What are SAPs?

Structural Adjustment Programs

SAP.s are IMF and World Bank economic policy reforms for debtor countries that enforce the following:

- *User fees for services (education, health care, electricity)*
- *No worker benefits (unemployment, workmen's comp, etc)*
- *Increased unemployment - bankrupt small farmers, small and middle-sized businesses.*
- *Destruction of the environment - logging, mines—increased use of agro business chemicals - dangerous, no government oversight.*

Effects:

Currency devaluation. More of national's currency needed to equal $1.00. This means local prices in the market increase. Local wages do not. As an example: In Ghana in 1995 it took 1,580 cedis (its currency) to equal one US dollar; in 2003, it takes 8,300 cedis to equal that same dollar.

Rising interest rates

Decreasing available credit

Lowering of tariffs

Shifting from agriculture and industrial production to commodities for export. (The selling of which goes to pay for the debt from IMF/WB loans.)

Negative effect on women: Higher prices in local markets, contract work at home (greater exploitation), layoffs—last hired, first fired

Education level of population decreases.

Impacts youth and larger society

No input from the people of nations whose leadership has borrowed heavily from the IMF/WB

Lack of transparent policy decision-making removes local involvement and input.

If followed, SAP adherence "may" allow a debtor country to obtain more loans, get debt relief and be more attractive to recruit more foreign investments. This is a greater emphasis on short-term solutions, rather than systemic, real change.

Twenty-one of thirty-three of the world's poorest countries are in Africa and under IMF and World Bank SAP economic reforms. These reforms are imposed without democratic input from the people who live in those countries. This amounts to a form of economic and political terrorism, as those with the least ability are forced to pay.

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