

BUSINESS

Pressure Builds To Abolish Africa's Debt

BY FARAH KHAN

Cape Town, South Africa (NNPA)—As over a thousand protesters gather in the United States capitol recently to aggressively protest the International Monetary Fund and the World Bank's lending practices in third world countries, African leaders gathered to strategize on abolishing paralyzing debts owed to Western countries in their entirety.

While American students struggled with police on the streets of Washington, DC—causing that city to spend over \$5 million in crowd control—Africans half a world away took their own steps in freeing their countries of crippling western debts.

In Cape Town, to the gentle sounds of a marimba, the speaker of South Africa's parliament, Frene Ginwala, and former Zambian president, Kenneth Kaunda, snipped open the paper mache chains holding captive a toy globe.

The two leaders performed the gesture symbolizing the freeing of nations enchained by foreign debt at a special Sunday service at Cape Town's St. George's cathedral.

They were among a host of senior politicians from the Southern African Development Community (SADC) region supporting Jubilee 2000 and the scrapping of Mozambique's foreign debt.

The immediate, total and unconditional debt cancellation of Mozambique's foreign debt is key to the long-term reconstruction of the country," said ANC Member of Parliament Rob Davies in a motion before parliament.

Jubilee 2000 is a global alliance that fights for debt cancellation in the Third World. Presently, it's focusing on the Mozambican campaign after debtor nations in the North declined to cancel Mozambique's debts despite the devastating floods that wracked what is still the world's poorest nation.

At the church service, Kaunda added, "Mozambique paid its debt to the world when it fought apartheid. It's now time for the world to pay its debt to Mozambique."

Instead, Mozambique's debtors have only postponed the payments, which amount to \$1.4-million per week. The Mozambican government will have to resume payments next year.

Cancellation is "not only just, but essential if Mozambique is to overcome its history of wars and now the floods," said Mercia Andrews of the SA NGO Coalition.

With parliament's endorsement of its latest campaign, Jubilee 2000 South Africa is growing in influence.

Its patrons include the Anglican Archbishop, Njongonkulu Ndungane, who is as much an activist priest as his predecessor Desmond Tutu; Nelson Mandela's biographer Fatima Meer and the author Dennis Brutus. Jubilee 2000

South Africa is supported by the 1.8-million strong Congress of SA Trade Unions as well as by the NGO Coalition.

"There is an increasing convergence of political opinion on debt," says Neville Gabriel, the spokesperson of Jubilee 2000 in South Africa.

Whereas civil society and governments held very divergent views, there is a new focus on the debt web its spins for any development initiatives.

At this month's Africa-EU Summit in Cairo as well as at last week's G77 South-South summit in Havana, government leaders have spoken out on the need for enhanced debt relief and even in some cases, for debt cancellation.

South African President Thabo Mbeki told the Havana meeting that "(greedy) countries of the north came to Mozambique to help it cope with the very serious flood disaster."

He added that "a week after they arrived to demonstrate this global solidarity, they refused to do the most obvious thing to express solidarity with the suffering Mozambican people: to cancel its debt."

Jubilee 2000 draws the distinction between debt and "odious" debt, which can, for example, include apartheid debt, incurred by South Africa's former rulers in pursuance of their policies. It believes that odious debt should be cancelled.

Mozambique's debt is included in this rubric because it had to borrow from the IMF and World Bank after its own resources went into fighting RENAMO, which was bankrolled by the South African government.

Nigerian president Olesgun Obasanjo has also called for the scrapping of his country's odious debt incurred by military dictators.

The lobby takes its name from the biblical principle of Jubilee, which suggests that there should be a new beginning every 50 years. The anti-debt movement wants all third world debt cancelled before the end of this year because it argues that every one U.S. dollar given to Africa in aid, \$1.31 is paid out in debt.

In South Africa, Jubilee 2000 workers are taking the campaign into churches around the country and some priests are becoming its most keen advocates. Speakers from every SADC parliament attended the Sunday's event, as did leading opposition politicians from the region.

The African National Congress's parliamentary caucus has also thrown its weight behind the campaign to exert pressure on Mozambique's foreign debtors.

At Sunday's service, Dean Rowan Smith prayed: "Remind us that your command is to forgive, and not exact a killing price forever on debt that has already been repaid many times over."

Boeing CFO Resigns After Barely A Year On Job

SEATTLE (AP) - Deborah Hopkins, The Boeing Co.'s chief financial officer, has left the aerospace giant after barely a year to take the same post with Lucent Technologies.

Hopkins, 45, will oversee all of Lucent's financial operations and report directly to Richard McGinn, Lucent's chief executive.

"I enjoy the passion and velocity of a high-tech company," Hopkins said today. "And Lucent is at the center of one of the fastest-growing industries today. When I was offered the opportunity to join Lucent and Rich McGinn's senior team, I couldn't pass it up."

She replaces Donald K. Peterson, who has been named CEO of Lucent's new Enterprise Networks Group, slated to be spun off later this year.

A Boeing spokesman did not immediately return a call for

comment.

Hopkins joined Boeing in December 1998. Her 1999 compensation was about \$1.25 million, according to Boeing's 2000 proxy statement. That included a salary of about \$473,000, bonus of about \$633,000, and other compensation of \$144,000.

Her Lucent offer was not disclosed.

Hopkins was hired away from General Motors Corp. by Boeing during difficult times for the aerospace manufacturer. Boeing in 1998 had reported its first annual loss in 50 years, and hiring Hopkins was part of the company's successful effort to change financial course.

Lucent Technologies, headquartered in Murray Hill, N.J., designs computer systems, software and communications networks, focusing on optical and wireless networks, Internet infrastructure and other areas.

Are Payday Loans Costing You Money?

Payday loan services are becoming more popular as a means for individuals who are strapped for cash between paydays. Essentially, they involve the borrower writing a post-dated check for the borrowed amount plus a fee. The lender will then give the borrower in cash the amount of the check minus the fee. On the date of the borrower's next payday, they will be offered several options. Either the check will be cashed in full, the borrower can pay cash to recover the amount borrowed or they can opt to roll over the borrowed amount to the next payday.

Under the Truth in Lending Act, the cost of payday loans must be disclosed. Among other information, a consumer must receive in writing the finance charge and the annual percent-

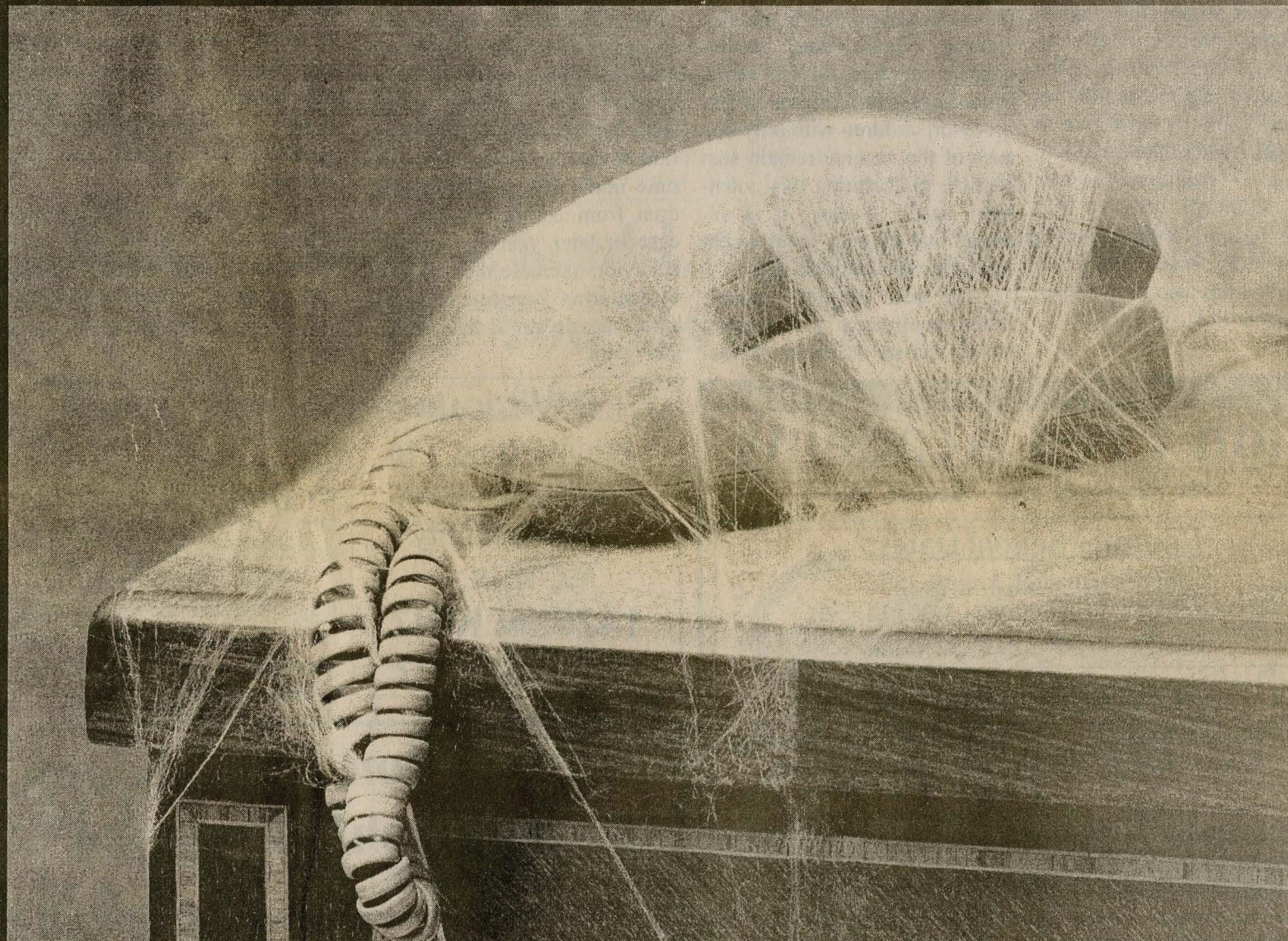
age rate (APR).

Before settling on a payday loan, the BBB offers the following suggestions:

Ask your creditors for more time to pay your bills. You may find that the late charges are not as high as the fees or interest rates involved with a payday loan.

Contact your local consumer credit counseling service and work out a debt repayment plan with your creditors.

If you do decide to borrow from a payday loan service, borrow only as much as you can afford to pay back and have enough remaining to last until your next paycheck. Also, contact the BBB first and request a reliability report on any payday loan service you may be considering.



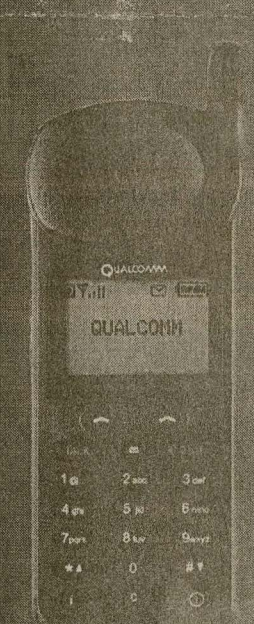
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Japan Loans Morocco 70 Million Dollars

RABAT, Morocco (PANA) — Japan has given Morocco \$70 million in loans to finance drinking water supply projects in the southern region of Agadir, and to double the northeastern railway track linking Meknes and Fes.

The Japanese embassy said

in a statement Tokyo generally provides grants to Morocco to the tune of \$20 million dollars yearly.

Rabat is Tokyo's major African partner as it funds several development projects in Morocco.