

The Virgin Islands Consortium

EDA Should Be Reconstructed To Help Local Small Businesses, Mona Barnes Says

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The Virgin Islands Economic Development Authority (VIEDA) should be "reconstructed" to help local businesses in the territory, gubernatorial candidate Mona Barnes told the *VI Consortium* in a wide ranging interview.

Barnes said while she understands the purpose of VIEDA is to stimulate economic growth by enticing major firms to the territory by means of a low tax offering, the former state command sergeant major sees an opportunity for local entities to reap the benefits the VIEDA program offers.

"When it comes to economic development, I believe in big business, but I think we need to focus even more on the small businesses of the Virgin Islands," Barnes said. "And there are people who want to do business in the Virgin Islands -- I sit with them. But we've got to give them some breaks so that they can get started. When I drove past the Industrial Park and I see how many empty buildings they have, and people that are desiring to do small business, light industry, we've got to give them an opportunity."

Barnes added: "I think we need to restructure the EDA, where we are more friendly to local small businesses. I understand the intent of EDA, but we now have to recognize that it's the small businesses that's driving our economy."

The gubernatorial candidate later clarified that the reconstructing could be a temporary incentive to jolt the local economy, and offered speaking to the banks in an effort to convince them to ease their lending rules as yet another way of reviving the economy of the Virgin Islands.

"We need to reconstruct the way that we're doing business in the EDA," Barnes said, "and it could be for just a small period of time, but we do have to change it because it's not geared towards the small businesses of the Virgin Islands."

"And then we have to sit with the banks... I know anything you do in life is a risk. Standing here with you right now, is a risk -- you never know what's going to happen, but we've got to take risks and we've got to help the small businesses because they are the ones driving our economy."

Barnes said aiding local businesses through the EDA was a win because they have bank accounts in the territory and would spend their money locally. But the big companies, she says, most of them don't have local accounts.

"A lot of the large businesses, they don't have accounts in the Virgin Islands," she said. "They meet the mere standard and then, what, the money is not circulating in the Virgin Islands, so we've got to get businesses where the money is circulating in the Virgin Islands."

Barnes concluded by stating she'd rather have "fifty small businesses that hire twenty people, than one business that have a hundred; because look what happened with HOVENSA. When HOVENSA closed, it was a devastating blow to St. Croix. I don't think we diversify the St. Croix economy, and we've learned from our mistakes, we just have to ensure that we don't do it again."

Photo Credit: Kendall Jones

At Altona Lagoon, St. Croix