Some time ago, Pastor Herbert Eze, a Nigerian, threw an unprecedented challenge into the lap of the Institute of Church and Society (ICS). "I do not know much about the details of the External Debt (ED)," he confessed, "but I have a hunch that this is a problem that affects the welfare of our people more than any other current issues. I want the ICS to explore this thing thoroughly."

Wow! Little ICS with a budget of a mere $100,000 attack the giant of ED? How could we possibly handle such a giant? Not only is it a problem of huge dimension, but it is also an explosive issue that could bring us in direct confrontation with the powers that be. Furthermore, where could we turn for reliable, objective information on the subject? And then there was the question about funds. Who would possibly want to devote church or mission finances to such a radical venture?

For two long years the ICS Board wavered. Then it decided in faith to proceed. The committee wheels jumped into gear. People knowledgeable of the economic aspects of the ED questions were found at some local institutions. Theologians from the Reformed, Evangelical and Roman Catholic traditions were assigned papers outlining their basic perspectives on the issues. However, only the Catholic representative could draw concretely from his tradition, while I as Reformed and my Evangelical partner had to use our imagination and do original spade work. A representative of the Kenyan Council of Churches, who had been involved in the issue at some depth, heard about the coming event and favoured us with his presence and a paper outlining African ecumenical insights. Funds were obtained from a German development agency and a Swiss church group.

And so we started--without any real idea as to where we would end up. "Jumping off the cliff," as I call such moments, something we do almost every time the ICS starts a new adventure. The first step was to explore the field, trusting the Spirit of God to lead us into the desirable directions. Though I was disappointed that, apart from myself, we had to turn exclusively to people outside the Reformed Ecumenical Council for knowledge, insight and funds, I thanked God that He overcame this void in my own tradition by leading us to all the appropriate places and people to get this new venture off the ground.

Some of the things we discovered in this venture were shocking for most of us who had never studied the ED problem in depth. Its effect on the affected countries is so

[1] The Reformed Ecumenical Council (REC) requested this article from the ICS in 1992 for publication in one of their journals. With the ICS having expired and the REC merged with another body to become the World Council of Reformed Churches, it has not been possible for me to trace the exact bibliographical data for this article. 1992 (7 pp.).
all-embracing that it distorts their cultures entirely and totally impoverishes the majority of the people.

Economic Aspects of the ED Crisis

I use the word "crisis" quite consciously. A Nigerian writer, Joseph Obemeata, echoes the feeling of many in his assertion that "the most serious problem facing Nigeria today and which should be treated as a priority problem is the problem of ED and its consequences for...the poor." Another describes the ED as "the biggest block to the attainment of a decent standard of living for people in the indebted countries."

The basic problem is that the servicing of these debts is now causing an outflow of funds from Southern countries to the West that exceeds their income. According to World Bank reports, in 1988, the South transferred $50.1 billion to the West in debt payments, up about $12 billion from 1987. The World Bank itself received $2.6 billion more in debt payments from the South than it disbursed to them.

Put in other words, the least developed countries spent up to 27% of their export earnings pm debt servicing. The very poorest countries spent up to 50%! You see why it is called a crisis? Even if these countries had no debts to service, their income would not suffice for their basic needs, let alone under these circumstances.

We see the effects of this situation wherever we turn in Nigeria. Government services have largely ground to a halt. Hospitals are mere shells without equipment, medicine or personnel. Schools have no benches, blackboards or books. Roads fall into disrepair. And Nigeria is one of the richer southern countries. World statistics show that recent gains in health care are reversing with infant mortality and general disease once again on the increase. These are not being called "death-dealing debts" for nothing.

The International Monetary Fund (IMF) has been appointed the nursemaid for debtor countries. It insists on various stringent economic measures that include devaluation, lifting of government subsidies, free trade and other steps that, though splendid they may seem in abstract economic theory, only serve to increase the suffering of the people in ways we have no room to describe further.

Political Aspects

In most debtor countries there is no democratic tradition. The countries are governed by an elite that may have emerged from the people, but over whom the people have little control. The elite have the power to manipulate the people and hoodwink them in a thousand ways. These loans are contracted without the knowledge or consent of the people. Sometimes, as in the case of Nigeria, against the expressed wishes of the
When these loans are contracted, the government will often make political hay out of it by emphasizing the usefulness of the projects for the people, but, in fact, the people seldom see such projects completed and put to use. They merely end up chased off their ancestral lands without suitable alternatives and without the benefit of the loan or project. Mismanagement of these loans is so rife in government that it is hard to believe that the people can do little about it.

**The Aspect of Corruption**

The above has already brought us to the question of corruption. Conference speakers referred to this corruption time and again as a major aspect of the problem. Africa's own sons and friends make this charge. No one less than Dr. Kofi Nyidevu Awooner, Ghana's permanent representative at the United Nations and chairman of the Group of 77, without naming them, talks of southern countries that have "vast amounts of money vanishing in the pockets of individuals. The Swiss banks are full of money stolen by some African leaders." And then comes the twist: some of these leaders are supported by Western powers.

An official of the World Council of Churches (WCC) was reported to have said that in some cases the money never left the bank but was merely transferred to another account! A friend of mine who served for some time in one of Nigeria's state governments tells of loans of 40 million Naira ($4 million) for projects that would cost only one-tenth of the loan. Guess where the rest went?

The term "flight money" refers to funds exported by southerners and lodged in private accounts in the West. The statistics are enormous. One WCC document claims that "roughly half of the money that was lent...during the past ten years was promptly sent back by telex or bulging suitcases." And all the while, the people are expected to carry the burdens of debt service.

This subject of theft and corruption is one Westerners like to hear, for it justifies them in their own eyes when they demand that debt service be continued. It gives Westerners a perfect reason for blaming the South for its development failures--or so they think. However, I do not emphasize the issue to feed that sense of Western moral superiority. I bring it up because it is a major factor in the search for a solution to the debt crisis.

The corruption issue raises the question: Were Western bankers not aware of its extent? Did they not realize that much of the loans would be salted away for private purposes? If they did not, then they can only be declared stupid and hardly qualified to
be in charge of the life savings of their citizens. If they did know, then what prompted them to entrust other people's funds to a class of corrupt rulers? I often wonder what went on in the boardrooms of banks where such loans were negotiated. What factors played the major part? Stupidity? Blindness? Greed? What made these executives so eager to do the dirty work for Arab countries who deposited their excess petrodollars in Western banks and thus flooded the system?

One thing seems clear to me: They never thought about the ethics of lending money to an irresponsible elite class of kleptomaniacs, most of whom were not elected by their own people, and who would pass on to their already poverty stricken citizens the burdens of debt service. Tell me: Is that a holy alliance? Are such contracts ethically viable? Do the people who had no influence on such decisions, who never saw the money, who never benefitted from the projects, really have the obligation to work day and night to carry impossible debut burdens, never to make any progress? Go on, my fellow Westerners, answer--and answer it in an attitude of prayer; answer it in the consciousness that you are before the face of a holy and compassionate God.

**Biblical Considerations**

There are significant Biblical teachings with direct relevance to the ED crisis, but we have the space to refer briefly to only a few of them. One important and relevant Biblical teaching is that of compassion for the poor. We are instructed that "if you lend money to one... who is needy, do not be like a moneylender; charge him no interest. When he cries out to me, I will hear, for I am compassionate (Ex. 22:25, 28). Today, in case you have not heard, let me tell you, he cries out in utter anguish and despair. And God has promised to hear him. Or take Lev. 25:35-37, where we read "If one... becomes poor and is unable to support himself..., help him... so he can continue to live... Do not take interest of any kind from him, but fear your God... You must not led him money at interest or sell him food at a profit." See also Deut. 23:19; Deut. 24:6-17; Job 23:4-5; Prov. 19:17. The spirit behind these texts is clear and its modern application not to be emasculated by obscure and rationalistic theological distortions.

Another Biblical notion that should influence our ideas and actions with respect to the ED is the Jubilee principle that in essence forbids the development of economic conditions that lock people into poverty. We are all familiar with the provisions of Leviticus 25, where land that is sold returns to its original owner free of any charge. As ludicrous as this principle may sound to Christian ears trained in the capitalistic tradition, at least it would overcome one of the most dangerous problems capitalism tends to create, namely the piling up of excessive wealth and power in a few hands.

There is the related principle of debt cancellation after seven years as in Deut. 15:1-9. True, in the Old Testament this principle is to be applied only among the
Israelites, not to the foreigners among them. However, the New Testament enlarges our vision and on basis of its wider thrust, it can be said that the Spirit of the Lord wants us to apply these provisions on a much larger scale today. The Bible does not allow for a situation where rich Christians would tempt the poor of the world with low interest loans and then to suddenly increase the interest rates so that just paying the interest brings death, sickness, destruction and poverty. Yet, that is exactly the way things have gone.

Towards A Solution

Various solutions have been offered to the ED crisis. Unfortunately, the limitations of space prevent discussing them all. One question that often comes up is that of simple cancellation or forgiveness of debts. Though this would seem the most desirable from the Biblical perspective, this approach would leave free the culprits who have salted away these funds. No wonder that many Southern rulers plea for cancellation! But should the culprits really get off that easily?

One proposal that has bubbled up during the various meetings and discussions on this subject that would seem to merit further reflection goes as follows. The United Nations should establish a special ED Commission. The function of that Commission would be to do research in the ED status of each country seeking relief. They would try to find out the exact debt owed, what the loan was used for, where the funds went, including the flight money. Debt payments would be deposited with the Commission, including again the located flight money. The Commission would distribute the collected funds to approved and closely monitored non-governmental development agencies in the country from which the money was collected.

This approach would amount to cancellation, but it would not leave the thieves free. It would harness the creativity of the local citizenry and provide them with the funds needed to develop their communities. A complete outline of the proposal is impossible here, but it would show that it has merits worth considering. So far, the objections I have heard to it have not been unsurmountable.

Concluding Remarks

The above comments represent no more than a mere introduction to the subject at hand. Space is severely limited. The Institute of Church & Society (ICS) has published a pamphlet with more details, which is available for a minimum contribution of $2.00 (US) (two dollars) in cash for Westerners and free to others. The ICS also hopes to publish the conference papers during 1992. For a more complete description of the proposal and the programme as a whole and about what the church can do about all this, please write to the ICS, P. O. Box 6485, Jos, Nigeria.
Postscript

The following paragraphs were meant to be part of this article, but, for reasons of space, had to be eliminated. However, I believe they are a worthwhile addition to the article and thus I hereby include it as a postscript.

It may be that you have never given the ED crisis any thought. You may not even have heard of it until now. May I assure you that this is a crisis of such proportion that it is often referred to as THE major crisis of our time. So-called economic Western experts have demonstrated their inability to deal with issues of poverty. Bank executives have either been stupid or greedy. Loan recipients have largely proved corrupt. The poverty stricken victim people of the South have now no allies left--unless the Church of Christ comes to their rescue. Any mission or development programme that ignores this awful reality of our time is hardly worth considering. Of all people and Christians, we, the Reformed should have recognized this long ago.

Protests against Debt Servicing

Where is this much vaunted Reformed Kingdom emphasis given practical expression in terms of the large hurts of people? It is time groups like the Reformed Ecumenical Synod (REC) do more than talk. It is time to implement the vision of the all-embracing and radical Kingdom of God to the issues that give shape to our societies. Not merely in words, but in action. Until we do, we have no right to accuse World Council of Churches and World Association of Reformed Churches of being "liberal." Most of the REC churches are "liberal" in the sense that they and their members participate enthusiastically in the established economic structures of the day without much reservation and without asking any critical questions. That, by any definition, is being liberal.

This is not the first time I experienced such disappointment with our orthodox Reformed tradition. When I studied missions and colonialism, I had to turn to the ecumenicals for information and I discovered how they had struggled with these issues already since the beginning of the 20th century. Nothing learned from REC traditions. When I worked on a Christian vision on investment, transnationals and stewardship, again the ecumenicals rushed to my aid after I unsuccessfully explored my own tradition. I had the same experience when I sought to develop a vision of wholistic health care in our Nigerian context. What I found in all of these cases is that we, the churches of the REC, are status quo churches, churches who accept the Lordship of Christ only in the religious and private sectors. We participate in the other sectors such...
as health care and economics without making any significant, original or creative contributions based on our theology. Our own Christian Reformed Mission grants scholarships only to theological students, as if students in other disciplines don’t need similar help and possibly for more urgent reasons.

The question becomes: what kind of a Christ do we confess and what kind of Kingdom do we envision?