

Chapter 1 : Poor people are penalised for borrowing to make ends meet

10 Borrowing to Make Ends Meet: The Growth of Credit Card Debt in the '90s It should be noted that while debt substantially increased between and , average credit card debt fell between and for all income groups.

The actor has supported various charitable causes over the years and is now leading this effort to support alternatives to high cost credit which has increased in recent years, not least in his home town of Port Talbot. The alliance was formed in response to the fact that those on the lowest incomes pay the most to borrow money even where they are borrowing for essentials. This is compared to those on higher incomes who can generally borrow at lower rates for luxuries like holidays and high-end consumer goods. The alliance aims to debate the changes needed to deliver healthy credit, offer solutions, and provide the resources to test them out locally and at scale across the UK. It also collectively calls for changes to policy, regulation and practices to make credit fairer for all. This is a growing problem. Research by colleagues and myself at the Centre for Household Assets and Savings Management at the University of Birmingham has shown a massive increase in lending over recent years. Our latest financial inclusion monitoring report shows that credit card lending is now at a higher level than at the peak of the financial crisis in Consumer credit excluding credit cards also increased massively after , with much of this likely accounted for by car finance. And the very latest figures appear to show this growth in lending tailing off, though it remains much higher than in Growth in consumer credit excluding credit cards lending to individuals, seasonally adjusted. Karen Rowlingson and Stephen McKay Alternative lenders But those on the lowest incomes are much less likely to borrow on credit cards or get personal loans for new cars. Instead, they turn to alternative lenders such as payday lenders , rent-to-own and home collected or doorstep lenders. And often this is to pay for basic items such as school uniforms, nappies, white goods and sometimes even food, and to tide them over between jobs. Or when their wages are lower than expected due to zero hour contracts and casual work. These alternative lenders typically charge far higher rates of interest than mainstream lenders. For example, in the charity Church Action on Poverty highlighted the cost of buying a fridge freezer from BrightHouse, a large weekly payment retailer with shops on many local high streets. According to the Financial Conduct Authority , , people took out a rent-to-own product in and , had outstanding rent-to-own debt at the end of The home-collected credit market is larger, with , people taking out a home-collected credit loan in and 1. Doorstep loans can lead to huge debts. So it is clear that hundreds of thousands, if not millions of people on low incomes are paying dearly for access to credit. But this need not be the case if the market is appropriately regulated and alternatives are supported. The need for regulation In the last few years stronger regulation of high cost credit has been introduced. The Financial Conduct Authority FCA regulator introduced a series of reforms in to tackle irresponsible lending, including a price cap on high-cost short-term credit, which has helped to reduce the cost of payday lending. So far so good. These forms continue to charge extremely high levels of interest alongside other charges in the case of rent-to-own. Plus, mainstream sources of credit such as overdrafts and credit cards are also excluded from the cap, even though they can work out to be just as expensive as alternative sources of credit. The FCA is currently considering further ways to tackle high cost credit and our research chimes with a report from the House of Lords Select Committee on Financial Exclusion, which recommended far stronger regulation of consumer credit along with further support for credit unions and microfinance institutions. As well as strengthening the regulation of high cost credit, it is also important to support alternatives such as the not-for-profit Fair For You initiative. Credit unions are another alternative to high-cost lenders, supporting their members to save, borrow and gain access to other financial services. They are financial co-operatives, owned and controlled by the members. Our research also highlights that many people in the UK, both in and out of work, are on very low incomes which vary week to week. This makes it very difficult to make ends meet and is one of the main reasons why people turn to credit. It is therefore important to tackle these fundamental problems of poverty and precarity, as well as the issue of high cost credit. Credit can be a vital lifeline to many people and should not be taken away entirely. But nor should lenders be allowed to take advantage of people in desperate situations. The End High Cost Credit Alliance is therefore a much-needed

initiative, supporting alternatives to high-cost credit and so improving the credit landscape in Britain today.

Chapter 2 : Living on a budget - Money Advice Service

People on the lowest incomes pay the most to borrow money, even when it's for essentials. Poor people are penalised for borrowing to make ends meet - a new alliance gives them another way Editions.

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Borrowing to Make Ends Meet: The Rapid Growth of Credit Card Debt in America is the fourth report in a new DÄ“mos publication series that examines trends in household indebtedness and its impact on economic security.

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This article was originally published on The Conversation. Read the original article.

Chapter 4 : Borrowing to make ends meet - Europe PMC Article - Europe PMC

Report. Read or Download the Report (64 PG PDF); Print This Page; This study, first in a series examining the relationship between credit card debt and economic security, explores how families are increasingly using credit cards to meet their basic needs.

To use a picture, I would say that the enzyme and the substrate must fit together like a lock and key. After a century, it still serves as an appropriate introduction to the exquisite fit that small molecule keys have for large molecule locks. Although the lock-and-key analogy is well known, the study from which it emerged is not. Fischer studied two different enzyme preparations, emulsin from yeast and maltase from bitter almonds, and examined their ability or lack of ability to hydrolyze synthetic glucose derivatives that had been prepared in his laboratory. When one derivative fit emulsin but not maltase and another fit maltase but not emulsin, the lock-and-key analogy was born. The paper by Briesewitz et al. Ironically, their contribution involves the part of the small molecule that is not bound to the target protein—the molecular equivalent of the part of the key held in the hand. They use organic chemistry to modify this molecular feature so that it can bind another protein, borrow another protein in their words, to enhance or diminish the original binding. They made shrewd choices for each component. For the target they chose the SH2 domain, a small protein module widely distributed in key signaling pathways. For the borrowed protein, they used the human FKbinding protein FKBP family of proteins that binds immunosuppressive drugs. Because small molecules that would bind tightly to both SH2 or FKBP had been made in many laboratories, molecular linkers with bipartite binding surfaces could be quickly synthesized from readily available pieces. Exploring the feasibility of such a system also requires the ability to vary components. The borrowed protein and the part of the small molecule that binds the borrowed protein were the variable components in their system. SH2 domains are small protein modules with a wide distribution 2, 3. These domains bind peptide sequences containing a phosphotyrosine side chain, and high-resolution structures are available for a variety of SH2 domains with and without bound ligands. Most of the binding involves the phosphotyrosine itself, which is bound in a deep pocket lined with positively charged residues. The natural function of SH2 domains is to associate proteins into productive aggregates through the binding of a characteristic phosphotyrosine-containing sequence of one to the SH2 of another. SH2 domains are found in pathways involving phospholipid metabolism, protein phosphorylation and dephosphorylation, activation of small GTPases, gene expression, protein trafficking, and cytoskeletal architecture. Because molecules with good affinity and high specificity for SH2 domains could be useful for diseases such as cancer, osteoporosis, inflammation, and immunosuppression, many laboratories have worked on developing them 4. In spite of this focused effort, there are no notable successes. Available molecules are plagued by low affinity or lack of specificity and usually both. The authors used a phosphotyrosine-containing peptide that binds the Fyn SH2 domain used in their study. These molecules, which were discovered through random screening efforts at three pharmaceutical companies, have given us the potent immunosuppressive drugs Sandimmune cyclosporin A and tacrolimus FK used in organ transplant patients 5, as well as a promising approach to gene therapy based on rapamycin 6. Studies on the mechanisms of action of these molecules eventually led to the surprising conclusion that rather than binding one protein, they simultaneously bind two different proteins 6. A molecule uses one face to bind one protein, and this binary complex then binds another protein. The high-resolution three-dimensional structure of the FKBP12–FK binary complex is known, and the structural basis for the binding affinity and specificity of this natural products is well understood. Of course one test of this understanding is the ability to prepare totally synthetic molecules that incorporate enough binding elements that they form binary complexes with FKBP Many academic and industrial laboratories took up the challenge of preparing such synthetic molecules. A notable success was achieved at the SmithKline Beecham laboratories, where relatively simple molecules with the ability to tightly bind FKBP12 were made 8. These simple synthetic tight binders were devoid of immunosuppressive activity because they lacked the molecular features to bind the additional protein needed, but they provided Briesewitz et al. The importance of this for the Briesewitz et al. In the end, Briesewitz et al. Of the four combinations, one

had enhanced binding to SH2, one had decreased binding, and two had unchanged binding. The most surprising result is enhanced binding. After all, as everyone who has tried to make a molecule that binds more tightly knows, there are lots of ways to make binding worse, few to make it better. The enhanced binding is most plausibly caused by favorable interactions between the target protein and borrowed protein, but this conclusion is in itself quite surprising. Protein-protein interactions typically involve the precise matching of large convoluted surface areas, and how could such an interaction arise between two proteins that have no measurable affinity for each other? The authors provisionally suggest—in the absence of structural data—that the plasticity of the protein surfaces allows them to find a mutually accommodating and energetically beneficial arrangement. Using a borrowed endogenous protein to enhance the affinity or selectivity of small molecules for SH2 domains is an exciting prospect. Ultimately, the most important use of a borrowed endogenous protein surface may be for abolishing interactions. One can imagine schemes for deploying drugs against pathogens that utilizes a borrowed human protein to diminish the effects of toxic agents in human cells. For example, a highly toxic agent could be chemically fused to an FKBP-binding molecule. Human cells, with their plentiful supply of FKBP12, could prevent the toxic agent from interacting with its target. The pathogen cells, lacking FKBP, would be exposed to the full force of the toxic agent. Whatever the practical outcome of the Briesewitz et al. Footnotes A commentary on this article begins on page Immunosuppressive and Antiinflammatory Drugs. J Am Chem Soc.

Chapter 5 : The Millennial Reality Of Borrowing Money To Make Ends Meet | HuffPost UK

Borrowing to Make Ends Meet: The Rapid Growth of Credit Card Debt in America is the fourth report in a new DÄ“mos publication series that examines trends in household indebtedness and its impact on economic.

The ubiquitous malls are filled with shoppers laden with enough bags to put even Paris Hilton to shame. The data behind the anecdotes of bling tell the same story: Retail sales were a bit wobbly after the global meltdown, but they have since jumped 3. Yet all is not well among the great South African spending public. Johannesburg nurse Celia Mondi, 40, is one of those borrowing just to make ends meet. I have no choice but to borrow to afford basic needs. The fact that people like Mondi are struggling has economists and policy makers deeply worried. That is because she is part of the black middle class - dubbed "Black Diamonds" - that has been a pillar of the South African economy since the end of apartheid in Reaping the benefits of the "Rainbow Nation", Mondi and others obtained an economic standing that was almost impossible for black people under apartheid. That new-gained freedom meant access to mortgages, vehicle finance and many other forms of credit. But there are ominous signs that the "economic party" is coming to a screeching halt. Unsecured loans - with high interest rates - now make the bulk of applications. A fifth of credit-active consumers are failing behind in repayments by at least three months. And the health of the broader economy is not helping. Increased food, electricity, transport and the costs of other necessities are eating further into already strained household incomes. Inflation for March stood at 5. The increase has effectively put an end to years of cheap electricity. Prices have also been pushed upward by the weakening rand, which has made imports even more expensive. According to Loos, hiking interest rates, currently at 5. But with the economy growing at a modest 2. South Africans looking for a used BMW, Mercedes Benz or Ferrari may want to head to their nearest repossession auction - as long as they have the cash.

Chapter 6 : Retiring in the Red: The Growth of Debt Among Older Americans - The Annie E. Casey Foundation

To earn just enough money to pay one's bills. To make ends meet, Phil picked up a second job delivering pizzas. After the large income tax hike, many people suddenly found it difficult to make both ends meet.

But nor should lenders be allowed to take advantage of people in desperate situations. The actor has supported various charitable causes over the years and is now leading this effort to support alternatives to high cost credit which has increased in recent years, not least in his home town of Port Talbot. The alliance was formed in response to the fact that those on the lowest incomes pay the most to borrow money even where they are borrowing for essentials. This is compared to those on higher incomes who can generally borrow at lower rates for luxuries like holidays and high-end consumer goods. The alliance aims to debate the changes needed to deliver healthy credit, offer solutions, and provide the resources to test them out locally and at scale across the UK. It also collectively calls for changes to policy, regulation and practices to make credit fairer for all. This is a growing problem. Research by colleagues and myself at the Centre for Household Assets and Savings Management at the University of Birmingham has shown a massive increase in lending over recent years. Our latest financial inclusion monitoring report shows that credit card lending is now at a higher level than at the peak of the financial crisis in 2008. Consumer credit excluding credit cards also increased massively after 2008, with much of this likely accounted for by car finance. And the very latest figures appear to show this growth in lending tailing off, though it remains much higher than in 2008. Growth in consumer credit excluding credit cards lending to individuals, seasonally adjusted. Karen Rowlingson and Stephen McKay Alternative lenders But those on the lowest incomes are much less likely to borrow on credit cards or get personal loans for new cars. Instead, they turn to alternative lenders such as payday lenders, rent-to-own and home collected or doorstep lenders. And often this is to pay for basic items such as school uniforms, nappies, white goods and sometimes even food, and to tide them over between jobs. Or when their wages are lower than expected due to zero hour contracts and casual work. These alternative lenders typically charge far higher rates of interest than mainstream lenders. For example, in the charity Church Action on Poverty highlighted the cost of buying a fridge freezer from BrightHouse, a large weekly payment retailer with shops on many local high streets. According to the Financial Conduct Authority, in 2014, 1.5 million people took out a rent-to-own product in 2014 and 1.2 million had outstanding rent-to-own debt at the end of 2014. The home-collected credit market is larger, with 2.5 million people taking out a home-collected credit loan in 2014 and 1.5 million in 2013. So it is clear that hundreds of thousands, if not millions of people on low incomes are paying dearly for access to credit. But this need not be the case if the market is appropriately regulated and alternatives are supported. The need for regulation In the last few years stronger regulation of high cost credit has been introduced. The Financial Conduct Authority FCA regulator introduced a series of reforms in 2014 to tackle irresponsible lending, including a price cap on high-cost short-term credit, which has helped to reduce the cost of payday lending. So far so good. These forms continue to charge extremely high levels of interest alongside other charges in the case of rent-to-own. Plus, mainstream sources of credit such as overdrafts and credit cards are also excluded from the cap, even though they can work out to be just as expensive as alternative sources of credit. The FCA is currently considering further ways to tackle high cost credit and our research chimes with a report from the House of Lords Select Committee on Financial Exclusion, which recommended far stronger regulation of consumer credit along with further support for credit unions and microfinance institutions. As well as strengthening the regulation of high cost credit, it is also important to support alternatives such as the not-for-profit Fair For You initiative. Credit unions are another alternative to high-cost lenders, supporting their members to save, borrow and gain access to other financial services. They are financial co-operatives, owned and controlled by the members. Our research also highlights that many people in the UK, both in and out of work, are on very low incomes which vary week to week. This makes it very difficult to make ends meet and is one of the main reasons why people turn to credit. It is therefore important to tackle these fundamental problems of poverty and precarity, as well as the issue of high cost credit. Credit can be a vital lifeline to many people and should not be taken away entirely. The End High Cost Credit Alliance is therefore a much-needed initiative, supporting alternatives to high-cost credit and

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Chapter 7 : Borrowing to make ends meet

EIGHT in ten employees borrow to make ends meet between pay days, new analysis has discovered that lays naked Britain's drawback with debt. Almost half of employees have admitted moving into difficulties from utilizing payday loans, based on analysis by wage specialists Haste Pay.

Chapter 8 : 'Growing debt crisis' as men borrow Â£ a month - Telegraph

ALBANY - The Saratoga Performing Arts Center will have to borrow hundreds of thousands of dollars again at summer's end to offset anticipated operating losses, officials said Wednesday at a.

Chapter 9 : Board may borrow to make ends meet | Shetland News

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