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MOTION FOR A RESOLUTION

to wind up the debate on the Council and Commission statements

pursuant to Rule 103(2) of the Rules of Procedure

by Luisa Morgantini, Helmuth Markov, Paul Verges, Sérgio Ribeiro and Jacky Henin

on behalf of the GUE/NGL Group

on debt relief for developing countries following the cutting of Iraq's debt

European Parliament resolution on debt relief for developing countries following the cutting of Iraq's debt

The European Parliament,

- having regard to Resolution 2001/27 of the United Nations Commission on Human Rights on the effects of structural adjustment policies and foreign debt on the full enjoyment of all human rights, particularly economic, social and cultural rights,
 - having regard to the Jubilee 2000 petition, signed by 24 million people calling for the debt of developing countries to be cancelled,
 - having regard to Rule 103(2) of its Rules of Procedure,
- A. whereas 19 creditor countries within the Paris Club cut Iraq's public foreign debt by 80% at the behest of the United States, the occupying power,
- B. whereas the developed countries are pitiless when it comes to the debt that is bleeding the developing countries dry, and whereas the HIPC (heavily indebted poor countries) debt relief initiative – launched by the World Bank in 1996 – was a failure, serving only to distract attention away from the key issue of cancelling the debt of developing countries,
- C. whereas, twenty years after the debt crisis began in 1982, the debtor countries had paid back more than seven times what they owed, and whereas their debts have now increased fourfold,
- D. whereas, to the detriment of the poorest people, most debtor countries spend more money on paying back the debt than they spend on health and education put together, and whereas the debt prevents poor countries from addressing major pandemics (AIDS, tuberculosis, etc.),
- E. whereas the mechanism of debt is a hindrance to development and democracy, a powerful way of moving wealth from the South to the North, and a key element in subordinating developing countries to rich nations and international financial institutions, in particular in order to impose programmes relating to structural adjustment and the deregulation and liberalisation of the developing countries' economies,
- F. whereas most developing countries have experienced the devastating effects of colonialism, meaning that, rather than being indebted to the industrialised countries, they are actually the creditors,
- G. whereas extreme poverty constitutes a new form of slavery to which the populations of these countries are subjected, and which affects stability and results in the uprooting and migration of populations,
1. Believes that the foreign debt of poor countries must be cancelled because it is illegitimate

and hinders their development; also notes the failure of the HIPC (heavily indebted poor countries) debt relief initiative launched by the World Bank in 1996;

2. Calls for the immediate cancellation of the bilateral and multilateral foreign debts of the countries affected by the earthquake and tsunami in Asia that have suffered considerable human and material losses (including Sri Lanka, Myanmar, India, Indonesia, Malaysia, Thailand, etc.);
3. Welcomes the statement issued by the Africa Social Forum in Lusaka on 14 December 2004, which legitimately calls for the cancellation of 100% of the debt of developing countries;
4. Calls on the Commission and the Member States to pursue an active and coordinated policy, both within multilateral institutions and on a bilateral basis, for the full cancellation of the foreign debt of all developing countries; also asks that the target of 0.7% of GNP for development aid be met as soon as possible in order to attain the Millennium Development Goals;
5. Notes that Iraq's debt has been cut by USD 30 billion, despite that country's huge natural wealth and is all the more amazed at the industrialised countries' persistent refusal to accept the cancellation of the foreign debt of developing countries;
6. Considers the debts incurred by dictatorships to be particularly odious, immoral and illegal and supports the Argentine bill seeking the total cancellation of the debt incurred under the dictatorship there between 1976 and 1983;
7. Believes that the policies of deregulating and liberalising the economies of indebted developing countries, as promoted by the WTO, adversely affect the economies of those countries; calls for the start of negotiations on the conclusion of an EU-ACP free trade agreement in the context of economic partnership agreements to be linked to the issue of the cancellation of foreign debt, which must be a precondition for such an agreement;
8. Instructs its President to forward this resolution to the Commission, the Council and the Secretary-General of the United Nations.