, the UK NGO network suffered the loss of lead activists in the early 1990s (John Denham of War on Want became a Labor M.P. and John Clark of OXFAM joined the staff of the World Bank as an international relations officer charged with facilitating Bank relations with NGOs; neither remained active in the network). However, member organizations such as Christian Aid then decided to strengthen the secretariat by hiring a permanent lobbyist, South African-born Ann Pettifor.

Innumerable other European development and environmental NGOs -- and the West German Green Party -- began to address the debt crisis during this period.⁹ In 1987/88, four Dutch foundations and NGOs, including ICCO (the Interchurch Coordinating Committee on Development Projects) and NOVIB (the Netherlands Organization for International Development) sponsored the first attempt at an international coordinating body on issues of debt. Called **FONDAD** (Forum on Debt and Development), it was primarily designed to facilitate contact between Dutch and Latin American NGOs. Dutch financing supported the FONDAD-Europe secretariat in the Hague as well as a network of regional Latin America offices: the Andean region headquartered first in Lima and then Quito, Central America and the Caribbean in Managua (CRIES), Brazil in Rio (PRIES/PACS), and the Southern Cone in Santiago (PRIES/SUR). Again, a combination of factors led to the decline of FONDAD in 1989/90: personal and policy differences among the Dutch and Latin American groups (with the Latin

⁷.Phone interview with Doug Hellinger, the Development GAP, June 3, 1997.

⁸.Phone interview with Ed Mayo, Director, New Economic Foundation, September 6, 1995.

⁹.For a summary of then-active groups see George Ann Potter, Dialogue on Debt: Alternative Analyses and Solutions (Washington, DC: Center of Concern, 1988), 163-177. Doug Hellinger of the Development GAP (phone interview, op. cit.) points to the key role played in this period by Thomas Fues and Barbara Unmussig of the German Green Party in arguing at various international meetings the essential link between the economic model promoted in SAPs and environmental degradation.

Americans seeking a greater role in network decision making), a policy split within the Dutch secretariat, and a decrease in attention to the issue following the aforementioned 1989 move to debt reduction programs.¹⁰

In summary, once again the main targets were commercial banks (to have them write off debts) and the IMF and the World Bank (to revamp or eliminate structural adjustment programs). The main actors were NGOs and church-affiliated groups, with the establishment of national networks in creditor countries and nascent efforts at international information exchange and cooperation.

Phase III: 1990 - 1995. In the third phase, persistent efforts by key NGOs and individuals led to the revival of the U.S. and European networks under new names. While these networks continued to facilitate the exchange of information among organizations conducting their own campaigns, joint action in campaigns became the norm as they strengthened ties to Latin American, Asian and African groups.

In the United States, the 1989 Brady Plan effectively undercut any major campaigns on commercial debt, and the 1992 Credit Reform Act stymied any further initiative to call for wholesale reduction in bilateral debt owed to the U.S. government.¹¹ With a paucity of action handles and declining interest among key participants moving on to other issues, the U.S. network effectively dissolved once again in early 1993. Nevertheless, five subsequent coalitions composed of many of the same players took up the issues of debt and structural adjustment again in the period between mid 1993 and early 1997. With the post Cold War cuts in official aid (including funds for the World Bank's soft loan window, the International Development Association), and the 1994 election of a Republican Congress unlikely to provide further funding for IDA or the IMF's concessional loan program (ESAF, the Extended Structural Adjustment Facility), activists saw the potential for movement on two issues: multilateral debt reduction and revision of SAP conditionality.

¹⁰.Phone interviews with Ted van Hees, coordinator of FONDAD-Europe's successor, EURODAD (the European Network on Debt and Development), September 1, 1995; Humberto Campodonico, Research Fellow, DESCO (Lima, Peru), August 29, 1995.

¹¹.The law required budgetary appropriation and rigorous accounting of the monies involved in debt cancellation, making debt reduction much more expensive and politically difficult.

In 1991, Jo Marie Griesgraber, Potter's successor as Latin American research associate at the Center of Concern, revived the U.S. network under a new title, the **Debt Action Coalition**. The other major participants were Hellinger of the Development GAP, McLaughlin of the U.S. Catholic Conference and representatives of the Columban Fathers' Campaign on Debt and Development Alternatives and their Justice and Peace Office, Bread for the World, Friends of the Earth, and Church World Service/Lutheran World Relief. The DAC met every four to six weeks, with participants exchanging information on individual campaigns and planning joint initiatives, through early 1993. At that point the group disbanded, due less to ideological disagreement than to a shared perception of the lack of legislative handles and a drop off in attendance as participants moved on to other related policy issues.¹² For example, Griesgraber shifted her focus toward organizing a "**Rethinking Bretton Woods**" project; the latter was spurred by the then-upcoming 50th anniversary of the 1944 Bretton Woods Conference establishing the IMF and the World Bank. During the same period, a **Debt Study Group**, composed of many of the same people plus several Washington-based academics and consultants, met regularly to learn more about the issue; they invited economists, ethicists, and officials from the Bush administration and the IFIs to make informal presentations.

In the summer of 1993, representatives of many of the same long-active development and environmental groups (e.g., the Environmental Defense Fund, Friends of the Earth, Development GAP, Maryknoll Justice and Peace Office, the Colombians' CODDA, and others) met to establish the "**Fifty Years is Enough**" campaign. Like the "Rethinking Bretton Woods" project led by the Center of Concern, the groups desired far-reaching reforms of the World Bank and the IMF: **process** reform (transparency and accountability), **policy** reform (with regards to debt and structural adjustment), and **project** reform (what kinds of projects are funded, who decides where funds go, and how local communities participate). While the two campaigns had some overlapping membership, the "Fifty Years is Enough" coalition was more explicitly a grassroots movement. Thirty-three U.S. groups co-sponsored its May 1994 press conference launching the campaign, and parallel campaigns were held in 12 other countries. Development GAP, which housed the campaign's secretariat and coordinated the steering committee of some 20 to 25 groups, reported in 1997 that the campaign represented some 500 citizens groups around the world, including labor and farm groups, with over 70 percent Southern representation.¹³ The

¹².Phone interviews with Jo Marie Griesgraber, June 9, 1997, and with Doug Hellinger, op. cit.

¹³.Phone interview with Doug Hellinger, Director, Development GAP, June 3, 1997. According to Hellinger, lead institutions included Friends of the Earth, FUNDAE (El Salvador), Third World Network (Ghana), and Focus on the Global South (Thailand).

campaign was somewhat more radical and confrontational in style, language, and strategy than the "Rethinking Bretton Woods" group. Nevertheless, the divide was not a complete one as the two coalitions had some overlapping membership, and the Fifty Years leadership began to dialogue, as had those from Rethinking Bretton Woods, with officials of the World Bank, the IMF, and the Clinton Administration as the Republican Congress became a less hospitable venue for legislative initiatives.

In the Spring of 1994, some of the religious NGOs active in the two campaigns felt the need to have an additional forum for groups working out of a faith perspective and thus formed the **Religious Working Group on the World Bank and the IMF**. Still active in 1999, they have exchanged information, coordinated prayer vigils at the annual joint World Bank/IMF meetings, developed materials for local church groups (e.g., an "Economic Way of the Cross" as a Good Friday reflection), and arranged meetings between IFI officials and denominational leaders and missionaries. In December 1995, many of the same secular and religious U.S. groups, led by OXFAM International, the Center of Concern, and the USCC (represented by Barbara Kohnen, McLaughlin's successor), formed the **Multilateral Debt Coalition**, specifically to respond to that aspect of the debt problem, prompted by proposals made by Bank and Fund staffs in the Fall of 1995 (see below). OXFAM International, representing the 10 regional OXFAM organizations, had established a Washington office in January 1995 from which to coordinate its lobbying efforts on debt and other multilateral issues. The office is led by Justin Forsyth, who is British, and Veena Siddharth, a U.S. citizen of Indian descent. In so doing OXFAM, due to its long history and international reputation as a leader of grassroots work, policy analysis and advocacy work on poverty and development, reassumed a leading role which had earlier been played by OXFAM UK on the debt issue. Siddharth of OXFAM International, Griesgraber of Center of Concern, and Kohnen of the USCC report an effective complementary working relationship between OXFAM International and the U.S. churches and religious NGOs: the former has led research and media efforts, the latter have generated extensive grassroots letter writing campaigns, and both have organized meetings with leading policy officials.

In Europe, Dutch foundations and NGOs in 1990 decided to finance a newly named network -- **EURODAD** (the European Network on Debt and Development), this time seeking funding from as many European groups as possible. Since June 1991 the secretariat has been based in Brussels, with Ted van Hees, a Dutch researcher who had previously worked for the Dutch NGO IKVOS (Interchurch Centre on Development Education), serving as the coordinator. While EURODAD's policy and management is determined by an International Coordinating

Group (ICG) comprised of one NGO from each of the 16 European countries, by the mid 1990s approximately 60 other NGOs from Europe, the United States, Canada and the South cooperated actively with the network.¹⁴ European member foundations and NGOs provided just over 60 percent of its funding; with the remainder financed by the European Community.¹⁵ While EURODAD in effect became FONDAD's successor in Europe, FONDAD Latin America continued its coordinating role for that region, working out of its Quito secretariat. With no major U.S. NGO consistently working on the debt issue, EURODAD emerged in the early 1990s as the lead institution providing information for global efforts on the issue. By the mid 1990s network leadership was shared by EURODAD and the successive U.S. coalitions described above. As also indicated, since early 1995 OXFAM International emerged to share a leading role, with the Britain-based Christian Aid and OXFAM UK also continuing to produce widely disseminated reports.¹⁶

The lead network in Asia has long been the **Philippines Freedom from Debt Coalition** (FDC), which represents over 90 organizations. It is indeed worth considering the unique combination of factors that arguably help to account for why the Philippine network, established in 1987, is the only national network to have endured so long. They include: 1) a widely hated former leader largely responsible for accumulating the external debt (Marcos); 2) the presence of a very visible, large-scale failed project epitomizing the corruption and failure of loans contracted to benefit the majority and around which groups could mobilize opposition (the Bataan Nuclear Power Plant); 3) longstanding government legislation mandating that debt service be given priority in the national budget at the expense of social spending; and 4) the predominant presence of progressive Christian NGOs and dynamic activists (e.g., Leonor Briones) persistently working on the issue. The Philippines is the only debtor country featuring all four of these factors. In the early 1990s, the FDC, like its counterparts in Latin America,

¹⁴.EURODAD, "1994 Annual Report," 24.

¹⁵.EURODAD, "1993 Annual Report," 5.

¹⁶.An additional attempt at international network coordination was instituted by NGOs participating in the Rio UNCED Summit in 1992; they established the **Debt Treaty Movement**. A Canadian NGO, the Social Justice Committee, volunteered to headquarter the secretariat. While it sponsored annual conferences financed by CIDA, the Canadian government's overseas aid agency, in practice the DTM did not replace EURODAD as the lead organization gathering and disseminating information and coordinating campaign strategies. In Canada, the **Halifax Coalition** of NGOs has also worked on SAP conditionality.

shifted its attention to broader issues such as the IMF's role in influencing national economic policies, SAPs and popular alternatives to them. In August 1993, the FDC brought together NGOs from countries throughout Asia to found the **Asian Campaign on Debt and Structural Adjustment**, with a secretariat in Manila. As with the other regional networks, participating groups include those engaged in research, campaigning and popular grassroots work.¹⁷

The major gap in the debt network had long been Sub-Saharan Africa, although individuals such as Charles Abugre of the Third World Network in Ghana had been active for many years. SAPES, a network of Southern African researchers based in Harare, Zimbabwe, had served for several years as the global network's main contact; however, it proved unable to organize an expanded network in the region.¹⁸ After consultations between African and European NGOs, **AFRODAD** (the African Network and Forum on Debt and Development) was created in May 1994, with a secretariat in Harare staffed by Opa Kapijimpanga, a Zambian. Financed by European NGOs and church foundations, AFRODAD provided member groups and national coalitions in Zambia, Tanzania, Ethiopia, Uganda and Mozambique with information and guidance on research and campaign methodology. National coalitions have been made up of church groups, labor unions, NGOs, and professional organizations.¹⁹

¹⁷.EURODAD, "1993 Annual Report," 5.

¹⁸.Ibid., 5.

¹⁹.September 4, 1995 FAX from Opa Kapijimpanga, AFRODAD coordinator; EURODAD, "1994 Annual Report," 2.

In summary, most network activists in the early 1990s turned their attention from commercial banks and targeted creditor country finance and foreign ministries, the IMF and the World Bank on the issues of bilateral and multilateral debt and structural adjustment. Systematic efforts were undertaken to strengthen regional and international coordination of network initiatives.

Phase IV. 1996 - present. The latest phase of the campaign has been the most global as most of the abovementioned NGOs and churches active on the issue have increased collaboration to work on a common campaign: Jubilee 2000. With British groups leading the way with the formation of the Jubilee 2000 UK in 1996, churches, their related agencies, and anti-poverty groups have led efforts to form some 57 national Jubilee 2000 networks.²⁰ The UK network first established the goal of the campaign to be a one-time cancellation of the unpayable debts of the world's poorest countries by the end of the year 2000, and successive national campaigns have accepted that platform, but have remained autonomous in their work toward that end.

In England, one of the participants in the Debt Crisis Network described above was Martin Dent, an Anglican layman and activist in the Social Democratic Party who had served as an administrator in Nigeria and then as a professor in the Politics Department of Keele University. He and several Keele students had formed a Jubilee campaign advocating debt relief in 1990. Dent joined Bill Peters, who had formerly served as a Labor Government Ambassador to Uruguay and High Commissioner in Malawi, in urging other DCN participants to launch a Jubilee 2000 campaign. Dent explained that they believed that the jubilee concept honored the notion that debts should be repaid, but that the "monstrous imbalance" of some one-eighth or so of the world's population saddled with unpayable debt could be corrected "only with a special remission not to be repeated for a long time so that it would be sufficient for a new beginning." The "2000" part came, according to Dent, as a suggestion from a Mr. Schluter, the head of the Cambridge-based Jubilee Foundation that Dent, Peters and others had established in 1994. According to Dent, Schluter responded to his jubilee proposal by suggesting that they use the year 2000 as the "acceptable year of favor" as in Jesus' proclamation of the jubilee in the temple in the Gospel of Luke.²¹ The campaign was launched in 1996 with the relief agencies of the Anglican and Catholic churches (Christian Aid and CAFOD, respectively) and OXFAM playing lead roles, with Ann Pettifor directing the staff.

²⁰. See <http://www.jubilee2000uk.org/wwcol2.html>.

²¹. Phone interview with Martin Dent, retired Professor of Politics, Keele University, October 20, 1999.

In the United States, leaders of the Religious Working Group and the Multilateral Debt Coalition decided to organize U.S. groups in a Jubilee 2000 campaign. Kohlen of the USCC, Kathy Selvaggio, then of Bread for the World and now working on debt at Catholic Relief Services, and Griesgraber of the Center of Concern all report that a small group spent much of 1996 and the first half of 1997 in a process of designing the campaign and establishing criteria for membership; all decisions were made by consensus. The U.S. campaign was officially launched at the time of the G-7 summit in Denver in June 1997, with funding provided by many of the same Protestant churches and Catholic religious orders which had funded earlier debt network efforts. Dozens of other national Jubilee 2000 campaigns were established in other creditor and debtor countries; most were launched in 1998 with Northern campaigns often sponsoring and financing Southern affiliates. While most national campaigns, such as those in Canada, Guyana, Mexico and Zambia, have been initiated and led by church-affiliated groups, others, such as those in Cote d'Ivoire and Uganda, are led by secular NGOs.²² A Jubilee 2000 Afrika campaign was launched in Accra, Ghana in April 1998 with representatives from 19 countries including churches, Islamic groups, trade unions, women's organizations and other grassroots activists. Representatives from groups in 16 Latin American countries similarly launched a Latin American campaign at a January 1999 meeting of activists in Tegucigalpa, Honduras. As will be seen below, these national and regional campaigns targeted creditor government finance ministries and legislatures as well as the international financial institutions on the issues of bilateral and multilateral debt reduction and structural adjustment reform, with increasing collaboration.

In summary, then, with a pause in activism at the turn of the decade partially due to policy differences and the departure of key personnel, the debt network in the mid 1990s gradually became more global in scope. EURODAD and successive U.S. coalitions effectively replaced OXFAM UK in the early 1990s as the lead institutions supplying information to and coordinating strategy among network participants. With the establishment of an OXFAM International office in Washington in 1995, OXFAM regained its role as one of the network's

²².A brief description of each Jubilee 2000 coalition is available at <http://www.jubilee2000uk.org/wwcol2.html>. "Jubilee 2000 Coalitions Worldwide," 10/15/99.

lead institutions. The Fifty Years is Enough Campaign, led among others by the Development GAP has pursued a somewhat distinct agenda, as will be seen below. In the last two years, both the launching of the Jubilee 2000 campaign and technological developments facilitating much more intensive information exchange by e-mail have led to a very rapid expansion in the number of groups around the world working on debt.

HOW THE NETWORK OPERATES

Most Jubilee 2000 participants are quick to point out that they -- much like their predecessors -- function as a coalition of autonomous national campaigns. Each national campaign has created its own decision-making structure and decides the terms on which it will collaborate with other national and regional campaigns. Tensions have arisen around efforts to assert global leadership in the campaign, as well as around strategies to achieve the common platform.

The Jubilee 2000 UK campaign is a coalition of over 90 groups including churches, aid agencies, trade unions, women's organizations, black community groups, and the music industry, and is governed by an eleven-person board that meets annually. Ten of the eleven seats are elected by the member organizations and one seat is reserved for one of the five original founders of the campaign. Dent reports that the organization is fairly loose, largely working by consensus, with the staff led by Ann Pettifor reporting to the board.

The Jubilee 2000 US campaign also functions as a coalition of member organizations. The Steering Committee, composed of some 34 national organizations meets monthly, with one vote per organization. Most decisions are made by consensus and there is a five-person executive committee. Campaign leaders established three formal subcommittees, including the Policy Committee, which spent the first year drafting and approving a legislative proposal. However, several lead participants reported that divisions within the larger group as to the merits and specifics of legislative strategy led to the ad hoc formation of a "Legislative Group" in December 1998 that in practice carries out much of the work in the Policy Committee's jurisdiction, but does not clear its decisions with the national campaign. Those active in the Legislative Group are members of organizations more willing to work for incremental legislative change, such as: Bread for the World (Kathleen Selvaggio, followed by James McDonald), Oxfam America (Lydia Williams), Center of Concern (Jo Marie Griesgraber), the Evangelical Lutheran Church of America's Office of Governmental Affairs and Lutheran World Relief (James Bowman and Mark Brown), Catholic Relief Services (Carl Forman), and Gerald Flood and Cynthia Phillips of the U.S. Catholic Conference. It is important to note that the latter organization is not officially a member of Jubilee 2000, and thus does not vote. As in the case of Martin McLaughlin's earlier involvement in coalition work, Flood and Kohnen participate in the coalition's work informally and yet play an important role in both the Religious Working Group and Jubilee 2000.

In other countries there is a variety of network operating styles. Most common is a Catholic or Protestant church group taking the lead of a loose coalition of interested civil society

groups exchanging information and coordinating efforts, such as the gathering of signatures on the Jubilee 2000 petition.

It has become increasingly routine in the last two phases of the campaign for civil society groups to interact with other sectors. For example, Jo Marie Griesgraber's list serve on the Rethinking Bretton Woods Project goes out to over 300 people, including many IFI and US government officials. A regular pattern has developed of meetings between Jubilee 2000 groups and officials from creditor governments and IFIs, initiated by both sides. The U.S. campaign's Legislative Group, for example, met regularly with U.S. Treasury officials during 1999 to work out differences on debt reduction legislation.

Academics have also played an increasing role in the network, most prominently Jeffrey Sachs, Director of Harvard's Center for International Development. A long time critic of the IMF, Sachs became an advisor to the Jubilee 2000 campaign in mid 1999, and has worked most closely with Ann Pettifor of the UK campaign. With well publicized experience as an advisor to, among other countries, Bolivia, Poland and Russia, Sachs has sufficient stature to have his editorials regularly published or covered in newspapers of record. In June 1999, Sachs wrote a much discussed article in The New York Times arguing that the IMF could simply write off much of the HIPC countries' debt owed to it by revaluing the Fund's gold holdings. The Center for International Development also issued a sharp critique of the Cologne Initiative and co-sponsored with the Global Coalition for Africa a multi-sectoral September 1999 "Meeting on Alternative Approaches to Debt Relief for Highly Indebted Countries" on September 24-25 in Washington, DC. The 60 participants included HIPC government ministers and other senior officials, and representatives of NGOs, academic institutions, foundations, the media and international organizations such as the African Development Bank and the UNDP.²³

International Leadership

National Jubilee 2000 campaigns have preferred not to centralize the network. The annual G-7 and World Bank/IMF annual meetings have provided occasions for groups around the world to gather, and a handful of additional international and regional gatherings have been organized. Yet many participants report deep tensions about whether additional coordination is needed. Several lead activists from other countries interviewed expressed resentment at efforts by the UK campaign to lead rather than collaborate with other national campaigns. They cited several

²³.See <http://www.iisd.ca/linkages/sd/hipc/>.

incidents. In one, campaign leaders from around the world met in Rome in October 1998, and while the UK campaign had largely organized the meeting and financed many Southern affiliates' participation, other national campaigns rebelled when the UK campaign sought to chair the meeting. Instead, the assembled elected a small group to co-chair the meeting and meet nightly to set the agenda. Also, several US campaign leaders expressed resentment that the UK campaign had 1) established a Jubilee 2000 office in Los Angeles to work with African Americans and their churches without consulting the US national campaign, and 2) established a Jubilee 2000 Africa office based in London which co-signed a March 1999 letter to U.S. Congress criticizing HR 1095 (which had been drafted, endorsed and vigorously campaigned for by many Jubilee 2000 participants), again without consulting Jubilee 2000 US.

In such a loosely affiliated network, highly visible individuals have played a crucial role. One could make a case that Pope John Paul II has drawn the most sustained media attention to the issue: For over 17 years he has repeatedly raised it on his many trips to both debtor and creditor countries, in his public sermons and in talks with officials representing national governments, IFIs, commercial banks, and local churches. He addressed the issue in two of his most important social encyclicals, "Sollicitudo Rei Socialis" (1987) and "Centesimus Annus" (1991), and at his request the Pontifical Council on Justice and Peace (PCJP), the Vatican's think tank on international development questions, issued a lengthy statement in 1987 on the ethical dimensions of the crisis.²⁴ Due to the Vatican's permanent observer status at the United Nations, it was able to have the Venezuelan government introduce the 1987 statement as a U.N. document; it was thus translated into the U.N.'s six official languages and distributed to all member governments.²⁵ In that some 310 journalists are permanently accredited to the Vatican, any such major statement is broadly covered around the globe.²⁶

More recently, Jubilee 2000 activists, Catholics and non-Catholics alike, have often quoted the pope's endorsement of debt cancellation in "Tertio Millennio Adveniente," his 1994 reflection on preparation for the millennium. In paragraph 51 he states, "Christians will have to raise their voice on behalf of all the poor of the world, proposing the Jubilee as an appropriate

²⁴.Pontifical Justice and Peace Commission, "An Ethical Approach to the International Debt Question," Origins 16:34 (February 5, 1987), 601-611.

²⁵.U.N. General Assembly doc A/42/157, 27 February 1987.

²⁶.Interview with Dr. Joaquin Navarro-Valls, March 26, 1992, Vatican City.

time to give thought...to reducing substantially, if not canceling outright, the international debt which seriously threatens the future of many nations.” According to several Catholic Jubilee 2000 campaigners the pope again raised the issue in his 1999 meeting with President Clinton in St. Louis. He also met with a global delegation of Jubilee 2000 leaders on September 23, 1999 -- exactly 100 days before the year 2000 -- in an effort to publicize the urgency of the campaign.

Among those who met with the pope was Bono, the lead singer of the Irish rock group U-2. Like Princess Diana and land mines, Bono has lent celebrity cachet to the Jubilee 2000 campaign. He has spoken out repeatedly on the issue, organized concerts to benefit the campaign, and has met with various international leaders including President Clinton and his adviser Sandy Berger. He has demonstrated a mastery of the issue’s technical complexity, but more importantly has raised the moral and spiritual urgency of its resolution.

A distinct feature of the network as compared with other transnational networks has been the unusual leading role of churches. In addition to the Vatican, national Catholic bishops conferences of various creditor and debtor countries, the World Council of Churches, the bishops of the Anglican Communion meeting at Lambeth in July 1998 have all called for far more extensive debt reduction. Many of these churches have extensive institutional networks of parishes, social service and relief agencies, lobbying organizations, religious orders, universities, schools, and research centers active on the Jubilee 2000 campaign. For example, representatives of some 10 - 12 CIDSE and Caritas International agencies meet three times each year in Rome to coordinate their work on debt. They produced a 1998 debt report that was widely disseminated in Catholic institutions around the world, and also initiated a meeting of 16 Catholic bishops from both creditor and debtor countries at Cologne, resulting in a declaration calling for deeper, faster and poverty reduction-linked debt relief.²⁷

Reformist - Radical Cleavage

Throughout the history of the network tensions have persisted on several enduring questions: should the network accept partial debt reduction or insist on cancellation (this includes the question of what constitutes “unpayable debt”); how many countries should be covered (just HIPC’s or also large “middle income countries” like Peru and Brazil); whether legislation is a

²⁷.Phone interview with Kathleen Selvaggio, Debt Project Manager, Catholic Relief Services, October 26, 1999. Citation for CIDSE/Caritas doc. “Cologne Declaration on International Debt,” Origins 29:8 (July 15, 1999), 123-124.

worthwhile strategy; whether to accept debt reduction tied to revised conditionality tied to poverty alleviation or insist on no conditionality; and whether accepting limited legislation would undercut further efforts.

The Tegucigalpa Declaration, issued in January 1999 by Latin American Jubilee 2000 campaigners from 16 countries gathered in the Honduran capitol, pointedly requested that Northern groups not accept terms less favorable than those demanded by their Southern allies. Some Southern groups are particularly concerned that by accepting the Cologne Initiative consideration of further debt reduction will be cut off.

Tensions have also flared among Northern groups. Said one U.S. activist, "We would like to see some results by the year 2000 in Congress and the Administration. Other groups in Jubilee 2000 think it is a sellout and undermines the whole vision; it could hurt chances for complete cancellation. There's a profound difference of opinion." Nevertheless the divide is not a complete one; many of the more pragmatic activists share concerns of the radicals. One U.S. campaigner, for example, acknowledged the validity of criticisms raised at the September 1996 launching of the HIPC Initiative: "Some of their concerns did come to pass -- that HIPC would be used as a vehicle to force reform and would not deliver substantive debt reduction. Even if you come to that conclusion it's a strategy question of whether you take a rejectionist posture."

Several activists spoke of efforts under way to address the tensions. For example, the three CIDSE agencies (CRS of the United States, CAFOD of Great Britain, and Misereor of Germany) which are promoting and alliance of seven Southern African national Justice and Peace Commissions working on debt plan to hold their February 2000 meeting in Harare, in one activist's words, "in an effort to promote better understanding with our Southern partners."²⁸

Given the diversity of the network's target actors -- the three categories of creditors described above -- network members have engaged in a broad range of "venue shopping" similar to the efforts of activists in other networks. To educate their constituencies they have produced pamphlets, comic books, and fake issues of major newspapers (e.g., The Financial Crimes of London, duly produced on pink newsprint). To pressure commercial banks to cancel outstanding

²⁸.Ibid.

debt owed them and develop socially and environmentally sensitive lending criteria, they have sponsored shareholders' resolutions and campaigns to cut up bank-issued credit cards; they have also urged national and European Community legislators to hold hearings on the issue and apply pressure on the banks through regulatory reform. To convince their governments of the need to apply more lenient terms and/or cancel official bilateral debt and, in the last several years, IFI multilateral debt, they have developed grassroots mobilization campaigns, pamphleted and lobbied legislators and finance ministry staffs, and held conferences and demonstrations during major international meetings, most notably the joint IMF/World Bank annual meetings and the annual G-7 (now G-8) summits. They have pursued similar strategies in an attempt to convince the IFIs and member governments of the need to modify the terms of or eliminate altogether structural adjustment programs associated with debt rescheduling and reduction. The global campaign to gather signatures to present to the G-7 leaders meeting in Cologne, Germany in June 1999 clearly represented the most extensive effort.

The most recent two phases of the network's evolution have been marked by two trends: more explicit attempts at transnational collaboration among activists and the reaching out to dialogue with officials of creditor and debtor governments and the IFIs, effectively bringing them into the broader network of contestational communication if not consensus on the issue. In contrast, during the first two phases of activism outlined above, many of the major groups -- such as OXFAM-UK and Catholic religious orders -- were themselves transnational organizations, and thus could draw on testimonial and statistical information from their own personnel in debtor countries to document the social impact of debt and SAPs. It was only later in the 1980s and more so in the 1990s that creditor- and debtor-country NGOs regularly collaborated during campaigns, becoming especially effective at exchanging information, drafting joint position papers, and holding group meetings with finance ministry and IFI officials on the occasion of the aforementioned international meetings. Nevertheless, even in the two most global campaigns of the mid 1990s -- on multilateral debt reduction and review of SAPs -- Northern NGOs clearly led, although Southern NGOs have been more involved in the implementation phase of the latter project. This trend has continued in the current Jubilee 2000 campaign, with much more explicit North-South tensions. The following five cases illustrate the shifts -- and continuities -- in the transnational dimensions of campaigns and the degree of interaction between campaigners and other sectors.

1. OXFAM-UK's Autumn 1986 "Hungry for Change" Campaign. OXFAM has long been engaged in poverty relief and development projects, but in 1984, activists decided to launch a new "Hungry for Change" Campaign that sought to address the more structural roots of poverty and promote policy change in Britain. According to John Clark, OXFAM's former

Development Policy Advisor, the organization's analysis determined that there were "five forces which connect Britain with world hunger: Debt, Aid (not enough and the wrong type), Trade (the weighted scales), Agriculture (EEC policies of surplus and manipulated world markets), and Arms (the extravagant trade in weapons) -- DATAA."²⁹ Each fall, OXFAM would hold a weekend-long fast focusing on one of the five topics; debt was featured in 1986.

Clark described the challenge of framing the complex issue in such a way that it would become a topic of discussion in Britain's popular culture. In that the 1986 initiative came on the heels of an outpouring of public concern over the African famine (e.g., the LiveAid concert), OXFAM hit upon a campaign theme linking the infusion of aid monies to Sub-Saharan Africa with the concomitant drain of debt servicing. They blanketed the 800 OXFAM shops around Britain with posters decrying, "THE SCANDAL OF THE MONEY AFRICA GAVE TO US! For every L1 we all gave for famine relief in Africa in 1985 the West took back L2 in debt payments. DON'T STOP THE GIVING...STOP THE TAKING...Join Hungry for Change."³⁰

OXFAM also staged events around the country dramatizing the crisis, and approached radio and TV celebrities. Disc jockeys on "Radio One," the major pop music channel, committed themselves to the fast and explained the "scandal" on the air. Radio and TV talk shows and TV comedians took up the theme (popular comedian Ben Elton said, "The best joke of the year was told to me by OXFAM: the West got L2 for every L1 we gave to Africa..."), a BBC weekly satire program did a skit about it, and articles were written in popular newspapers and magazines.³¹ Clark asserted:

We had achieved what we had set out to do: to bring the debt crisis into the popular culture. People in the thousands wrote to the government and visited their Members of Parliament, leading to a rash of parliamentary questions and activity. In government circles, the debt crisis previously had concerned commercial banks and Latin America. Now it had become

²⁹.John Clark, "A Grassroots View of the Debt Crisis," Food Monitor, Fall 1987, No. 42, p. 11. Also, interview, Washington, DC, July 1, 1992.

³⁰.The poster featured a central figure of a bearded young Briton dressed up like a Horn of Africa nomad with his arms crossed in front, receiving one coin dropped on his left palm by a blue-jean-clad British teen. From his right hand the "African" is dropping two coins onto the surreptitiously outstretched palm of a Western banker/civil servant type who is partially concealing his face behind a bowler hat.

³¹.Ibid., 11, 26; and Interview, Washington, DC, July 1, 1992.

an African issue too, and most importantly, an issue of public concern. Something had to be done.³²

As suggested above, OXFAM activists used information gathered from their overseas work during the campaign. For example, in his Food Monitor piece, Clark illustrated the problem of SAPs by describing his recent trip to Zambia, a country whose economic crisis he had long documented. In this case, the IMF's "prescription" to ration limited foreign exchange reserves through a weekly auction led to a devastating decline in the availability of vital medical supplies and household goods.³³

Over the next several years, OXFAM increasingly collaborated with other British NGOs organized in the UK Debt Crisis Network, and exchanged information with the U.S. DCN. While it will be argued below that a case can be made that the 1986 campaign helped spur the Thatcher government to call for more generous bilateral debt reduction for the SILICs by the Paris Club countries, NGOs viewed the actual terms agreed to in 1988 to be insufficient and continued to press for further reduction. By the time, then, of the second major British NGO campaign in 1990-91 urging the government to come up with a new initiative for bilateral debt relief, Clark reported that "eight or nine" of the major British NGOs collaborated and coordinated their efforts with U.S. NGOs.³⁴

2. The U.S. Debt Crisis Network's Popular Education Campaign and Bread for the World's Role in U.S. Bilateral Debt Reduction. As mentioned above, members of the first U.S. debt network were deeply divided as to whether to pursue lobbying for policy change *prior* to extensive efforts at grassroots education, but one thing on which they did agree was the need for education. They collaborated in developing materials and in so doing initiated international contacts with Europeans, Canadians, Latin Americans, and Filipinos. They endorsed and informed their constituencies of Southern initiatives such as the May 1987 Campinas Declaration. Endorsed by some 56 Latin American and Caribbean trade union federations and trade unions, the Declaration called for the formation of a Latin American debtors' cartel to repudiate the debt and work toward a new international economic order.³⁵

³².Ibid., 26.

³³.Ibid., 10-11.

³⁴.Interview, op. cit.

³⁵.George Ann Potter, Dialogue on Debt, op.cit., 164.

One of the network's members more willing to pursue incremental policy change was Lane Vanderslice of Bread for the World (BFW). He approached Gary Bombardier, a legislative assistant to former Congressman Matthew McHugh (D - NY), who served on the House Appropriations Committee. Vanderslice found a provision in the Foreign Assistance Act of 1961 around which they wrote a bill authorizing the president to forgive development assistance and Economic Support Fund debt. Vanderslice then worked with the staff of Senator Patrick Leahy (D - VT) on the Senate Agriculture Committee to develop similar language for P.L. 480 food debt. Bread for the World mobilized its membership (then approximately 40,000) to urge their Congress people to become co-sponsors of the legislation, and both measures were adopted as Section 572 of the 1989 Foreign Operations Appropriations Act and Section 411 of the 1990 Farm Bill.³⁶ As a result, the U.S. Debt Crisis Network could claim concrete influence on policy change; however, some network members opposed the BFW initiative because it, in the interest of obtaining some debt relief: 1) in effect recognized the outstanding debt as legitimate; and 2) acquiesced to language in the legislation requiring countries whose debt was being reduced to undergo IMF- and/or World Bank-sponsored SAPs. The BFW initiative did not involve transnational collaborative efforts.

3. Multilateral Debt Reduction and the HIPC Initiative. The campaign, initiated in late 1993 and still ongoing, has been characterized by a clear pattern of network-sponsored conferences, research and documentation, the drafting of joint platforms in advance of the annual G-7 summer summits and fall World Bank/IMF meetings, media and grassroots campaigns, and then the issuance of qualified praise for incremental policy change and persistent calls for additional reform. In December 1993, EURODAD and NOVIB organized a conference in the Hague to analyze the problem of those countries with significant percentages of their outstanding debt stock owed to the IMF and the World Bank. While Bank and Fund officials had long insisted that they could not cancel any debt owed them on both legal and prudential grounds (e.g., such a move might affect the World Bank's AAA credit rating), network activists questioned the policy. Following the 1994 publication of a EURODAD-financed major study of the issue, EURODAD and two of its member organizations, one German and one Swiss, drafted a platform of action. Over 200 NGOs from around the world signed on to the platform, and European- and U.S.-based NGOs used the text to lobby governments and leading IMF and World

³⁶Interviews with Gary Bombardier, September 30, 1993, Washington, DC, and Lane Vanderslice, September 30, 1993, Arlington, VA.

Bank officials. Just prior to the July 1994 G-7 Summit in Naples, conferences sponsored by EURODAD and the Swiss Coalition in Geneva and the Center of Concern in Washington produced similar, more detailed positions that were reflected in a letter sent from the Debt Treaty Movement to the G-7 leaders meeting in Naples.³⁷

While there was little movement at Naples on multilateral debt, the network claimed a small victory when Sweden and Denmark -- two countries in which NGOs had waged major campaigns -- became the first donor governments to raise the issue at a July 1994 Consultative Group meeting chaired by the World Bank on foreign aid for Uganda. The 1994 EURODAD Annual Report claims,

As a consequence - at least partially - of the pressure of NGOs and their contacts with officials, parliamentarians and media, ministers from other countries and officials mainly from development and foreign affairs ministries became convinced of the need to continue to tackle not only bilateral debt but also that of multilateral debt.

The UK Debt Crisis Network and particularly OXFAM's lobbying on African and especially Ugandan debt (in particular, multilateral debt) was a major reason for the British chancellor's proposal at the September [1994] Commonwealth Conference in Malta for the sale of IMF gold to ease the multilateral debt burden.³⁸

As indicated below, transnational collaboration on multilateral debt continued in the form of a joint letter to the G-7 leaders meeting at the 1995 Halifax summit and extensive letter-writing campaigns. These arguably contributed to the G-7 Halifax request that the staffs of both the World Bank and the IMF study the issue. The two IFIs produced several successive draft proposals in the fall of 1995. Lead NGOs, most notably OXFAM International and EURODAD, issued and disseminated critiques of these staff proposals,³⁹ and lobbied World Bank President James Wolfensohn and World Bank and IMF executive directors from creditor countries. At the 1996 Lyons Summit, G-7 leaders announced their intention to seek comprehensive multilateral debt reduction for qualifying SILICs and at the Fall 1996 Bank/Fund meetings, the Heavily Indebted Poor Countries Initiative (HIPC) was announced. As the first comprehensive plan to reduce the bilateral and multilateral debt of qualifying countries, it featured among its complex

³⁷.EURODAD, "1994 Annual Report," 5-6.

³⁸.Ibid., 6.

³⁹.C.f., OXFAM International Position Paper, "Assessment of IMF-World Bank Debt Reduction Initiative," April 1996. 9 pp.

terms the possibility of forgiveness of 80 percent (up from 67 percent) of SILIC bilateral debt. Lead NGOs (including OXFAM International, EURODAD, Christian Aid, and AFRODAD) again immediately responded with critiques of the initiative which were disseminated throughout the global network.

Some activists in the "Fifty Years is Enough" campaign, notably Development GAP and Friends of the Earth, strongly opposed network involvement in the multilateral debt reduction issue.⁴⁰ Nevertheless, many members of the Fifty Years Campaign, for example, members of the U.S. Religious Working Group on the World Bank and the IMF, remained active on the issue, calling for further reforms in conditionality.

4. "50 Years is Enough" and Evaluation of Structural Adjustment.

Leaders of the Fifty Years Campaign approached Wolfensohn in June 1995 with their critique of SAP conditionality. Following the aforementioned failure of the U.S. Congress to fund IDA and the widespread publicity surrounding the 1994 Fifty Years Campaign, Wolfensohn sought dialogue with the Bank's most vocal critics. The result was plans for a joint Bank-NGO Structural Adjustment Policy Review Initiative (SAPRI). While the details are still the subject of sometimes contentious negotiations, planned are field-based investigations of the experience of seven countries that have undergone structural adjustment: Bangladesh, Ecuador, El Salvador, Ghana, Mali, Uganda, and Zimbabwe. Additional countries such as Bolivia are being considered. \

⁴⁰.For example, in Hellinger's view, "Debt reduction is every bit as much about control as debt is. It will let off just enough pressure to keep [debtor countries] in the game." In his opinion, network initiatives should focus on "standing up for the right of countries to chart their own economic future," and activists working on HIPC are "really naive" to think that debt reduction still tied to conditionality will make a difference. Phone interview, op. cit.

While Northern NGOs have again taken the lead, Southern NGO representatives have also participated in the negotiations with Wolfensohn and World Bank staff on the parameters of the initiative, and debtor country NGOs, labor, farmer, health and education groups were to be key participants in the implementation phase of the review as local public hearings are held. Despite disagreements on other policy issues such as multilateral debt reduction, activists on either side of the radical/reformist divide in the network -- for example, Development GAP and OXFAM International -- are working together on the design and implementation of SAPRI.

5. Jubilee 2000. As indicated above, leading network activists welcomed the advance of HIPC but protested that debt relief provided by it must be deeper, broader and faster. In the first three years only four of the 41 countries qualifying for HIPC debt relief had advanced to a point in the review process at which their debt was actually reduced: Uganda, Bolivia, Mozambique, and Guyana. The G-7 leaders meeting in Cologne agreed in principle to cancel an additional \$45 billion of the bilateral and multilateral debt owed by the 41 qualifying countries. This was to be added to the \$55 billion already proposed through the Paris Club of bilateral creditors (\$30 billion) and the HIPC Initiative (\$25 billion).

The Cologne Initiative would also lower the level of debt which is considered “sustainable” under HIPC (Principally measured by two ratios: a net present value of debt of 150 percent of annual export earnings, down from 200-250 percent under HIPC, and, for countries highly dependent on export income, a net present value of debt of 250 percent of annual government revenue, down from 280 percent). Countries with debt above this level are also to begin to receive debt relief after demonstrating compliance with IMF-mandated structural adjustment for three years, down from six years under HIPC. The G-7 leaders also directed the IMF and the World Bank to assist qualifying countries in the drafting and implementation of poverty reduction plans “for the effective targeting of savings derived from debt relief, together with increased transparency of budgetary procedures to protect social expenditure.” The leaders also recommended, but did not require that the IMF and World Bank consult civil society groups in the design and implementation of such programs.

While Jubilee 2000 leaders especially welcomed the explicit link between debt relief and poverty reduction, the call for civil society participation, and greater transparency of budgetary procedures, they nonetheless objected to several features of the plan:

1. The amount of relief is still insufficient. Network activists suggest that the debt-to-export earnings ratio of 150 percent and debt-to-government revenue ratio of 250 percent are still much too high to be considered “sustainable.” Critics such as Sachs have charged that the IMF and the World Bank could afford far more extensive relief. The G-7 leaders did call for the IMF to sell up to 10 million ounces of its gold reserves to finance both HIPC debt relief and IMF

concessional loans available through its Enhanced Structural Adjustment Facility (ESAF). They also called for governments and the private sector to contribute to a special Millennium Fund and the existing HIPC Trust Fund to finance reductions in debt service payments.

2. Too few countries will receive relief. The UK Jubilee 2000 campaign has estimated that of the 41 HIPCs, perhaps 24 will qualify for some reduction in debt service payments by the end of the year 2000, and that the reduction will be significant for only 16 of these. No additional debt relief was offered to countries that do not qualify as HIPCs but also have high debt servicing requirements which impede government commitment to poverty reduction. Among Latin American countries, for example, the World Bank categorizes Haiti as a SILIC and Argentina, Brazil, Ecuador, Jamaica, and Peru as SIMICs (Severely Indebted Middle Income Countries); however, none of these countries will receive additional debt relief under the HIPC or Cologne Initiatives. In addition, countries emerging from armed conflicts and/or natural disasters require special treatment. After Hurricane Mitch, creditors granted Honduras and Nicaragua a two-year moratorium on debt servicing, but critics have pointed out that interest is continuing to accrue during this period, and that a more lasting solution must be found. The IMF, World Bank, and bilateral creditors are currently negotiating more substantive debt reduction packages with the two countries' governments.

3. The IMF and the World Bank will yield more control over the debt reduction process. Countries receiving debt relief must still undergo structural adjustment through the IMF's ESAF, which network critics have long charged exacerbates poverty and contributes to environmental degradation. Jubilee 2000 supporters have demanded that civil society groups be consulted in IMF and World Bank programs for their countries as well as any poverty reduction programs, and question the increased IMF role in designing the latter, given its track record on sustainable development.

Before and since Cologne, campaign activists have worked on a variety of fronts. Most common has been the production of educational materials to increase grassroots understanding of the issue and the collection of signatures on the petition presented to G-7 leaders meeting in Cologne. Campaigners in some debtor countries have also engaged in dialogue and lobbying efforts with their own governments as well as with governments of countries considering the cancellation of bilateral debt to carve out a role for civil society groups in ensuring that monies saved are allocated to poverty reduction. In creditor countries some activists are working with finance ministries, legislatures and IFI officials to draft and pass legislation for bilateral and multilateral debt reduction.

In the United States, for example, members of the Jubilee 2000 “Legislative Group” worked over the course of 1998 and 1999 with sympathetic Members of Congress and their staffs to draft and have introduced H.R. 1095, “The Debt Relief for Poverty Reduction Act,” which would authorize monies for both bilateral and multilateral debt relief explicitly tied to poverty reduction. The group deliberately sought broad bipartisan support for the bill, mobilizing constituents -- especially church groups -- to lobby their representatives. The bill was thus introduced in March 1999 by, among others, House Banking Committee Chairman James Leach (R, IA) and the committee’s ranking Democrat, John LaFalce (D, NY).

With the strength of the campaign, government and IFI officials have more recently **initiated** meetings with civil society groups. IMF and World Bank leaders, for example, committed their institutions to a comprehensive review of HIPC, including consultation with civil society groups. At a July 1999 seminar in Addis Ababa, Ethiopia, representatives of creditor and debtor governments, the IFIs, regional development banks, relevant UN agencies, and African and Northern NGOs met to examine practical ways to strengthen the link between debt relief and poverty reduction. Conference participants agreed that ESAF should be revamped to strengthen its focus on poverty reduction. The same month, U.S. Treasury Secretary Lawrence Summers invited World Bank, IMF and U.S. government officials to join NGOs and churches in a meeting to discuss the U.S. response; the civil society groups insisted that their Southern partners also be represented. The extent to which campaigners’ concerns were heard by G-7 leaders is evident in the verbal commitment to poverty reduction-linked debt relief at Cologne, President Clinton’s September announcement of his intention to seek \$970 million in funding from the U.S. Congress, and the Treasury Department’s subsequent tenacious negotiation with the more skeptical Republican leadership to fund debt relief (Please see page below).

While such dialogue and negotiation (albeit contentious) demonstrated a considerable expansion of the inter-sectoral dimension of the debt network, the Jubilee 2000 phase has also seen an escalation of tensions within the civil society sector. Several activists indicated that these tensions, evident in the 1998 Accra Declaration and January 1999 Tegucigalpa Declaration described above, came to a head at Cologne. Divisions were over the number of countries that should be covered and the amount of debt to be reduced, i.e., not simply the “unpayable” debt but all the debt since debt itself was illegitimate in the first place. As one described the radicals’ position: “Not just debt, but the whole neo-liberal model. Not just debt cancellation, but reparation for neo-colonial repression. There was a huge escalation of demands.” Nevertheless, one Northern activist cautioned against the assumption of a united Southern position, noting a reluctance among Southern groups to criticize each other. She pointed out that groups such as the Uganda Debt Network that enjoy a more productive working relationship with their

government in the design, implementation and monitoring of poverty action plans have been more pragmatic in their approach, whereas civil society groups in debtor countries with more corruption and fewer opportunities tend to have stronger rhetoric.

Tensions have also increased among Northern groups. In the United States, for example, supporters of H.R. 1095 expressed frustration at the subsequent introduction of a more radical “Hope for Africa” bill. The latter called for an immediate cancellation of all HIPC countries’ bilateral debt, directed the U.S. government to buy back the countries’ commercial debt, and directed the U.S. government to require the IMF and World Bank to cancel all debt owed those institutions. One H.R. 1095 activist said, “Aspirational is a nice way to put it.” He indicated that H.R. 1095 supporters advocated continued conditionality because it was linked explicitly to poverty reduction, reduced the completion point from six years to three, and was politically viable on Capitol Hill. He also suggested that groups promoting the rival bill were also responsible for telling Latin American affiliates how bad H.R. 1095 was, prompting the critical comments in the Tegucigalpa Declaration.

To summarize, network campaigns became increasingly global in scale in the late 1980s and early 1990s. Nevertheless, Northern NGOs continued to play the leading roles, often relying on their own organizations for information to use in campaigns. The principal role of Southern NGOs through the mid 1990s was to endorse the initiatives of the North and lend them additional credibility. However, by the mid 1990s several national and regional networks had also collaborated with Northern NGOs in initiating campaigns at the international level, and the SAPRI project provided an opportunity for an increase in Southern participation. The inter-sectoral character of the network rapidly expanded with the Jubilee 2000 campaign as politically moderate G-7 leaders and IFI officials expressed limited support for campaign demands; however, many campaigners still view such officials as targets rather than partners. A reformist/radical cleavage persisted, both among Northern groups and between North and South, driven by differences on policy and in personality and working styles. Nevertheless, some network members have bridged the divide, and efforts have been made to collaborate on some initiatives.

OUTCOME OF NETWORK EFFORTS

Arguably the most difficult aspect of evaluating the case of network activism on Third World debt is assessing the degree of impact that network members individually and collectively have had. In their work on transnational advocacy networks, Margaret Keck and Kathryn Sikkink suggest four categories, or stages, of influence. While "**impact on policy change in 'target actors'**" is the final, most obvious one, they also propose "**issue attention/agenda setting,**" "**influence on discursive positions of states and international organizations,**" and "**procedural change**" as lesser, preliminary forms of influence.⁴¹ This case study will argue that in order to evaluate the impact of the debt network, one should consider two additional categories. First, antecedent to the other stages, one should consider "**grassroots education/network building**" -- the extent to which the network's actions contributed to grassroots understanding of the issue and the expansion of the network itself -- regardless of whether those efforts led to attention by the media or relevant policy actors. Secondly, one should examine what I term "**reverse lobbying during policy formation**" -- that is, the extent to which major policy makers seek the support of members of the network in the correct or mistaken belief that the latter have influence on other key policy makers or, more broadly, on their membership, voters, and/or public opinion. Logically, this category or stage of influence would be placed third between "issue attention/agenda setting" and "influence on discursive positions."

This study will argue that the debt network did achieve limited success in each of these six categories except "procedural change"; the most notable impact was in the earlier ones. In most instances, until the recent Jubilee 2000 campaign, European network members have achieved better results than their U.S. counterparts. This was in part due to the greater flexibility of parliamentary versus presidential systems, as the U.S. executive branch had less discretion, for example on debt reduction, than did their European counterparts.

1. Grassroots education/network building. Particularly on complex, technical issues that are both far afield from the everyday experience of Northern constituencies and insufficiently covered in the mainstream media, grassroots education and network building are essential components of influence. Several of the activists I interviewed, especially those from the U.S. networks, felt that their most significant achievement on debt was that they made the difficult topic more understandable to a wider audience.

⁴¹.Margaret Keck and Kathryn Sikkink, Activists Beyond Borders: Advocacy Networks in International Politics (Ithaca, NY: Cornell University Press, 1998), 20.

As mentioned above, most members of the earlier U.S. DCN felt that education should be their top priority, in part so that they could develop a base from which to lobby for change. Hundreds of church groups, especially Methodists and Catholics, used the comic books and pamphlets the network produced. The USCC widely distributed materials on debt to each of its diocesan justice and peace offices after both the 1986 U.S. bishops' pastoral letter on the U.S. economy and the aforementioned 1989 U.S. bishops' statement on Third World debt.

The second U.S. network also undertook extensive efforts at education. For example, Jo Marie Griesgraber designed materials and gave talks to members of Peru Peace Network, the St. Louis-based successor to Peru Solidarity. Chris Cobourn Herman did the same for parishes and groups affiliated with the Colomaban Fathers; 1500 individuals and groups received her newsletter on debt, and 4000 copies of CODDA's 1994 booklet on debt were distributed.⁴² The "50 Years is Enough" campaign similarly designed and distributed educational materials, and in recent Lenten seasons the Religious Working Group on the World Bank and the IMF has distributed the "Economic Way of the Cross" reflection to over 400 local church groups.⁴³ During the Jubilee 2000 campaign, nearly 1,000 U.S. churches and other groups held "Offerings of Letters" to educate and then encourage members to write their Members of Congress on H.R. 1095.⁴⁴

The European networks, as indicated above, carried out similar initiatives. One of the more creative pieces of information that EURODAD generated to facilitate the work of its members was the 1994 World Credit Tables; just as the World Bank provides detailed information on debtor countries, they are designed to provide statistics and overviews of the debt policies of all the major OECD creditor countries -- and challenge those countries and the IFIs in the future to publish creditor-disaggregated information themselves. More than twenty NGO experts and academics -- predominantly European -- collaborated in its production, and it was widely disseminated to EURODAD members, European financial officials, and the European,

⁴².Phone interview with Chris Cobourn Herman, former Coordinator, Colomaban Campaign on Debt and Development Alternatives, August 28, 1995.

⁴³.Phone interview with Marie Dennis, Associate for Latin America, Maryknoll Justice and Peace Office, May 21, 1996.

⁴⁴."Building Links to End Chains of Debt," Bread: The Bread for the World Newsletter (November, December 1999), 3.

U.S., and Japanese press.⁴⁵ Most recently, the rapid expansion of e-mail and the Internet has greatly facilitated information-exchange and educational efforts of the network, as leading organizations such as the U.K. and U.S. Jubilee 2000 campaigns have developed detailed, regularly updated web-sites.

Like the other categories of influence, the actual impact of grassroots education and network building is hard to assess. Quantitative indicators, such as the number of participants at conferences and talks, subscribers to network publications, and visitors to network web-sites would provide an initial indication. Polling data would of course be helpful, but I am unaware of any surveys asking the U.S. public or even particular NGO constituencies about their level of awareness or opinions on Third World debt. An indirect, derivative measure is the extent to which policy makers indicated that they received constituent mail, calls or visits on the topic, a question partially addressed in the following category.

2. Issue attention/agenda setting. Again, especially in that the debt crisis was not a particularly salient issue in U.S. or European politics after the mid 1980s, NGOs and churches have played a crucial role in insisting that it be addressed. The 1986 OXFAM campaign described above was the first of several European campaigns that were successful in this respect. Others were the European NGOs' widely covered demonstrations at the 1988 annual World Bank/IMF meeting in Berlin, the early 1990s debt reduction initiatives sponsored by the Dutch, Belgian and Swiss networks described below, and EURODAD's "Target '92" campaign coinciding with the Maastricht Summit on European Unity in December 1991 and the Paris Club meeting that month.⁴⁶ Most recently, the global network's initiatives pressing for reduction of

⁴⁵.EURODAD, "1994 Annual Report," 3. According to the report, the World Credit Tables "received coverage variously in the national press, major publications or financial papers in the UK, Germany, France, Switzerland and the Netherlands." This example of providing alternative basic research obviously spills over into the "issue attention" category.

⁴⁶.For the latter, according to EURODAD's 1991 annual report, "O]pen letters were sent to the Head of the Paris Club, EC Commission, European Parliamentarians and National Parliamentarians calling for the implementation of a common European policy of debt reduction. A briefing document was sent to national and European politicians along with postcards of egg-timers and/or small egg-timers indicating that time is running out to solve the debt crisis. Journalists received the same postcards and briefing documents, while approximately 500 NGOs in the North and South received the briefing, along with the official document of the campaign "Target '92", including campaign priorities, data and graphics to use in national campaigns.

multilateral debt, continued criticism of the HIPC Initiative, and review of SAP conditionality most clearly put topics on the agenda that no one else in creditor countries would have otherwise raised.

Both the DCN and the DAC, the two U.S. networks, were decidedly less successful at drawing any sustained media attention to the debt crisis. After the widely covered threat to U.S. commercial banks subsided in the mid to late 1980s, the mainstream print and television news media featured only sporadic coverage, e.g., discussion of debt and structural adjustment at the annual Bank/Fund meetings and the G-7 summits, occasional features on individual debtor countries undergoing the rigors of adjustment, and the "Fifty Years is Enough" campaign. This was in part due to network strategy; with the possible exception of the "Fifty Years is Enough" campaign and OXFAM International's drafting of editorials for major newspapers on HIPC, activists simply did not prioritize developing media contacts.

Officials are customarily reluctant to admit that outside actors actually helped to shape their agenda. Unfortunately many of my interviews (with over 75 senior officials representing commercial banks, the Bush administration, and international financial institutions, for my research on the Catholic Church's work on the debt issue) were conducted in 1992 and 1993, predating network initiatives on multilateral debt, which I would argue is the clearest case of NGOs setting the agenda (See "Impact On Policy Change" below). At the time of my earlier interviews at least ten policymakers (including several leading officials of the IMF) mentioned UNICEF as the sole outside organization to influence them. Several singled out the considerable impact of UNICEF's 1987 study, Adjustment with a Human Face, which featured a stinging indictment of the impact on children of austerity measures commonly featured in SAPs. However, UNICEF was never an active part of the debt network, although its officials sponsored and participated in several European conferences on the subject.

It could be argued that the U.S. networks were more successful at engaging policymakers' interest through direct contacts with them. Early activists supported the handful of members of Congress and their staffs who were already interested in the topic, as is the case of Bread for the World and Congressman McHugh mentioned above; Interfaith Action on Economic Justice (a coalition of 28 NGOs including most of the DCN member organizations) also helped spur the holding of congressional hearings on debt in March 1987. In the early 1990s the DAC also began to lobby the executive branch directly; activists met with the Treasury Department officials charged with covering developing country debt (Mary Chaves) and multilateral development banks (Brian Crowe), and the State Department official covering Paris Club bilateral debt (Joseph Saloom). These officials and leading figures at the IFIs were also

inundated by a letter-writing campaign initiated by the Sisters of St. Joseph of Carondelet; key mid-level policy makers were thus made aware of network views. As suggested above, with the 1994 election of a Republican Congress even less interested in debt and structural adjustment reform or multilateral lending in general, the locus of the network's attention shifted further toward dialogue with Clinton administration and IFI officials.

As noted above, many Jubilee 2000 campaigners have been more deliberate in seeking bipartisan support in renewing their efforts at legislative change. One of the most surprisingly vocal and eloquent proponents of H.R. 1095 became Representative Spencer Bachus, III (R-AL), who sent \$1.20 of his own money to each of his fellow Members of Congress in an effort to dramatize the insignificant cost of the bill for each taxpayer. Bachus reported that a delegation of his constituents – all members of Bread for the World -- convinced him that action on the issue was an imperative of his Christian faith.⁴⁷ Several U.S. Jubilee 2000 campaigners indicated that Treasury Secretary Summers and other Treasury officials had several times between May and October 1999 congratulated them on the extent to which they had set the agenda and broadened support for debt relief. For example, James McDonald, the Senior International Policy analyst at Bread for the World said, “Tim Geitner [the Under Secretary for International Affairs at the Treasury Department] told us before Cologne: ‘You all have won the policy debate. We now understand that debt relief must be linked to poverty reduction.’ That’s a significant change. Before the goal was to reduce the debt to a sustainable level for the benefit of creditors.”⁴⁸

In summary, during the earlier phases European network members had relatively more success than did their U.S. counterparts at generating media attention and affecting the policy agenda, although the latter have been more effective on HIPC and Jubilee 2000.

3. Reverse lobbying during policy formation. I developed this category while working on the related topic of evaluating the impact of the Catholic Church's activism on the debt question. Political scientist Timothy Byrnes found in his study of the political role of U.S. Catholic bishops that politicians believed that the bishops, having *access* to Catholic voters, therefore had *influence* over Catholic votes. This perception, said Byrnes, "has been enough to

⁴⁷. "BFW Members Play Critical Role," Bread: The Bread for the World Newsletter (July/August 1999), 1. Also, phone interview with James McDonald, Senior International Policy Analyst, Bread for the World, October 26, 1999.

⁴⁸. Phone interview with James McDonald.

make candidates sensitive to the bishops and anxious to identify areas of agreement with them."⁴⁹ In studying a GPP network, one can look for evidence that major policy makers sought civil society sector support in the belief that such actors had access to, and therefore influence on either voters or, more narrowly, other key policy makers.

In the debt case at least two major U.S. players whom the U.S. Catholic bishops consulted during the drafting of their 1989 statement on the debt crisis' moral dimensions sought the bishops' support with the stated (if not actual) belief that the bishops could influence other key actors. Then-Senator Bill Bradley (D-NJ), one of the most outspoken members of Congress on the debt crisis, told me that he had agreed to meet with the bishops at the January 1989 meeting of the USCC's Committee on International Policy (CIP) (two months before the Brady Plan was announced) because, "I was actually lobbying the USCC in the hopes it could influence the Bush White House -- to use the access they had to effect a change in policy, having been unsuccessful since '83 with Reagan."⁵⁰ David Mulford, Under Secretary of the Treasury in the Bush Administration, told those gathered at the June 1989 USCC CIP meeting that he had agreed to meet with them because of their contacts with leading (Catholic) money center bank officials. He vigorously urged the bishops to get the bankers to do their part promptly in the Brady Plan debt reduction package then being negotiated with Mexico.⁵¹ In both cases, as Byrnes concluded

⁴⁹.Timothy A. Byrnes, Catholic Bishops in American Politics (Princeton: Princeton University Press, 1991), 4.

⁵⁰.Interview with author, May 13, 1993, Washington, DC.

⁵¹.According to Martin McLaughlin's typed notes from the meeting "[Mulford] said he came today because the bishops are in touch with very high-level bank officials, and it is very important that the banks understand that this is the last best deal they can get. Mexico is against the wall now, has a perfect record up to now, but cannot meet its payments for more that a few days. If Mexico cannot get relief, the banks will have paper that will be worth much less than the 65% they are asking for today. Commercial bankers have not recognized the political reality in which they are caught up. What the USG is saying to the banks is that it is no longer our top priority that they be serviced..." USCC files. Also, interview with Thomas Trebat, member of the USCC CIP Subcommittee on Third World Debt and Director of the Ford Foundation's Latin American Program, November 18, 1993, New York City. Among the U.S. bankers the bishops had consulted/lobbied were: Thomas Labrecque, then President of Chase Manhattan Bank; Thomas Johnson, then President of Chemical Bank; and Barry Sullivan, then President of the First National Bank of Chicago.

in the case of the 1976 presidential candidates vis a vis Catholic voters, they may have "overestimated the political influence, either direct or indirect, that the hierarchy could exert."⁵²

It may be that this category of influence applies only to a small number of potential network participants who possess either: 1) widely recognized (though not necessarily uncontested) moral authority (e.g., the Catholic hierarchy or Nobel Peace Prize winners); 2) technical expertise on the issue (e.g., Nobel laureates, other scientists with broad media recognition or, in this case, UNICEF and perhaps OXFAM); or 3) political clout due to a large membership base (e.g., the NRA or the larger environmental NGOs). The point is to identify those members of the network, if any, who are the **objects** as well as subjects of lobbying and campaigning. In the case of debt and structural adjustment, in addition to the case of the Catholic Church, one could make limited claims that some of the less powerful creditor governments sought out OXFAM for information and advice (the second category),⁵³ and that Wolfensohn agreed to dialogue with some of the World Bank's toughest critics in the case of "Fifty Years is Enough" and SAPRI (the third category). Most recently, as indicated above, U.S. Treasury officials and IFI officials sought meetings with leading NGOs and church groups active in Jubilee 2000 in the belief that they had made inroads with recalcitrant Republican legislators.

4. Influence on discursive positions of states and international organizations. As argued above, network efforts contributed to commitments made by several European governments at successive G-7 summits and World Bank/IMF meetings to promote multilateral debt reduction. As for commercial banks also targeted in this issue area, network member initiatives caused Dutch and Belgian banks to commit themselves verbally to debt reduction, and in the United States, shareholder resolutions sponsored by the Interfaith Center on Corporate Responsibility throughout the 1980s led to one small victory: Bank of America committed itself to a code of responsible future lending to Latin America.

⁵².Byrnes, op. cit., 71.

⁵³.Phone interview with Veena Siddharth, Economic and Social Advocacy Officer, OXFAM International, June 5, 1997.

As suggested above, NGOs' persistent lobbying efforts helped to account for Swedish, Danish, and British verbal commitments to the need for multilateral debt reduction shortly before the October 1994 annual World Bank/IMF meeting in Madrid. At Madrid, the network joined with the Non-Aligned Movement and the G-77, which had adopted positions similar to that of the network, in lobbying and conducting media work on the issue. Again, the 1994 EURODAD Annual Report claims that as a result, the Bank and the Fund staffs were requested to prepare a joint paper assessing the problem and presenting solutions. As a follow-up, 23 U.S. groups (including the Center of Concern, the Environmental Defense Fund, Friends of the Earth, OXFAM-U.S., the Sierra Club and the Development Gap) joined 22 other NGOs from around the world (including EURODAD, three NGOs from Nicaragua, one from Brazil, and nine from Japan) in signing a June 1995 joint letter to the G-7 leaders scheduled to meet at the Halifax summit. The letter demanded specific reforms of the World Bank and the IMF to promote "socially equitable and environmentally sustainable development."⁵⁴ They included immediate action to write off 100 percent of the multilateral debt owed by the SILICs and 50 percent of that owed by Severely-Indebted Middle Income Countries, with financing to be provided by the Bank drawing on its reserves and the IMF drawing on its gold reserves or a Special Drawing Rights allocation.⁵⁵ While the leaders meeting at Halifax did not endorse such a proposal, they did recognize the problem of multilateral debt as a "substantial" one for many of the poorest countries, and promised to encourage the Bretton Woods institutions "to develop a comprehensive approach to assist countries with multilateral debt problems, through the flexible implementation of existing instruments and new mechanisms where necessary..."⁵⁶

The global debt network, as indicated earlier, followed up with public demonstrations, a prayer vigil, and meetings with World Bank and IMF staff and executive directors before and after the IFIs' October 1995 annual meeting in Washington, DC. Network members assert that their efforts are a necessary but not sufficient explanation for the Bank and Fund staff proposals

⁵⁴."G-7 Urged to Pursue Commitment for World Bank/IMF Review," 8 pp. Available from the Center of Concern, Washington, DC.

⁵⁵.Ibid., 8.

⁵⁶."G7 Economic Communique Text," Halifax, June 16, 1995, 6.

issued in the fall of 1995 and the G-7's verbal commitment to multilateral debt reduction at the 1996 Lyon summit.⁵⁷

As for the case of commercial banks, as mentioned above, the New-York-based Interfaith Center on Corporate Responsibility filed shareholder resolutions throughout the 1980s with most of the nine major U.S. money center banks that would require them to pursue debt reduction and enact socially responsible future lending criteria. Only one such initiative proved successful: in 1991 the Bank of America agreed to a code governing its future lending to low-income countries after repeated lobbying by several Catholic religious orders which are ICCR members. The code lists factors that will routinely be considered in prospective credit decisions, ranging from the likely impact of such lending on the environment to that likely on the political system, public health, and living standards.⁵⁸ Paul Dorfmann, an executive vice president who led the bank's discussions with ICCR representatives, attributed the code's adoption both to a "different corporate culture" that prevails at BA as opposed to the New-York-based banks, and a fundamental conviction of the basic compatibility of sound social and economic policy. Nevertheless, he declined to provide specific evidence of how the code has been operationalized, other than to indicate that his conversations with other BA officials indicated that it has.⁵⁹ Once again, though, ICCR has not been an active member of the successive Washington-oriented U.S. debt networks, although network members have been aware of ICCR initiatives.

NGOs in several European countries proved more successful vis a vis commercial banks than their U.S. counterparts, and their cases lie somewhere between obtaining discursive commitments and causing actual policy change. Dutch and Belgian NGOs mounted sustained campaigns urging those countries' largest banks to write off the debt owed them by the poorest countries. They succeeded in arranging meetings on the subject with leading bankers and finance and development ministry officials. In 1991, after more than one hundred Dutch activists holding shares in the largest Dutch bank, ABN AMRO, challenged the bank's board at the annual shareholders meeting, the bank's leadership made a commitment to match any official debt reduction for the poorest countries agreed to in the Paris Club. Continued NGO pressure on

⁵⁷.C.f., Oxfam International Position Paper, April 1996, op. cit.

⁵⁸.Bank of America Credit Policy Statement, "Less Developed Countries Activity Criteria" (San Francisco: Bank of America, January 22, 1991). 3 pp.

⁵⁹.Phone interview with Paul Dorfmann, Executive Vice President, Executive Officer for Credit Policy, June 7, 1997.

the bank to act on its commitment led to the institution of debt reduction at the end of 1992; however, according to Ted van Hees, actual debt reduction -- several million dollars -- has been "quite disappointing."⁶⁰ In the Belgian case, the agreement between banks and NGOs was worked out in 1993 and the debt network was still awaiting its implementation.⁶¹ The Belgian Minister for Development Cooperation and then-President of the EU Development Council also made a commitment to the NGOs in 1993 to work with EU governments and commercial banks to reduce the commercial debt of Sub Saharan African countries (12 percent of their total debt but 40 percent of debt service) in a way similar to the Belgian agreement but again, little change resulted.⁶² The international network contributed to these national initiatives by way of EURODAD's Working Team on Commercial Debt, in which NGOs from Germany, France, Netherlands, Luxembourg, Belgian, Switzerland, and the UK meet regularly to exchange information and plan common initiatives.⁶³

As argued above, lobbying by North and South representatives of the "Fifty Years is Enough" campaign and other critics of SAP conditionality is a necessary but not sufficient explanation of the World Bank leadership's verbal commitment to SAPRI. And finally, the global Jubilee 2000 campaign, with its intensive signature-gathering, grassroots education, and lobbying efforts, clearly contributed to the G-7 call at Cologne for the revision and deepening of the HIPC Initiative and more extensive bilateral debt relief linked to poverty reduction. The IMF and World Bank leadership announced at the September 1999 annual meeting that the institutions would implement a Poverty Reduction Strategy more explicitly tying debt relief to funding of health, education, the provision of rural infrastructure, and job creation.

In summary, earlier network members succeeded in extracting verbal commitments to policy reform and debt reduction from several commercial banks and European governments,

⁶⁰. He explained that the bank had managed to exclude some \$1 billion in Sub Saharan African debt by keeping out the bigger debtors like the Ivory Coast, Nigeria, and Liberia on the basis of eligibility requirements (in the latter case because much of the debt pertained to offshore investments under the Liberian flag), so that only the smaller African countries were covered. Phone interview with Ted van Hees, EURODAD coordinator, September 1, 1995.

⁶¹.Ibid.

⁶².EURODAD, "1993 Annual Report," 8.

⁶³.Ibid., 8.

with limited actual effect. The more recent and more global campaigns on multilateral debt reduction, SAP review, and Jubilee 2000 have contributed to commitments by G-7 and IFI leaders, but the jury is still out on the implementation phase of the expanded HIPC and SAPRI initiatives.

5. Influence on policy change in "target actors." This case study will argue that actions taken by network members and, in more recent years, the network itself, are necessary but not sufficient explanations for limited policy change by Dutch and Belgian commercial banks (described above), the Swiss and U.S. governments vis a vis bilateral debt, Paris Club countries with regard to bilateral debt, the HIPC Initiative and its expansion at Cologne.

A. Swiss and U.S. bilateral debt reduction. Following a widely publicized NGO campaign of popular education and lobbying, the Swiss government in 1991 established the Swiss Debt Reduction Facility (SDRF) with an endowment of Sfr 500 million (US\$ 350 million). Its major feature was the repurchase of officially guaranteed export credit debt from Swiss suppliers and banks; potential beneficiaries included all low-income countries and several lower middle income country recipients of Swiss official development assistance. By 1992, 95 percent of the outstanding export credit debt owed by 22 low and lower middle income countries were bought back at an average price of 18 percent of face value.⁶⁴ Following negotiations with debtor country governments the Swiss have used these funds to establish counterpart funds in local currency, the proceeds of which are used for development projects at the discretion of local committees which in some cases include representatives of NGOs and multilateral development agencies.⁶⁵ The Debt-for-Development Unit of the Swiss Coalition of Development

⁶⁴.EURODAD, "1992 Annual Report," 19.

⁶⁵.The Latin American countries among the ten beneficiaries are Bolivia (face value of debt reduced \$35.4 million, redemption rate [percentage of face value] 11%), Ecuador (\$46.4 million, 25%), Honduras (\$42.2 million, 20%), and Peru (\$130.8 million, 25%)Swiss Coalition of Development Organizations, Swiss Coalition News (Berne, Switzerland), No.1 (June 1994), 2-4; No. 2 (September 1994), 8; No. 3 (March 1995), 5. In the case of the last agreement to be negotiated, that of the Philippines concluded in January 1995, in contrast to the preceding nine agreements, the counterpart fund will be a private foundation that will manage and disburse the funds in the form of credits and grants. The foundation will also be managed exclusively by and for the benefit of Philippine NGOs and private organizations. Ibid., No. 3 (March 1995), 5.

Also, in February 1995 Switzerland cancelled the official bilateral debt of Guyana, approximately\$51,000. Because of the small amount involved no debt conversion element was included. Ibid., No. 4 (May 1995), 7.

Organizations plays an ongoing role of helping the Federal Office of Foreign Economic Affairs in the design and implementation of the counterpart fund programs.

As for U.S. bilateral debt reduction, the earlier efforts of Bread for the World staffers detailed above helped contribute to legislation authorizing the Bush administration to forgive debt owed by the poorest countries. In July 1989, Bush announced the administration's intent to act on this authority and cancel approximately \$1 billion of the bilateral debt owed by 16 Sub-Saharan African countries, just prior to the Paris Summit. By December 1993, total bilateral debt reduction under the Bush administration, for 19 Sub-Saharan African countries, 11 Latin American countries, and Bangladesh, had reached \$3.585 billion. Bread for the World claimed to have contributed to the reduction of \$2.71 billion of this total, in that the sum included \$2.02 billion for Section 572 development aid and Economic Support Fund loans and \$690 million for Section 411 food aid.⁶⁶ It would be more of a stretch to argue that NGO pressure contributed to Bush's decision to implement the enabling legislation or, for that matter, the 1990 Enterprise for the Americas Initiative. As mentioned above, the window of opportunity for further bilateral

⁶⁶.The remaining \$875 million was granted under the 1990 Enterprise for the Americas Initiative. The total excludes FY 1991 debt reduction of approximately \$7 billion for Egypt and \$1.6 billion for Poland. "U.S. Debt Forgiveness provided under Sections 572, 411 and 604," Department of the Treasury handout dated December 3, 1993. See also, "BFW Wins \$2.7 Billion in Third World Debt Relief," Bread for the World Newsletter Vol. 4, No. 5 (Washington, DC), June 1992, 1-2. According to the newsletter, the Latin American portion of 572 and 411 debt forgiveness was \$1.01 billion for Section 572 (Bolivia \$340 million, Guyana \$76 million, Honduras \$334 million and Nicaragua \$260 million) and \$273 million for Section 411 (Guyana \$40 million, Haiti \$99 million, Honduras \$109 million, and Nicaragua \$25 million).

debt reduction effectively shut following the passage of the 1992 Credit Reform Act; it required budgetary appropriation of the monies involved in debt cancellation, making debt reduction much more expensive.

B. Paris Club terms governing bilateral debt reduction.

The 1986 OXFAM-UK campaign and follow-up efforts by the British DCN helped to account for the April 1987 declaration by Thatcher's Chancellor Nigel Lawson that the British government favored cancellation of two-thirds of the principal of bilateral debt owed by the poorest debtor countries and longer terms at lower interest rates to repay the remaining debt. As evidence of the initial campaign's influence, OXFAM's John Clark cited the begrudging comments to him by Peter Mountfield, who was then Undersecretary of the British Finance Ministry: "Your campaign was well-placed and shameless."⁶⁷

These so-called "Trinidad Terms" were resisted by several of the other G-7 governments, most notably the United States, Japan, and West Germany, and less generous terms were agreed upon in December 1988. NGOs and church groups protested that these latter "Toronto Terms" were insufficient, and their 1990 campaign helped to explain the British government's successive call for better terms for the poorest debtor countries. Recent years have seen more generous terms announced -- "Houston Terms" for SILMICs in June 1991, "Enhanced Toronto Terms" for SILICs in December 1991, and "Naples Terms" for SILICs in December 1994 (cancellation of up to 67 percent of the bilateral debt of 27 countries including Nicaragua and Bolivia). While more interviews with policymakers would be required to prove that persistent network education, media, and advocacy work (e.g., EURODAD's "Target 92" campaign outlined above and a widely disseminated 1994 policy paper on the topic⁶⁸) contributed to these reforms, posing the counterfactual would seem to indicate that the network's efforts were a necessary factor.

C. The 1996 HIPC Initiative. As argued above, the 1996 move to reduce the multilateral debt of qualifying SILIC countries constituted actual policy change in that that category of debt was previously considered off-limits. According to one senior World Bank official who specializes in debt issues interviewed in The Christian Century magazine, "I don't want to say it was the NGOs that forced us to change, but NGOs played a major role." He observed that, "There were some NGOs that became very involved in the details of the [HIPC]

⁶⁷.Cited by John Clark during our interview, op. cit.

⁶⁸.Matthew Martin, "Official Bilateral Debt: New Directions for Action," EURODAD Policy Paper (Brussels: EURODAD, April 1994), 43 pp.

process," having a beneficial effect on the initiative by their mastery of details. He added that they had a say "by being able to make forceful arguments" to the donor nation governments.⁶⁹

D. The Cologne Initiative and U.S. Funding. Similarly, persistent network criticism of the HIPC Initiative is a necessary but not sufficient explanation for the Cologne Initiative and U.S. government approval in November 1999 of funding for both bilateral and multilateral debt relief. The U.S. Congress passed legislation appropriating \$110 million for U.S. bilateral debt relief explicitly tied to poverty reduction. While the latter sum is well below the \$970 million President Clinton requested, it was a clear victory to get any significant funding from the Republican-led Congress for such a program that will primarily benefit Sub-Saharan Africa and is not perceived to be in the vital interest of the United States. Also, in a deal negotiated between U.S. Treasury officials and Republican Congressional leaders, the IMF will be permitted to revalue part of its gold stock to finance reduction of HIPC country debt owed to the Fund. The revaluation of approximately 13 million ounces of gold would generate some \$3.1 billion in profit. Interest would go towards debt relief, with a 60-40 split between this year and next.⁷⁰ Several network activists quoted Treasury officials' acknowledgment of the network's impact. The IMF gold revaluation, for example, would have been highly unlikely without the persistent, technically detailed, and well-publicized calls for such a move by Jeffrey Sachs and other Jubilee 2000 campaigners.

⁶⁹."Policy Change for World Bank," The Christian Century (No. 32, Vol. 113, November 6, 1996), 1065

⁷⁰.John Burgess, "Deal Will Allow IMF to Fund Debt Relief," <http://washingtonpost.com/wp-srv/WPlate/1999-11/17/2041-111799-idx.html>.

FACTORS ACCOUNTING FOR EARLIER RELATIVE LACK OF INFLUENCE AND MORE RECENT SUCCESS

Until the most recent case of the Jubilee 2000 campaign's pivotal role in the revision and expansion of the HIPC Initiative and bilateral debt relief, several factors inhibited the ability of the network to influence debt and structural adjustment policies. These factors may be divided into three categories: characteristics of 1) the issue area, 2) the target actors, and 3) the network itself. In the case of all but one of the factors, changes are observable in the last two years which help account for the recent relative success of the network.

1. Issue area: Complex, low salience. A global public policy network is arguably less likely to have influence on complex, technical international issues with few *apparent* implications for prospective Northern audiences. The problem of Third World debt has simply been one far removed from the experience of the overwhelming majority of creditor country populations. People were much less likely to attempt to master the complexities of SAPs and debt sustainability ratios than, for example, those of nuclear targeting doctrine, CFC destruction of the ozone layer or landmines, because they neither saw their self-interest in the issue nor understood it as a justice issue. Earlier network members found it difficult to frame the issue in a way compelling, familiar, and intelligible to creditor country audiences. While the 1986 OXFAM campaign was a notable exception, U.S. activists in particular expressed frustration. John Cavanagh of the U.S. DCN cited the network's repeated failed attempts to forge alliances with farm and labor organizations by 1) pointing out the many U.S. jobs lost due to falling exports to deeply indebted countries, and 2) comparing the debt crisis to farm debt and red-lining.⁷¹ Then-Senator Bill Bradley also spoke of his attempts to make the export-related job loss argument in talks with his constituents, with little demonstrable effect.⁷² Susan George's 1992 book, The Debt Boomerang: How Third World Debt Harms Us All⁷³ was a belated attempt to publicize the alleged negative consequences of the crisis for industrialized countries: an escalation of the drug trade, export-related job loss, environmental destruction, riots and revolutionary violence in debtor countries, and increased immigration. Cavanagh lamented that George's book came ten years too late.

⁷¹.Interview, op. cit.

⁷².Interview, op. cit.

⁷³.London: Pluto Press, 1992.

Nevertheless, in the last few years, Jubilee 2000 activists have successfully promoted resolution of this complex problem as what can only be termed a “millennium imperative.” With the shift in focus in the early 1990s to the plight of the poorest countries whose debt overhang clearly undermines efforts at poverty alleviation, it became easier to make the case that debt relief would honor the biblical mandate to celebrate the new millennium with a one-time remission of debts.

2. Issue area: Diffuse. Long-term U.S. activists interviewed pointed out how difficult it was to both keep up with developments and educate interested groups and individuals when dealing with an issue affecting some 100 countries. Several raised the contrasting case of NAFTA, in which they could focus on forging links with just Mexican and Canadian NGOs. Griesgraber, Cobourn Herman, and Clark, for example, said they had better results when they provided concrete illustrations of the social impact of the debt crisis and failed SAP policies in individual countries such as Peru, the Philippines, Zambia, and Uganda.

However, with the Jubilee 2000 campaign, in a point related to the first factor, the widely held perception that substantial bilateral and multilateral debt reduction would significantly contribute to poverty alleviation in a broad range of countries has made the campaign a worthy form of celebrating the millennium. As Bono succinctly put it in his address to the September 24, 1999 Meeting on Alternative Approaches to Debt Relief for Highly Indebted Countries in Washington, DC: “It’s the only idea big enough to fill the shoes of the date.”⁷⁴

3. Issue area: Portrayal in the media. Finally, as mentioned above, activists found it difficult, more so in the United States than in Europe, to generate interest on a topic both severely under-covered and portrayed as having been resolved. For many years The Financial Times of London was the only major newspaper of record to feature regular coverage of debt and adjustment.

Activists in the Jubilee 2000 campaign have made a much more concerted effort than their predecessors to get media coverage of their position(s). The New York Times explicitly endorsed much of the network’s criticism of the Cologne Initiative in an October 4, 1999 lead

⁷⁴<http://www.iisd.ca/linkages/sd/hipc/>. RealAudio excerpts, 10/4/99.

editorial. As argued above, the contributions of high-profile figures such as Pope John Paul II, Bono, and Jeffrey Sachs have drawn additional media attention.

4. Target actors: Insulation/Few legislative handles. It could be argued that GPP networks are less likely to have influence on international issues over which the executive branch exercises predominant authority and few legislative means are available to influence policy decisions of the executive branch, international organizations, and other key non-state actors. In the case of Third World debt, the policy process has been fairly well-insulated in finance ministries, international financial institutions, and major money center banks. NGOs active in the debt network in the 1980s typically had forged stronger ties to legislators and their staffs; however, while they were often successful at having hearings held, little effective legislation resulted. For example, the U.S. Congress passed legislation in 1988 requiring the incoming Bush Administration to explore the creation of an international debt facility, but the Treasury Department simply refused to do so. Particularly in the United States, network members only began to cultivate contacts in finance ministries in the late 1980s and early 1990s. As mentioned above, the 1994 election of a more isolationist Republican Congress gave further impetus to the network's shift of strategy to lobbying executive branch and IFI officials. The latter have expressed more interest in meeting with their NGO critics partially because they have been seeking allies to stave off further budget cuts by Congress.

However, even if finance ministry officials and legislators were interested in acting on the issue, network members had few direct means by which to affect the behavior of the IFIs and the money center commercial banks. In the case of the former, they could attach language to the periodic authorizations for IDA and even less frequent IMF quota increases. Affecting the behavior of the major commercial banks was even more difficult and technical, for example, changing tax treatment of the banks' loan loss reserves in order to induce them to write off more outstanding debt. U.S. NGOs in particular found that this was not the stuff of intelligible extensive grassroots campaigns.

Only with the multilateral debt reduction and SAP review campaigns did network cultivation of finance ministry and IFI officials begin to bear fruit. Neo-Social Democratic administrations in the United States, Great Britain and Germany in the late 1990s created new opportunities for G-7 action. In the case of H.R. 1095, it was again the network's cultivation of legislative supporters -- this time bipartisan -- that made the difference. Several U.S. Jubilee 2000 activists suggested that Treasury Secretary Summers' newfound interest in legislative action (after several years of tepid response by mid-level Treasury officials) was prompted by his surprise at two leading House *Republicans* (Leach and Bachus) challenging him at the June 1999 House Banking Committee hearings on why the Administration had not done more on debt

reduction. Also, Treasury was being pressured by the White House to take action, because Tony Blair and Pope John Paul II had both personally asked Clinton to do so.

5. Network characteristics: diverse, under-staffed, and under-financed. The reformist-radical divide factor has not changed. Earlier efforts at networking were particularly marked by sharp divisions of opinion on analysis and strategy, and the cleavage has endured, with episodic efforts by some activists to bridge the gap. More radical members believed that the debt was illegitimate and had already been repaid; they therefore opposed any debt swaps (be they for equity, the environment or development) or any moves toward conditioned debt reduction that continued external control over debtor country economic policy. Other members, who often shared many of the radicals' views, labeled the former group as "purists," complaining that their positions effectively isolated them from the policy debate. It appeared that in both the United States and Europe, reform-oriented groups more interested in incremental policy change have prevailed in the last two phases of international networking, and radicals are now among those engaged in inter-sectoral dialogues they previously eschewed. Tensions still persist. As Marie Dennis of the Maryknoll Justice and Peace office put it, "There has been some concern in the movement about the institutions breaking us up into 'good' NGOs you could talk to and confrontational ones that you couldn't. We've tried to be clear; while we have different styles, we agree on an agenda as much as possible."⁷⁵

Secondly, earlier groups active on the debt issue tended to be small organizations lacking extensive membership bases (with the exception of Bread for the World in the United States and several of the groups in "Fifty Years is Enough"), with small staffs often covering several issues with very limited funds. OXFAM International, with its larger budget, research arm, and relationship to regional OXFAMs, was a notable exception. The Jubilee 2000 campaign has spurred a profound expansion of the network, particularly with the active participation of extensive networks of institutions affiliated with the Catholic and mainline Protestant churches. While many of these churches have begun to fund more systematic work on debt, many activists interviewed reported that they are still over-worked with insufficient resources.

Thirdly, several Northern activists consulted suggested that the very nature of the debt issue had long impeded effective Southern organization. According to one, "Southerners are always in a learning position. They just don't have the access to information to take the lead." Another who spoke of persistent efforts to expand and democratize the network reported that

⁷⁵.Phone interview, op. cit.

faxed information and inquiries were rarely acknowledged: "The problem is that many of these people are so over-committed that they are not able to respond." Again, one of the principal goals of the Jubilee 2000 campaign has been to fund and strengthen the capacity of debtor country civil society groups to document the impact of the debt overhang and SAPs on the poor, collaborate with responsive governments in the design of poverty action plans associated with debt reduction, and monitor their implementation. The expansion of the Internet, network websites and e-mail has greatly facilitated this work.

RECOMMENDATIONS FOR THE UN SYSTEM

Several of the Jubilee 2000 leaders interviewed for this case study strongly urged the UN to appoint someone at the very highest level to lobby their counterparts at the World Bank and the IMF on the poverty impact of the latter institutions' policies. One U.S. lead activist noted that the UNDP's annual Human Development Report has for several years noted the potentially harmful effects of structural adjustment. She suggested, "They should go straight to the IMF, get to know the E.D.s, and raise profile issues like HIV. Are they informed, are their policies strengthening or weakening human development in Africa, for example? There's a rapporteur in the UN Human Rights Commission on debt. What does this person do? Do they pull any weight?"

Another lead activist in the German Jubilee 2000 campaign suggested that the campaign should work more closely with UN agencies such as UNCTAD that have been involved in the debate on an international insolvency law. She suggested that UN agencies should: 1) conduct and disseminate research on the topic; and 2) provide international fora and involve key decision makers in the discussion, including the private sector, e.g., lawyers associations.⁷⁶

Many of those within the network who favor some sort of positive conditionality on debt relief expressed the view that UN agencies should play a greater role – and the IMF a much reduced one -- in the design of that conditionality. For example, participants gathered at the Meeting on Alternative Approaches to Debt Relief in September agreed that countries should qualify for debt cancellation by preparing a medium term Social Action Strategy to address urgent human needs. The Strategy would be prepared in consultation with the World Bank, regional institutions, and relevant UN agencies, such as the World Health Organization, UNICEF, and the UNDP. The creditors, together with the indebted country, would then review and discuss the Social Action Strategy, and approve them as suitably modified.⁷⁷ Other Jubilee

⁷⁶.E-mail, Christiane Overkamp, Development Policy Unit, Misereor, November 17, 1999.

⁷⁷<http://www.jubilee2000uk.org/news/usa2709.html>, 10/4/99.

2000 activists pointed out that through the UNDP the UN has been involved in drawing up poverty action plans in a number of countries (one mentioned the very positive role the UNDP has played in post-conflict El Salvador and Guatemala); these plans could be the basis for the newly announced Poverty Reduction Strategy of the IMF and World Bank.

CONCLUSION

The enduring problems of external indebtedness and the disproportionate burden borne by the poorest in countries undergoing SAPs have posed considerable challenges to NGOs and church groups working toward their alleviation. Compared to issue areas covered by other GPP networks, the question of debt and structural adjustment is multifaceted, technically complex, and difficult to organize around.

Efforts at network-building were shown to have begun in the mid 1980s at the instigation of religious and secular NGOs with extensive grassroots experience in Latin America, Sub-Saharan Africa, and the Philippines. The case study has argued that while policy and personal differences somewhat hampered early collaboration, and successful campaigns were organized by groups which could rely on their own information rather than that of Southern NGOs, nascent attempts at transnational information exchange did enhance the U.S. and European network's educational work.

Factors external to the network (e.g., the 1989/90 widespread perception that the crisis was over) coincided with internal ones (e.g., the aforementioned divisions and departure of key personnel) to account for a brief lull in network activism at the turn of the decade. However, persistent efforts by several U.S. and European NGOs revived newly constituted networks in the early 1990s. The emerging *global* network, primarily but not solely under the leadership of EURODAD and then OXFAM International in the absence of the clear adoption of the issue by any major U.S. NGO, increasingly mobilized national networks in creditor and debtor countries to endorse, publicize and advocate major joint initiatives such as those on multilateral debt reduction and SAP review. Facilitated by network web-sites and e-mail exchange, the Jubilee 2000 campaign has developed into a much broader network of civil society groups (especially Christian churches committed to marking the millennium with a significant step toward poverty reduction) increasingly interacting with government and IFI officials.

Evidence was presented for five categories, or stages, of the network's influence; it was argued that the debt network has been most successful at the first two stages, grassroots education/network building and issue attention/agenda setting. Most significantly, the network placed the issues of SAP reconsideration, and bilateral and multilateral debt relief linked to poverty reduction and civil society participation on the agendas of creditor and debtor governments and the IFIs. It was argued that the Catholic Church hierarchy and affiliated NGOs, OXFAM International, "Fifty Years is Enough" leaders, and leaders of national Jubilee 2000 campaigns have had limited impact in the third category, influence-seeking during policy formation. It was suggested that network actions helped to account for verbal commitments

made by several European commercial banks and creditor country governments to debt reduction, as well as actual policy change by several of the commercial banks, and the Swiss, U.S., and Paris Club governments vis a vis bilateral and multilateral debt education. Countries affected were among the poorest in Sub Saharan Africa, Latin America (Bolivia, Guyana, Haiti, Honduras, and Nicaragua), and Asia (Bangladesh), owing the vast majority of their debt to Northern governments and IFIs. Thus, major commercial bank creditors were less likely to invest resources to oppose these small but significant reforms, and Jubilee 2000 activists were able to garner some bipartisan support for debt relief funding by pointing to the relatively small cost of initiatives that could significantly improve the lives of several hundred million of the world's poorest people.

Recommendations were made for a substantially increased role for UN agencies in the issue area, particularly to contribute their expertise to efforts to ensure that debt relief is linked to effective poverty reduction programs.

Issues raised by the case for the GPP research program include: 1) the degree to which a lead organization (in this case, successively, OXFAM-UK, EURODAD, OXFAM International, and Jubilee 2000 UK) enhances cooperation among network members and increases the network's efficacy -- or provokes resentment; 2) the extent to which leading Northern members are themselves transnational organizations not requiring Southern NGOs' informational input; 3) the comprehensiveness of the network (the extent to which significant non-state actors active on the issue remain outside the network -- in this case UNICEF in the earlier years); 4) the contestational versus collaborative nature of the network (the extent to which civil society network members view government and IFI officials as targets rather than partners); 5) categories of influence (the addition of grassroots education/network building and influence-seeking during policy formation); and 6) the extent to which rifts between reform-oriented and radical groups inhibit network cohesion and efficacy.