


### Staying Connected

For the Alumni of the ECCB's Savings and Investments Course



#### FINANCIAL FITNESS Tips for Your Financial Empowerment

 Change your mindset about money and the things that you use it for. How many times have you fooled yourself into thinking that you must have and can't live without a long list of items— brand name clothes, new shoes, new car, a vacation trip each year, new curtains, new furniture, etc etc etc. It is this thinking that is at the root of your financial difficulties. If you want a new lease on your financial future, your thinking has to be different. Focus your thinking on all of the money you can save if you forego a few of those tempting purchases and the sound investments you will make with the money you have saved.



Have a bi-annual financial check-up in June and December of each year to check the pulse of your debts as well as your savings and investments and take corrective action where necessary. There are several websites that can guide you through the process. The following site is one which is recommended:

<http://www.sayplanning.com/saygoodcredit/e-budget/finance-checkup.html>

## The Power of MULTIPLE FORCE

$$\$1,000 \times 1300 \text{ small investors} = \text{₹} 1,300,000.00$$



### WHAT IF

each of the 1300 plus alumni members of the ECCB Savings and Investments course pooled resources — financial, knowledge and skills?

**WHAT COULD** be accomplished would not only be phenomenal but also revolutionary. **THE POSSIBILITIES WOULD BE ENDLESS.**

We all know that the foreign investors who arrive to our shores represent several, if not hundreds or thousands of investors who have pooled their resources. **What is stopping US** therefore as nationals of the Eastern Caribbean Currency Union from doing the same?...Why aren't we coming together in droves and in so doing, increase our wealth creation potential, our power spectrum? It is irrefutable that the larger the resource pool, the greater the possibilities.



### Imagine

a group of ECCU investors owning sizable real estate holdings or starting new business ventures across the currency union, pooling best practices to change the old ways of doing business, building a better

“mousetrap” or just simply revamping the way “mice” are trapped in the first place.....completely eliminating the need for a mousetrap with a new brilliant and revolutionary idea.

This is the **power of multiple force** as articulated by Analdo Bailey, CEO, Eastern Caribbean Institute of Banking and Financial Services. **The endless possibilities that arise from the multiplier effect when people join together.** Your Financial News (YFN) sat down with Analdo to learn more about this concept.

**YFN:** Expand on this concept of multiple force for us.

**Analdo:** Multiple force is a dynamic principle which manifests itself throughout nature. In fact, there are many quotations that speak to this concept. One is the issue of the word “team”. We are told that it is an acronym for **T**ogether **E**ach **A**chieving **M**ore. This same principle relates to the fact that the impact of any action is multiplied by adding additional factors. So it is not just a process of addition, because once you begin to take joint action the effort is multiplied. So when one examines this concept in relation to

## *The power of MULTIPLE FORCE* Cont'd

investments it is not just a pooling of financial resources but also the whole issue of bringing to bear ideas, concepts and points of view. All of these come into the mix and therefore the potency is enhanced, and more than enhanced, it is multiplied.

For me as a Christian, the Bible speaks clearly about coming together:

*"It is not good for man to be alone"- Genesis 2:18*

*"For none of us liveth to himself, and no man dieth to himself" - Romans 14:7 (Man is not an island unto himself).*

*"Again I say unto you. That if two of you shall agree on earth as touching any thing that they shall ask, it shall be done for them of my Father which is in heaven" -Matthew 18:19*

Once you have people and factors coming together, there is a whole dynamism that takes place that goes beyond the sum of the individual parts. There is a magnification.

In the context of us as individuals and as national entities, I believe that regarding the issue of growth and development and by extension wealth creation, there are going to be possibilities and challenges, and these challenges are not just limited to geographical boundaries. The problems that confront us are regional and global. Therefore for an individual entity seeking to overcome these challenges on its

own, yes some progress can be made, but limited. In the context of the principle of multiple force, once we come together to deal with the issues impacting us, the rate of progress and the degree of success will be magnified.

Again one can, as it were, de-constitute the concept of multiple force and look at any living organism and how nature is designed. Nature is about combining elements, and at every stage of combination a force is produced...**That is what multiple force is about...**and I really believe that, that is what we have to look at in this region.... **Small islands yes, but by coming together what we would be able to create goes way beyond the addition of these forces because it is not simply addition, it is multiplication.**

**YFN** What would you say are the obstacles that prevent us from coming together?

**Analdo.** Selfishness and self-interest are doctrines that have been preached to us for so long, but beyond this, for people who are dispossessed, following on the principle of Maslow's hierarchy of needs....for them it is about self-preservation. So the focus is on the basic needs—food and shelter. People who are defined as "dispossessed" tend to become self-centered and the focus is on self-preservation.

But if we were to take our eyes for a moment away from what we do not have (*because that is what dispossessed is about - we focus on what we do not have*) and focus on what we have, not from the sense of taking pleasure in what we have, (*and that is something which again characterizes our behaviour*) but by looking at what we have as tools.

**YFN:** Is there any internal work that we have to do to get beyond self-interest and selfishness so that we can move forward as a unified force?

**Analdo;** Again, perhaps because of our history we frequently see ourselves not through our own eyes but rather through the eyes of others. So for many of us, we do not do much self-introspection. As a people, it is important that we begin to look at ourselves. If some agent or person can help us to see ourselves in a good light, then I believe that this would be the beginning of our awakening.

I truly believe that leadership is the important element. No matter what resources, potential, or skills we have, these do not help us to maximise opportunities and this is quite evident if one looks in nature. **The missing ingredient has always been leadership...how we manage and how we lead.** There are several territories across this region, especially in the wider Caricom, that possess a lot of natural resources but have not been

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## *The power of MULTIPLE FORCE* Cont'd

able to exploit the potential of these resources because of our thinking and because our leadership has not been there to articulate and motivate a vision and a pathway that would help us to actualise this vision.

Being a Christian myself and our region consisting of Christian communities, if one were to look again at the Bible's teachings, it is amazing how somehow we escape the true message - **The importance of leadership**. Even God's anointed people went astray frequently when the leadership became distracted and swerved away from the true course.

Our Caribbean islands are truly blessed and I believe that there is a special calling on these isles of the seas. However, we need leaders who are visionaries and have ideologies that would bring the disparate pieces together.

**YFN** : Continuing on the concept of multiple force, if you were to articulate a vision for the region what would this vision look like?

**Analdo**: The vision has to be based firstly on the appreciation of a common heritage. So instead of focusing on our individual nationalism, we need to begin to

identify those things that make us one.

Secondly, it must also be based on an appreciation that the natural resources which are available to us must be exploited collectively.

Beyond that I believe there are two factors that are going to help us overcome the issue of production... because it is not just through aesthetics and thinking but through action; and action must produce something:

**One, we must focus on a common regional energy policy...** We need energy for everything- food, homes, industries, etc.. For too long, we in the Caribbean have taken energy - *sun, wind, sea, water, etc.* for granted and hence it has not been harnessed in any real collective manner. We need to tap into these resources as a region with an inclusive energy policy for all of us.

**Two, the issue of safety, which goes to the core of us as rational beings.** The Caribbean has benefitted over the years because we were seen as a zone of peace. So we have to begin again to define what is this 'peace' that we talk about and then we have to focus on issues that reduce the peace we have - *domestic violence, divisive politics,*

*etc.* I believe that we all have to begin again, because we want to get back there. Where there is peace, the quality of life is enhanced.

When we begin to seriously address these issues in the context of our region then we will be able to leap forward based on collective action inspired by visionary leadership that appeals to the creative and productive potential of all our people.

**YFN**: How do we overcome the thinking "*partnership is leakyship*" which has been engrained in our psyche?

**Analdo** We need to preach the message and show the evidence of what partnership can produce. It is true that we do not have a lot of evidence around us of successful partnerships. But where they exist, we need to hold them up as examples for persons to see.

What is happening now in the U.S.A should be quite instructive for us. Look at the message from President Obama. Look at how this merging and melting is occurring....One not only can aspire, but also realise now that the dream is possible. We need a leadership to articulate this type of message for us in the Caribbean. Who is that leader for us? ...That voice in the wilderness? ●

The Eastern Caribbean Central Bank (ECCB)



**2008 ECCU Economic Review**

**Tune in and  
be a part of  
the discussion**

Thursday January 29, 2009 @ 8 p.m. on your local radio and television station

## Financial Fitness Quiz

<http://www.sayplanning.com/saygoodcredit/e-budget/finance-checkup.html>

1. What percentage of your income have you saved during the last 6 months?

- a. 10 percent or more  
 b. Less than 10 percent  
 c. None

2. How many times during the last six months has one of your credit cards or store cards reached its maximum limit?

- a. none  
 b. 1 to 2  
 c. 3 or more

3. How many times during the last six months has one of your bank accounts been overdrawn?

- a. none  
 b. 1 to 2  
 c. 3 or more

4. How many times during the last six months has a bill been paid late?

- a. none  
 b. 1 to 5  
 c. 6 or more

5. How many credit cards or store cards do you have?

- a. 3 or less  
 b. 4 to 6  
 c. 7 or more

6. If you lost your source of income, how many months could you provide for all your basic needs and meet each of your financial obligations?

- a. 3 or more  
 b. 1 to 3  
 c. Less than 1

7. When a credit card or store card is used to make a purchase, how often is the entire balance paid the following month?

- a. always  
 b. sometimes  
 c. never

8. If a major appliance purchase or repair, auto repair, or home repair were suddenly required, what source of money would be used to pay for it?

- a. funds already on hand  
 b. funds from available credit  
 c. no funds available without establishing additional credit.

9. If you are single, how frequently during the last 6 months have you spent time reviewing your financial situation and making financial decisions? If you have a partner, how frequently during the last 6 months have you spent time with your partner reviewing your joint financial situation and making joint financial decisions?

- a. weekly  
 b. monthly  
 c. rarely or not at all

10. How many times during the last year have you spent time with your partner reviewing your retirement plan/ If you are single, how many times have you spent time reviewing your own retirement plan?


- a. one or more  
 b. none  
 c. don't have a retirement plan

11. Have you created a written budget during the last 12 months?

- a. Yes  
 b. I have a budget, but it is not written out.  
 c. what budget?

12. How often is a monthly budget used to manage household spending?

- a. almost always  
 b. sometimes  
 c. rarely to never.

 This quiz contains 25 questions. Visit the website and complete the quiz to determine your level of financial fitness and what you need to do to stay or get on the fitness track.

## The Urgency of NOW— My Financial Revival

Yesterday marked the end of falling prey to the financial mistakes that have plagued my life:

- *running up my credit cards,*
- *not paying bills on time, and*
- *over-spending.*

Today is a new day and Managing My Money is at the top of my To-Do-Now List

Today I commit to a new approach to my finances by applying the **40-30-20-10 Principle**.

**40%** - my debts will not exceed.

**30%** - my household & personal expenses will be kept within this limit.

**20%** - compulsory contingency fund (emergency, health, etc.)

**10%** - compulsory savings.

I approach Tomorrow with big dreams for my financial future and my family's financial future.

**I am paving a pathway to financial success.**

I now know that I was born not only to dream, but to live my dreams.