

Socio-Political Consequences of Disordered Loans (Selected Issues)

Abstract:

The current monetary system is based on debt money. Its creators are mainly commercial banks. The debt collection system in private institutions carries the risk of addiction. Countries dependent on their creditors will always be susceptible to political pressure. The

problem is the greater, the more the system under which money is borrowed, escapes public-law control. An important role is also played by the level of morality of people serving it. It seems that the current system of creating public money is not satisfactory, as evidenced by repeat crises. Hence, there is the necessity of changes both at the level of institutions and the ethics of financial markets.

Keywords: loan, interest, public debt, financial markets, ethics.