



**A Catholic Campaign
Against Global Poverty**



Take Action!

**Call Congress and Urge Immediate Cancellation of Haiti's Debt
October 22, 2008**

REASON FOR THIS ALERT: Haiti – the poorest country in the Western Hemisphere – is struggling to recover from a series of weather emergencies and a political crisis. This recovery is made much more difficult by Haiti's obligation to pay almost \$1 million per week in debt payments to the World Bank and the Inter-American Development Bank (IDB). In the midst of a global financial crisis that grips our nation as well, Haiti needs help.

TAKE ACTION NOW! Call your Representative and Senators and ask them to urge Treasury Secretary Hank Paulson to work with the World Bank and the IDB to cancel Haiti's debt.

BACKGROUND: Haiti incurred most of its debt during the oppressive regime of Jean-Claude Duvalier and its people received little benefit. While many of the poorest countries in the Western Hemisphere (Bolivia, Guyana, Honduras, and Nicaragua) have already received debt cancellation under the HIPC (Heavily Indebted Poor Country) initiative and Multilateral Debt Relief Initiative (MDRI) – Haiti still has to reach what's known as the "completion point" at which time it will receive complete debt cancellation. The path to the completion point involves a series of financial and other public-sector reforms that Haiti is simply in no position to tackle any time soon. Haiti is recovering from a major political crisis brought on by unrest at the soaring food prices and the devastation brought on by the recent two major hurricanes.

Since Haiti did not reach this "completion point" by September 2008, Haiti still has to pay an additional \$44.5 million in debt service payments to multilateral institutions (mostly the World Bank and the Inter-American Development Bank). This is equivalent to about 26 percent of Haiti's spending on public health, where there are many vital unmet needs. At a time when the country is trying to put in place a functioning government and recover from a series of devastating weather emergencies, Haiti should not be sending \$1 million per week to pay debts from which the Haitian people themselves received little benefit.

ACTION REQUESTED: Call your Members of Congress and ask them to urge the Treasury Secretary to support cancellation of Haiti's debt to the World Bank and the IDB. The United States plays a vital role in World Bank and IDB decision-making. In the midst of a global financial crisis, tell your Member that Haiti should not be forgotten. Call the Capitol Switchboard and ask to speak with your local Representative and Senators.

RESOURCES

See action alerts and letters on the *Catholic Campaign Against Global Poverty* website of USCCB and CRS at www.usccb.org/globalpoverty. For more information contact: Gerry Flood, 202-541-3167 (phone), 202-541-3339 (fax); gfflood@usccb.org; and Fr. Andrew Small, OMI, 202-541-3153 (phone); asmall@usccb.org