

Income lending in Barbados only takes place when persons, businesses and other social entities - on the basis of oral/written agreements - lend portions of their incomes/payments/transfers (expressed in dollar terms) to one another, or in some cases, to the government - on condition that these latter repay such portions of income/payments/transfers, with more of the same, at whatever times in the future.

This is some thing that happens on a daily basis in Barbados, and whether these loans are drawn from their own internal personal accounts, or from their own external institutional accounts (banks, credit unions, etc), this type of income lending is non-institutional in nature, and does not normally involve interest charges. Also, the old su su or the meeting turn is a form of such lending.

Whilst it is true that this form of lending can sometimes be exceedingly risky and can be fraught with actual legal, financial and physical challenges, it is this type of lending that does a lot to stimulate a decent level of business and debt clearing activity in Barbados, though it does a little or nothing still to offset the very exceedingly high cost of use of money and the very high cost of borrowing in this country.

The main beneficiaries of this type of lending are however the persons who are the real savers and the community builders. Another form of financial lending in Barbados is money lending. This type of lending takes place when lending institutions - on the basis of written agreements - actually lend, esp. the Barbadian people's money - the Barbados currency - to borrowers - to persons, businesses, and other financial lending institutions, on condition that they repay such income, payments or transfers, with more of the same, at whatever times in the future.

This form of lending also takes place on a daily basis in Barbados, and reflects draw downs from the so-called money/value assets of the financial institutions concerned.

Whilst these money lending processes assist greatly in the money circulation processes in the country, as they currently stand, they constitute the most despicable, flagrant, virulent ways of increasing the already very high costs of use of money and the very significant cost of borrowing in Barbados, esp. with interest rates being agreed to. In fact, it is this form of lending that continues to create alarming reams of increasing valueless paper debt across the political financial landscape of Barbados, but which though still remains palpably legally enforceable, whilst at the same time this paper debt itself helps to create massive hindrances to the further growth and development of this country.

So distressing is this money for money debt situation in Barbados at this stage, that a future PDC Government, above and beyond removing TAXATION, INTEREST RATES, MAKING INSTITUTIONAL LOANS FOR PRODUCTIVE PURPOSES NON-

REPAYABLE, ETC. shall make sure that any financial debt that is incurred by any Barbadian citizen, or that is incurred by a wholly or majority owned Barbadian entity, and that therefore will be made repayable or owed to anybody in Barbados, that such debt is only INCOME RELATED - I.E. PAYABLE AS A RESULT OF ANY PORTIONS OF INCOME/MONEY BORROWED EARLIER, OR IS PAYABLE OUT OF TOTAL INCOME/PAYMENTS/TRANSFERS AT LATER TIMES.

Now, something must be fundamentally wrong with the operations of a financial system in Barbados, when persons, businesses and other non-financial institutions deposit parts of their incomes in financial deposit taking institutions and still yet these said financial institutions do not lend out any parts of the payments they receive (interest payments) or parts of the little income they generate to others. And, look how they fail to help keep significant levels of money circulating in the country.

Whilst it is true that many persons and others do NOT lend income to these particular financial institutions (they save with them), and whilst it is true too that the PDC does not wish to see a financial regime that is put in place by any government in Barbados that forces banks, credit unions, finance houses, etc. to lend parts of the payments received from simply shuffling around around money/value, or to lend from whatever income they earn to others, the fact that persons and many others (entities) save many parts of their incomes with financial lending institutions, and yet these latter institutions do not - as said before - lend parts of payments received and income earned, do help to create a very clogged up, unstable financial environment in Barbados, which is a recipe for the contributing to significant decay and decline within the material production and distribution structures and affairs of the country.

What a future PDC Government shall however do to aid in correcting this imbalance is, et al, to pass laws making it possible for persons or any other entities with current, saving or deposit accounts in financial institutions to, at any time, lend parts of their income directly to others, from their own personal accounts in these financial lending institutions without the approval of these financial institutions.

It is evidently clear that today these types of financial institutions are collecting too many savings/deposits from persons and other entities, and are not lending out any of the said payments received and income earned.

This can be seen when any one takes a look at the very large reported profit margins even in times of so-called economic crisis in the land. Well, a fundamental cause of these disequilibria in the national income money affairs of this country stems from the fact that the repayment of institutional loans with interest charges, with portions of the borrowers' income/payments/transfers, does not go anywhere near towards PRODUCTIVE ACTIVITY.

So, banks, credit unions, finance houses, etc. are lending out the people's money to institutional borrowers, with the intention that these borrowers are going to be taking portions of their income/payments/transfers, to the said institutions for having merely used what is the people's - our money - our Barbadian currency.

In those cases where they are doing so then, it must be found that they are entirely assisting in devaluing the property (incomes deposited on loans) of the borrowers, and the productive efforts that led to such property, because such portions of income go towards money loans that would have already gone back into or would be on their way into the core financial systems; therefore these portions of incomes going towards NOTHINGNESS; they don't go into PRODUCTIVE ACTIVITY. So, who mainly benefits from such loans are the merchants and the builders.

Another cause of these disequilibria comes from the fact that the entire productive efforts of savers are devalued or compromised by these financial institutions when they seek to and do give interest on deposits when clearly there is NO PRODUCTIVE BASIS for doing so.

Such is the case when financial deposit taking institutions falsely induce in the minds of institutional savers that interest received (mere digit values apportioned and added to existing ones) is far better than EARNING income by means of being productive, even when, as stated just now, there is NO PRODUCTIVE BASIS for doing such.

What makes these disequilibria effectively worse for the orderly business conduct of the country is that a great proportion of these financial institutions' lending involves lending MONEY for non-income generating activity, or for non-productive activity.

Therefore, such leaves us to argue that it is income lending - NOT MONEY lending - that our party must focus its efforts on, since income itself - NOT MONEY - is derived from the productive processes in the country, and since it is payments/transfers to particular persons in the government and private sectors of the country, that are based on such income, and that are in turn based on the income generating/productive processes of the country and outside.

Indeed, it is these processes that are required to fuel the financial processes more than money itself, and esp. in a context whereby a future PDC Government envisages a situation whereby financial institutions, as we have come to know them, will be playing a lesser role in the business and commercial life of the country.

Therefore, the PDC must state that any financial process or financial institution that helps give rise to money being lent or collected for purposes of reversing or undermining the very essentialist productive distributive processes of this country, and that by extension helps to do similar things to the national income generating process as well as

the national development process **MUST BE DISMANTLED AND DESTROYED**, and to take their places progressive financial developmental processes.