Psycho-philosophy of Business

Our Mentality through a Dialogue

Veselin Vukotic

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Preface

Entrepreneurship is the core of a prosperous free society. Entrepreneurial innovation and creativity continuously create wealth, which is of added value to the entire population. One cannot experience economic growth, new products and services without the presence of entrepreneurs. Entrepreneurs have been the driving force in civilization, in the fields of production of goods and the production of knowledge. John Stuart Mill, however, recognized the need for special skills to organize production and lamented the fact that there is no good English equivalent word to encompass the specific meaning of the French term entrepreneur. Marshall affirmed entrepreneurs a thorough understanding about their industries, and their natural leadership. The achievement principle and the love for freedom, responsibility and selfdetermination are attributes that make an entrepreneur, combined with the ability to network.

A society without entrepreneurs would fail.

Innovation is a precondition for growth. Prosperity without growth is unthinkable. Consequently, if one of these factors ceases to exist, the others will not survive. Entrepreneurs take on extra risk and responsibility in order to create wealth for themselves and for society.

Economics is no zero sum game.

The survival of business depends on written and unwritten rules, on social norms and conventions. The primary rule of business is Quid Pro Quo – a Latin phrase meaning “something for something.” Economics teaches us that business relationships are not a zero sum game; both sides of the transaction must experience a creation of wealth. Businesses create a win/win situation every time they provide a service. In order to create wealth for themselves, they must create wealth for others. This process explains how entrepreneurs increase the well being of society. However, Governments can impede entrepreneurship by regulation, lack of rule of law and lack of protection of property rights, high taxation which undermines profits, unstable monetary conditions, corruption etc.

Entrepreneurs take risks and responsibilities

Our business world goes beyond selling a product and making a profit. There is a deeper philosophy that exists in the spirit of entrepreneurship. This
philosophy governs the morality, responsibility, and vitality of every successful businessperson. A main task of understanding this business philosophy is seeing how the existence of profit, money, and trade gives us insight about the nature of human beings. Socialism does not allow entrepreneurs to create wealth because it discourages people from taking responsibility and realizing value. The business philosophy must be prevalent in order for a society to grow and succeed.

When business thrives, so does innovation. A necessary component of entrepreneurship is individual creativity. A business cannot succeed without providing an original product or service. Therefore a businessperson must exhibit ingenuity, creativity, vision, and dedication. Without pioneers embodying these principles, society will become stagnant. A true business philosophy is imperative to life.

The main task of this book is to provoke questions, set you thinking, and, as the author said, “to penetrate the mental shell created by our culture, customs, morals, beliefs and attitudes!” Veselin Vukotic authors a book that accomplishes exactly that. He raises not only questions about business and philosophy, but beyond that, the book sets you thinking about so much more. He makes an argument for more critical and independent thinking, especially to younger people. At the end this book will surprise you, and furthermore it will deliver a powerful message - Thought Sets You Free!

Barbara Kolm
Secretary General
Friedrich August v. Hayek Institut
Business As a way of Thinking – Our Mentality through a Dialogue

“Business! Business! Business! Oh, Business is wonderful! Boo, Business is bad!”

The word ‘business’ in Montenegro has become an expression of hope! But in the minds of some it provokes fear and hostility and in some intellectuals scorn! Many associate it with piles of money! Others relate it to fraud, robbery and greed!

Some say business is cruel, without warmth and without feeling for human hardship, happiness or sorrow. Others see it as a great achievement, representing man’s freedom, cooperation and creativity.

As you read this book, ask yourself what images the word ‘business’ brings to mind! Does it conjure up warm feelings of home and family or ones of coldness, distain and indifference? Have you ever had to earn money yourself instead of having it handed to you by your parents or grandparents or a favorite aunt or the state?

Do you think that an answer to this question – whether you have earned even 100 Euros – could influence an understanding of business and the mental images of each individual related to business?

If you have had to earn it, your mental images of business will be quite different! How can someone who has never had to earn a living and sees business as a fraudulent, selfish and merciless struggle understand it in the same light as someone who has had to work and who is familiar with the secrets of making a living? Ask your parents! Ask your relatives and friends! You will be surprised to find how many opinions about business depend on whether or not they have had to earn a living!

This is not a new idea! How a house is valued depends on the nature of its ownership! The father who built it himself holds it in much higher regard than the son who has simply inherited it! These are two ways of valuing the same house!

Ibn Khaldun, the great Arab thinker, wrote in his book, “MUQUADDIMAH”, which I strongly recommend: “The differences between generations in their behavior are only the differences which separate them in their economic way of life!” (This famous postulate has helped me to judge people and to test the
depth and sincerity of their thoughts and attitudes. It has also helped me earn the trust of my students.)

The message of Ibn Khaldun is that man understands only the things that he has tried, done, built or experienced personally! (Friedrich von Hayek, the great economist, also makes this point in demonstrating how trial and error leads to progress!)

Go back to yourself! Ask yourself whether your views are based on personal experience! Are you like someone who can’t swim but assumes it must be easy to do so? If you, the non-swimmer, tried to swim without learning how to do it first, the result would be a foregone conclusion! You would drown! The same applies both to life and to business!

Have you ever found yourself sitting with people who immediately start to gossip about someone who has just left the room? Is this morally right? Have you ever given advice, which you don’t follow yourself, to a younger brother or sister? Have you ever taken pleasure in the words of someone who criticized everything and everyone without first asking yourself if that person is without reproach about the very things he is asking others to do? There is often a big gap between thoughts, words and deeds!

An associate at the Economic faculty in Podgorica was shocked by a question posed by one of his students! The associate was presenting all the possible theories and formulas about how to maximize profit! Then he began to explain social injustices using his own case as an example. The student’s question was this: “How can you teach us about money when you haven’t managed to earn it yourself?” Think about this problem deeply and without prejudice! Never forget this!

Have you ever noticed that you live in a world (your family, neighborhood, city, Montenegro, the Balkans) where people are experts about other people’s business? They constantly criticize others rather than taking their own advice! With others they notice every fault but not their own! “I am perfect and make no mistakes” seems to hang in the air around them!

Business logic is completely different! In business critical thinking is always focused first and foremost on oneself! Adam Smith, one of the fathers of economics, stated in “The Wealth of Nations” that the creation of wealth depended on the division of labor. His advice to you at your age could be translated as follows: “Mind your own business and do it as well as you can!”
Who has time to mind other people’s business? Perhaps it’s those who have not been doing their own jobs well or who are underemployed in their work! Ask yourself whether these experts are really earning a living or simply living off the wealth created by their family, company or nation!

Why is minding the business of others so typical of Montenegrins? Is it because of our environment or did God somehow make us more idle and lazy than the rest of mankind? Maybe this is true! Maybe it isn’t! In thinking about this I always ask myself two questions:

First, did our ancestors manage to survive in a land of cruel rocks, hills and mountains on idleness and laziness?

Second, how is it that people born in Montenegro who left his country become so successful and famous elsewhere?

In his book, “The Economic and Political Demands of Montenegro”, written in the 1930s, Nikola Djonovic\(^1\) analyzed the origins of character of Montenegrins! He states that Montenegrins are not accustomed to change, that the urge to follow daily routines is stronger than innovation, and that practical affairs and experience are seen as less important than talk about spiritual things! The informal night time sessions of our ancestors to discuss the latest gossip, news and ideas were the first Montenegrin ‘workshops’ and ‘round tables’, which are so common today in our country! (When someone is trying to show you how clever and educated he is by telling you about a new thing called a workshop, remind him that his great grandfather probably organized the same thing, particularly if he was richer and his house larger than other villagers). “It seems there is nothing new under the sun” as one of our writers once said!

“Generations of Montenegrins were jumping over stones on the road rather than removing them”, continues Djonovic in his discussion of Montenegrins! Does this warning from the past pose a limitation on Montenegrin business growth? Do you recognize this pattern of behavior in your own home, company or city? Do today’s drivers detour around some fallen rock knowing that failure to remove it may cause an accident or death to others driving behind them? Most Englishmen would stop their car, warn others or remove it themselves as would others in countries where business is central to their way of life! On the other hand we Montenegrins claim that our moral values,

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\(^{1}\) Nikola Djonovic - writer and lawyer from Montenegro.
solidarity and the desire to help the others are so large that we are better than anyone else in the world.

But ‘business’ is not a favorite word in Montenegro, particularly among those who believe that it produces selfishness, greed and insensitivity for others. I can already feel how upset I must be making those who see things in this light! You may disagree with me if you wish, but permit me to disagree in turn! If we have reached a gentleman’s agreement on this point, then let me ask you this! What about the stone in the road? How does that ‘small detail’ influence our opinion about the honesty or dishonesty of people who are part of the business community?

It’s the small things in life that count because it’s only the small things we can really influence! Branko Baletic\(^2\) once said: “Success consists of small things and it is precisely small things which have been neglected in Montenegro.” When you organize a birthday party, concentrate on whether you have a vase in which to put the flowers your guests will bring! Don’t focus on the cake but on whether you’ll have matches to light the candles! Don’t worry so much about the quality of the wine as on having an opener for the bottle! If we worry about small things, the large things will generally take care of themselves!

The quality of business consists of doing many small things well rather than creating grand visions and plans. The director of an airline may have big ideas, but if the stewardesses are slow and sloppy, the airline will gradually fail! Why? Because you and I as passengers are served by stewardesses, not directors! And it is the lack of attention to small details that affects us personally! We know how angry we can get when we are slighted! Someone is late for a meeting and we feel very angry, but when we are late ourselves, it doesn’t matter! Someone says hello to us but hardly bothers to look at us, and we become even more angry! These small insults are nothing in Montenegro compared with the protocol at weddings – the daughter-in-law who stood in front of her mother-in-law, the uncle who went in ahead of the host! Who should stand where? Who should give the first speech? It’s all in the details!

And that is why I come back to the stone in the road which no one want to bend down to pick up in order to save others from misery! We Montenegrins are obsessed with appearances and accept tradition rather than support

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\(^2\) Branko Baletic - film director and producer from Montenegro.
genuine moral behavior! Compare the neglected stone with the daughter who concerns herself about putting on mourning clothes following the death of her mother. In the first case the stone may be a matter of life and death! In the second the daughter's dress is only an effort to prove to the community that she loved her mother! Is it necessary to prove to anyone that you love your mother? I must stop or you will read no further! If you are interested in the distinction between tradition and morality read Todor Bakovic's book, “The Depressive Optimism of Montenegrins”! The title is an oxymoron! Shouldn’t optimism be automatically filled with delight, hope and the prospect of good fortune?

This is how I came to a very important conclusion about social norms in business! They are rules born out of tradition, experience and long-term practice! People criticize but obey them! Nobody wants to be the first to break or violate them! But when someone dares to do it, everyone else follows suit even though the innovator is criticized afterwards! Who was the first brave man to have a wedding in a hotel, not at home, or to stage joint weddings with more than one bride?

Social norms are like traffic signals! They influence our behavior – our speed and direction! Where business and social norms are concerned, I also see traffic signs! Unfortunately, the kind I see in Montenegro and other parts of the Balkans often say “No Parking” – meaning no economic freedom! But if it says no parking should we obey the sign? Or should we have the courage to park anyway!

I can already hear some of you muttering: “Are you teaching us to disobey the law? Isn’t that against our traditions? Against our social norms?” Yes, you are right! I have sinned! But I have at least two questions in response to your murmurings, which might alleviate my sin!

First, how did the Petrovics become rulers in Montenegro?

Second, can you earn money if you follow the logic and behavior of the crowd?

The first question surprised you, didn’t it? I don’t want to rewrite history, just expose my suffering as a boy when I wandered through the hills of the Piperi, wondering how the Petrovic dynasty had come into being! Why the

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3 Todor Bakovic - psychiatric, university professor and writer from Montenegro.
4 Petrovic family – dynasty of great dukes and kings who rulers Montenegro (1696-1918).
Petrovics and not the Vukotics? Later, as a scholar, I accidentally learned the answer - the importance of salt trading from Kotor over Njegusi to Old Montenegro! This became an important business and the Petrovics entered it enthusiastically while other Njegusi families elected to stay out! This was how the Petrovics became a dynasty! Others have argued that the ancestors of the Petrovics must have been smarter and better educated than the rest! Still others say that they succeeded because they were foreigners! My explanation is that they were more skilled, more practical and had more initiative! They even sent their children to schools abroad! Who could afford to send children abroad both at that time (or even today)? It’s not enough for a child to be smart; you also need money to pay for his schooling! Therefore in my view the family which entered the salt business became a dynasty! Their success is all related to salt!

I know that some of you will disagree: “In Montenegro the honest and intelligent are the ones who have always been respected, not the wealthy and rich!” Without doubt honesty has always been highly valued in our tradition! But when you look around you, the only once who are remembered are the rich! Check you family tree and value it in economical terms! Who on your family tree is remembered? I assume the wealthy ones!

As tourists can see today, the founding fathers of American democracy, like Washington and Jefferson, had very favorable and stimulating conditions for developing their ideas on their own estates! Were these leaders rich because they were smart and heroic or is it the other way around? I just want to point out that one-sided approaches lead to a state of unreality. Business as viewed traditionally is something which can disgrace instead of honoring you! Socialist ideology added two other elements which are close to this way of thinking – equality and poverty! Unfortunately we all originated from poor families in my generation! That was the way of truly belonging to the socialist system and its ideology! Sacrificing for others was a need that the system tried to build into its foundations! I have just recalled Zef Dedivanovic, an actor, who told a story from the postwar period! A fan of socialism once said that under socialism people were all alike, that there was no difference between them and no exploitation! A village wit, (who was not considered very sane) retorted: “I would believe all that, my friend, if the Lord hadn’t broken the arm at the elbow so that men could put food in their own mouths first, and not in someone else’s!” (He must have read Adam Smith or Condiac or Seye!). It’s that naturally ‘broken arm’ that led to the fall of socialism! Socialism wasn’t a
natural system, since it never respected the fact that the arm is broken at the elbow! “The new class, red bourgeois or socialist rebels” as Djilas⁵ calls them, introduced the principle of equality without freedom, and the so-called business hierarchy where the higher a position was situated in the hierarchy the higher its income! But business logic is different! It contains an ideology of creativity, innovation and entrepreneurship along with freedom and equality for all under the rule of law!

My question is whether economic wealth is why we remember people after they are dead! We recall them, of course, for other reasons and because of other values! But these, too, can be valued economically! Many will attack me for saying this, but being attacked is the price you must pay to break down prejudices and inertia in thought and behavior! It’s amazing how much visible glory and invisible economic power are connected! Try to apply this, too, to people you have read about in books on economics! As Professor Marsenic once told me: “It seems as though only rich economists are mentioned in the history of economic thought!” Start with Smith and Ricardo! You will be surprised just as I was! There are examples of the opposite, of course!

In line with this we Montenegrins have not paid enough attention to interpreting history, particularly the history of business! Contrary to the belief that business has not been highly valued in Montenegro it has actually been much more respected! I will talk about those highly esteemed highway robbers of the last century some other time!

I don’t want to compare that time with the present, however! Lots of things have changed! Still, history, as a science of social evolution, can act as a valuable warning! For example, does trading in oil, citrus fruits and other commodities create new dynasties in certain eras! Has Zeta slowly regained the primacy he enjoyed in the 15th and 16th centuries (Dynasty Crnojevic) compared to Njegusi? Is it possible the circle has come round?

I repeat! These are only my opinions! They are based on life, experience and practical knowledge rather than theory and research! I don’t want to convince you that mine is the only explanation! I do want to force you to think, however, about my boyhood question: Why did the Petrovics become a dynasty? If you find that the Lord willed it, then stop reading this book

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⁵ Milovan Djilas - a politician from era of communism, one of the key figures in Partisan movement during World War II, writer and publicist.
immediately and come to me for a mark on one of my exams! While grading you, I’ll ask you only one question: Which God was it who decided that the Petrovics should become a dynasty and not your own family? Whatever answer you give me I will give you a passing grade!

Out of the immense analysis of history I will offer just one small practical idea: There are no gods in business! Or to say it in an even better way, gods neither engage in business, nor start businesses! It’s businesses which create gods!

“Professor”, you say, “I can’t stand it any more! It’s not possible for you to be so naive! No! It’s politics which create gods!”

“That may be what you think now, but that idea has been the germ of disaster for many generations in the Balkans! I may not be able to convince you of this now, but I want to push aside your indifference and to shake your conviction that politics, not business, is our destiny! As Matija Beckovic\(^6\) says: “If there were no politics, we would have nothing to talk about!” Therefore, I will give you the right to attack me as we discuss these matters! (Imagine an imaginary karate fight! Several moments after I pull back I will start to attack!) And that’s how we got lost in discussions of history! It’s always like that when you’re obsessed with the past! But fortunately or unfortunately the past is part of ourselves! It never passes away! It is with us in our genes and our subconscious! Tradition and customs, too, are part of us! And so are social norms!

"Life should be simple then with all these guideposts”, you may say! "All you have to do is to project the past into the future and you’ll know everything!”

“Unfortunately, however, we live in a world of uncertainty! We never know what will happen tomorrow!”

"But you are a professor”, you say! "You know everything! Something must be wrong!"

“Yes, most professors think they know it all! I wasn’t that lucky! And frankly I don’t want to be either! A man who doesn’t have doubts about his own knowledge is either so young and energetic that he thinks he has no limitations or so old that he has illusions of superiority! Both are delusions of grandeur!”

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\(^6\) Matija Beckovic - writer and poet.
“Like a passenger sitting next to the window of a plane flying above the clouds who sees the clouds as so solid that he wouldn’t fall if he jumped (try it the next time you fly), most people think this way about reality! They live in clouds! Schools, universities, governments, parliaments and political leaders all help to foster their illusions! I am taking a risk in telling you this! Realists have few supporters! They are viewed as odd and sometimes dangerous! That is the reason I have written this book primarily for young people and students of the arts and sciences and for those who want to run a business! But I am also writing it even for those who won’t like and be critical of these views!”

"The past, traditions, customs! I couldn’t care less”, you say! "I think in a modern way! I finished high school in America! I speak three foreign languages! Nothing of this applies to me! I have grown beyond all that, my dear professor, a long time ago! It’s irrelevant! We live in a new world of globalization, communications and satellites! One of my family friends told me: “Forget about Professor Vukotic! He has no experience!” We are more modern than American companies! We have computers, software, young people who speak foreign languages, wear Italian clothing and use French perfumes! What past are you talking about, professor? We are the people of the future!"

“My old professor, Bosko Glusevic once explained to us, his students, what the future was! That is how he came to plant reality in me forever! He told the following story: "Stalin is explaining to a large gathering of citizens that communism is on the horizon and capitalism dying! The crowd applauds frantically! The final victory of communism over capitalism is just around the corner! Hearing this, Ilja, who has had a lot to drink, goes home, takes down the dictionary and looks up 'horizon'! It says: "The horizon is an imaginary line connecting ground and sky! The closer you get to it, the farther it recedes!" Everyone was delighted with the professor's story, which was followed by questions and discussion! I remember my own question: "Professor, why was Ilja drunk?" Only people who knew that striking man with his characteristic voice can imagine the scorn with which he greeted this: "For God’s sake, would any sober man look up that word to ask Stalin such a question?"
"Does that mean that a man needs to be alcoholic to understand reality? was my next question, as I recall it! Professor Gluscevic answered me with a twenty-year friendship! He taught me how to relate small, unimportant facts of life to high level theories and science and showed me the invisible connection between tradition and concepts!"

"Professor Gluscevic's answer also instilled in me a desire to search for an answer to the question why 'normal' people can't comprehend reality! (Why did Ilja have to be half drunk?) I have to admit that I was always more interested in 'abnormal' than 'normal' people! Maybe that's why Professor Gluscevic found fertile soil in a student who had asked himself many years before why the Petrovics had become the Montenegrin dynasty and why his own family had accumulated less land and cattle living in the same country!"

"Why did I pose such a question to my professor? Today I like to think it was an expression of intellect and brains! Even some of my fellow students said so at the time! But it wasn't! First of all, it was the question of a smart aleck! Nevertheless the question managed to be more serious than its intent and had unintentional consequences as Hayek called them! Many years afterwards I read Peter Drucker who said: "Innovation occurs in a relaxed atmosphere where there is joking and humor, meaning when it is not planned and where the atmosphere is spontaneous and people are acting naturally!"."

"I get upset with people who talk about their achievements as proof of their own cleverness and brains rather than as the result of random choice and luck! They explain how they used to think when they were in their twenties! You will notice this particularly with 'important people'! Such men are usually totalitarians and antidemocratic! If you are seriously listening to them, then ask yourself whether you have any individuality at all, or are simply part of the foolish crowd!"

"When I was young, I asked my neighbor why he had sent his son to the Sorbonne! His answer shocked me: “I had some money after I sold my family property! Anyhow there was no one left to farm it when my son had decided to leave!” This answer greatly influenced my life! I decided that my children would attend school in Belgrade and America! I promised this to myself even though I did not even know where those places were at the time! This brings

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7 Professor Bosko Gluscevic - professor of economics, one of the greatest minds of the period of socialism in Montenegro, who publicly spoke about defects of socialism and promoted changes of the system.
us to the next element of business - imagination! “It Does Not Exist If It’s Not a Dream!” (Fyodor Dostoyevsky). You have got to have imagination, you must be unreal to do business! Business doesn’t exist if it isn’t a dream! Think about this statement! Don’t skip it! Don’t even think you understand it! It is far from your reach at present! It’s as though you read about an expedition from Niksic that climbed Mount Everest; then you think that you also climbed it, just because you read it? But what does an expedition from Niksic to Mount Everest have to do with business and profits, you are probably asking?"

“Your reaction to the idea of reaching the top reveals the way you think! When you see a tree, you know it’s not an animal! When you see a living creature on four legs, you know it’s not a human! But you don’t necessarily conclude that every creature, which walks on two legs, is human! I am sure a Christmas tree would be angry if you told it that plants were stupid! But even if it’s true, you need no proofs! The same is true of human thinking! The businessman does not do business with everyone! A businessman can’t do business with everyone! Sometimes the largest jobs he gets come as a matter of pure luck, works he lands accidentally at a restaurant, on a plane or at some meeting! Why? What's the need for market research, due diligence agencies or police information in such situations?”

“I remember something once said by Lee Iacocca: “A master recognizes another master!” I understood early in my career that you need only a few important people in your life and career! The more capable you are the fewer you’ll need! Capable people discover other capable people! But do not expect each of your bosses, professors, and companions to see your capabilities in the same way!”

“The trouble with a genius is that no one understands him until he’s dead! My advice is not to be either a popular genius whom everybody understands or a dead one! If one is a real genius, he doesn’t really care about recognition! Whether we are seen as a genius or not will be determined by others (the market)! Am I a good professor? Ask my market which consists of my students! Whether a toothpaste is good or not depends on whether people want to buy it (the market)! There is no difference between mechanisms of valuing professors or toothpaste! If there’s a difference, it’s because your professor is more or less imposed on you while the toothpaste you use is a matter of choice! Imagine a situation where there was only one toothpaste? Yet that’s more or less what you get in schools and universities nowadays! You accept it
as the normal thing! But if you’re going into business, it’s totally different! The philosophy of business is freedom of choice!”

“At the Economic Faculty, if you accept things as they are, you make it clear that you are not intended for business! Maybe you will get to the top in organizations which promote people on the basis of seniority, but you will never come to understand yourself fully or test the limit of your abilities and no one will ever know that you even exist! Maybe you will have a great life as a chief, a director, a minister, or the president of a government, but you will never find yourself! One who doesn’t come to know himself will never come to understand others! He will die inside a circle of conventional thinking! Only those who fight inertia can leave the circle!”

“All this can be expressed as follows: “The present is a future that has just begun!” That is the reason for my recommendation to live in the present! And to live in the present means to live with vision! Vision is not looking ahead! Rather it is thinking about yourself looking backward from some imaginary point in the future such as your thirties! Do you understand this difference?”

“I have lingered too long on the relation between reality (past and present) and business! Each of us may have different conclusions about this! Some will agree with me, some won’t, and some won’t care one way or another! Who’s right? I don’t know! It’s not my job to convince you because people who try to convince others are closer to being politicians than businessmen! Choose what is closest to your nature! Depend on your feelings and your sense of SELF! Do the things you enjoy most! If your interest were safe employment, not business, it would be madness for me to try to convince you to become a manager or businessman who is exposed to uncertainty! If everyone were businessmen using the logic of business, I’m not sure the world would prosper! What I want for each of you is to find yourselves of your own free will! I want to activate your knowledge, skills and experience so that you can interpret the world around you! Above all get to yourself better! A man recognizes in the world he lives in only the things he has discovered in himself! I cannot activate your talents for music or drama if I don’t have those talents myself! This ends the discussion we began with why the Petrovics became the rulers of Montenegro!”

“The second question I raised was why Montenegrins are so successful abroad! What suits of armor do our men take off when they leave Montenegro to become a success? A scientific answer would take a lot of research and
testing! I don’t have such data, but I do have my own experience and the opinions of many of those who have left Montenegro and done well! Another way to phrase the question would be to ask why Montenegro swallows talented, capable and creative young people? Why is it that Montenegrins can forgive anything but success? These questions are probably too narrow, appearing as though they apply only to Montenegro! NO! I used to think this way, too, before I began to live in the Wide World and got to know that things were the same way everywhere! The only dividing line between countries like Montenegro and the developed world is their prevailing logic, not their geography! How is it that in England it’s normal for people to remove a stone from the road while in Montenegro we walk around it or jump over it? (I want to say that we neither should glorify everything coming from abroad nor underestimate everything coming from Montenegro!) Why does one logic prevail in Montenegro and an entirely different one in England? I already know your answer: “Well, professor, we are 100 years behind! What do you expect?”

“Nothing”, I respond! “I just want us to close the difference and catch up in 40 years!”

“Catching up will lighten the burden of each generation since the present gap makes everyone feel nervous and inferior! I understand the process of catching up as largely a matter of overcoming a national inferiority complex (a complex which is being expressed in the forms of know-it-all broadcasting of great ideas, negligence toward practical and daily problems, underestimating the value of everything done locally and respecting the false gods like Scepan the Small, the Impostor King)”

“What suit of armor do the people of Montenegro need to take off? First, are the social norms, which define life as bravery and honesty, rather than business and success? Second is the idea that what is important is justice and equality not freedom and individual responsibility! Third, it also becomes irrelevant or less relevant for those who go abroad what other people think of them! I won’t discuss in detail Ravenstein’s theory that the most capable men emigrate and that their success once abroad is connected strictly to their abilities and the fact that they network to exchange information rapidly! For instance, a cousin tells you about an available job! (In the old days it was an unwritten rule that when you arrived in an unknown city you should direct yourself to a villager! By tradition he had to receive you! To get rid of you as soon as possible he first had to find you a job! It isn’t important whether this
was done out of selfishness or altruism! What counts is that practice followed “theory!”

“My own opinion is that the main reason for the success of Montenegrins going abroad is the well-developed institutions, laws, rules and customs of the countries to which they have emigrated! Generally speaking these countries are economically more developed! No emigrants went from Montenegro to Africa or Asia and very few to South America! Why do people from Montenegro adapt very quickly to new institutions and to the logic of business and success once they leave the country?”

“For purposes of this discussion it is unimportant to answer why it happened! What is important is that it did happened and is still happening, that people from Montenegro are ready to adopt business thinking and the logic of success along with all the historical experiences and traditions that belong to this kind of logic – the logic of individualism and freedom!”

“Maybe it’s better to say that those who went abroad had to accept this logic! Otherwise they would have sunk to the bottom of the pile economically and returned to Montenegro as failures! To try but fail in Montenegro is worse than not have tried at all! Those who have never tried, who have done nothing, and therefore always seem to be free of failure, enjoy respect! There is a special way in Montenegro to “adopt” such people, which consist of praising their talents, their brains and capabilities, then showing that their achievements are nothing more than soap bubbles! There is a saying in Podgorica that you raise someone like this up in order to make him fail! But at the end of the day the key question is how to be successful over the long-term, to get to the top in a small setting! How does one manage one’s business career in a small country? A big fish always has problems in a bathtub!”

“Based on the experiences of those Montenegrins who have worked abroad it can be said that the personal qualities of people living in this country pose no limits on their ability to do business! This brings us to the basic question of how we should develop institutions, laws and rules that will cause people to adopt the logic of business and success as a way of thinking? Is it possible to do this in Montenegro? (This is another side of a highly political question: can Montenegro, which has had to accept financial aid from Russia, Austria, America, Yugoslavia and Europe, support itself as an independent country; is having had to accept such aid a proof that the people of Montenegro are not pro-business? I see this matter differently! Montenegrin citizens have always
been highly entrepreneurial even at the lowest levels of economic society at a micro level")

“In support of this thesis a high level of gray market activity characterized the last decade of the 20th century in Montenegro, indicating that lots of people were ready to do business! It took a rather long time to reveal this connection (remember the half drunk Ilja who looked up the word ‘horizon’)! I also remember John Nesbitt, author of “Mega Trends: Ten New Directions Transforming our Lives”, who said that it is in those periods of transition when the normal flow of events in an old system is interrupted that entrepreneurship and development occur! We are now in such a period in Montenegro and the rest of Eastern Europe! The opening of 6,000 privately owned companies in Montenegro in the last three to four years also confirms the eagerness of our people to do business!”

“I find that the great capacity of Montenegrins for conceptual thinking is an extremely valuable characteristic in business, not a limitation or lack of pragmatism! Conceptual thinking can produce ideas, ideas which are good for business!”

“Are you thinking about yourself as you read this? Do you already have your own company? Do you intend to start one? Is business your orientation? Would you like to be a top manager of some large bank or company? Think carefully and deeply about these questions! Do not read what I have written as those you were skimming a newspaper article where you carelessly jump from line to line without concentration! If you’re like that, you had better stop reading now.”

“Reading is like swimming in a mountain stream; you have to focus your attention! If you read faster than one page every seven minutes the probability is that you won’t understand this message! You must read the punctuation marks, too! Try to understand the tone of what is being said! Try to read this text as though you had written it yourself! Try reading it over more than once! Look on this book as a way of thinking directed to creativity and imagination and directed toward overcoming inertia and stereotyped ways of thinking! This is not a book for the average reader! It is a book of philosophy! Those who do not know their own minds will not find it useful!”

“Professor”, you say, “you’re arguing that the tradition, environment and social norms of Montenegro are not friendly to business but that the people themselves show a strong affinity for business! Aren’t you trapped in a
contradiction? What’s the answer to this? What is your message for us, your students?”

“I can’t give you a completely satisfactory answer! Nor do I want to since this book is not a business manual for beginners! The goal of this book is to stimulate you to think, to ask questions and to get you to find the answers for yourselves, not extract them from the experience of others! Each business situation is unique, the product of the mind of each person who goes into business! It is his way of thinking, the speed with which he implements a new idea! Think of it as though it were a boxing match! Once you’re in the ring the trainer’s instruction are useless! You’re the one who is fighting and making the decision when to hit your opponent and how to defend yourself! The trainer can only teach you the principles and prepare you to follow them once you’re in the ring! A football player learns how to catch the ball or kick it! A karate expert learns kata, a choreographed sequence of techniques used against imaginary opponents! The musician learns to read music and the writer how to spell! These are their tools! Even if all of them have the ability to learn, some will learn better than others! Why is this? Like you I am looking for an answer to this question!”

“Let’s go back you your question about Montenegro! My message once again is to question yourself carefully! Do you have a talent for success in business, for preparing yourself for business even while you are a student? One doesn’t start by saying: “I am not interested in business!” That’s a road which leads nowhere and is an unfortunate part of our tradition that we should not change anything or make waves! It’s easier this way (or seems to be easier)! But it’s like driving a car without putting it into gear! If you want to achieve something in life, you’ve got to throw it into gear! When you try to drive uphill in neutral, you’ll become desperate and remain in place forever! You really have only one option – to start your engine! Unfortunately many people stay at the bottom of the hill all their lives and criticize those who created it! You don’t have to remain at the bottom! If thousands of men and women have climbed the hill before by entering business, why not start your entrepreneurial engine and do the same?”

“Have you ever noticed the power of inertia and imitation?! When someone opens a restaurant, everyone else wants to do so, too! This is also true of shops, weekend resorts and flats. Someone builds one and before you know it everyone else is building more of them in the same neighborhood! When students are given the choice of answering any three questions on an exam
out of 200 you have suggested, they usually choose the same five or 10! When you ask them to give an opinion about the lecture materials you have used, their answers are the same 90 per cent of the time! When you ask for their view of some idea, you get the same opinion! They are swimming down the main stream, not thinking! I see inertia and imitation as a lack of self-respect! And there is no respect for the ability to create something unique, look for something new or to say something and prove it! Uniform thinking does not lead the way to achievement and success, however!”

“The hill I’ve just referred to consists of existing traditions, social norms, institutions and various forms of inertia! If you wait for someone to remove it (to solve all the problems for you), you’ll never make any money or achieve success! Once the hill has been removed everyone else will climb it, too, and it will be too late for you! How can you expect to win the prize when you haven’t even made the climb? You should recognize that profits come from successful problem solving!”

“So believing that you’ll make money once someone else has solved your problem and that you’ll then ride off to success and glory on a white horse makes no sense! That’s the thinking of unsuccessful people! I have been trying to describe this invisible psychological barrier, which seems to handicap so many Montenegrins, so that we can begin to move our country forward!”

“But Professor”, you say, “I am here to study economics! I don’t care about business!”

“You have a point”, I respond! “Why should I bother you with business thinking when you have come into my classroom to study supply and demand, the macro economy, statistics, unemployment, inflation, Lorentz’s and Philips curves, linear programming and securities? So that you’ll have to bother with people after going to all the trouble of learning these sublime concepts and other modern theories? Your parents told you: “Learn, get good grades so you can get a good, safe job!” Well, a new era has arrived in Montenegro! There are no more safe jobs! Getting a diploma won’t get you one either; only functional knowledge will make you employable! This means that everything you are learning has to be studied from a business standpoint! You must also learn market thinking in order to sell what you know! Your knowledge is a product to be bought! You should switch from the idea that “I graduated” to the idea that “I know how to do a job!” You should develop a business approach to all your studies in order to increase your knowledge and your
market value in Montenegro or wherever you go! When answering questions on an exam, ask yourself whether you have sufficient knowledge to sell what you know in the global market! That should be your answer to globalization, not the reams of fact you learned about globalization! Knowing about globalization does not mean you understand it! You understand it only when you feel it! That means learning several foreign languages, reading books, building friendships, and traveling! Unfortunately you’ll learn a lot of things during your studies that you’ll never need in life!”

“Schools and universities in Montenegro unfortunately spend more time developing an ability to analyze things than stimulating thinking and entrepreneurship! This creates a static society, lack of dynamic action and resistance to change! Business provides you with a chance to have a successful career! Instead of focusing on getting a ‘good, safe’ job, you should be constantly investing in yourself, trying different things, creating new ideas, trying to reach the top of whatever organization you join, and trying to be the best you can be or among the best!”

“The approach of business should be pro-active, not reactive! Business requires initiative, creativity, and action, not waiting and reacting to what has happened already! Business has the logic of sports! If you wait, you don’t win! And you can’t remain on the team if you simply live on past glory! Business is economics in practice! And what is the purpose of business? It’s to make money!”

“What have you been studying? Economics! What is the task of economics? Think about what is critical in economics in terms of what other professions do! What do doctors do? They cure people! What do mechanical engineers do? They build machines! What do economists do? They “create” money! Those who don’t like this approach to economics for moral reasons ought to quit studying economics or accept the fact that they will end up as file clerks!”

“Test yourself! Let’s say you own a company! You are looking for an economist to do your accounting! Are you going to employ him to fill a job or to make money? A good accountant can lower a company’s costs! Decreasing costs is making more money!”

“The general approach to learning, not only at the Economic Faculty but at all schools and in life itself should be to strive for knowledge, not just for recognition (your diploma)! This approach will give you the business philosophy you need once you have completed your studies! As a student, you
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should ask yourself: Why is the world around me filled with talented but poor people? One answer is that most of them work for money (for salaries and raises)! They don’t work to build knowledge! They don’t appreciate their job from the standpoint of the knowledge and experience they are acquiring, but only how much money they are earning! “I have a good job – not much work and good pay,” they say! You should be striving to do different types of job, to get more experience! In a word your goal should be to acquire knowledge, not money! Money should be the result, not the goal!”

“The word money in our collective consciousness in Montenegro has a rather negative connotation! The more money you have, the less honest you must be! Honesty is always conversely proportional to the amount of money someone has! Therefore, the most honest people are supposed to be those who have no money at all and those who do the most dishonest! That’s the unfortunate thinking of the world in which we live in Montenegro!”

“This approach is completely wrong! If a man has made a profit selling products and services, then he made money in a voluntary transaction with a buyer! The buyer made the purchase to satisfy a need! Once that need is satisfied, the buyer is content! This means that the seller has performed a useful service! You can hardly say that making someone happy is immoral! What about poor people? No one wants to buy their products! This is the reason they don’t have money! But no one can say that having no money is a moral virtue! Hasn’t Bill Gates of Microsoft earned his money satisfying the needs of the buyers of his computer software? (I know you’re criticizing me already and saying: What about smuggling, gambling and speculation? It’s true that these kinds of activity exist, but that’s not what I’m talking about! I’m not recommending you earn your money this way! The fact that there are murderers does not mean everyone is a killer and that we should give up freedom and democracy because of the few who exist)!”

“To satisfy others (the buyers of your products) you need to know as much as possible and to invest in that knowledge! You have to do this continuously your whole life! Every day! Every single day! Being successful means investing in yourself every day and every minute! So don’t run after money! Let money run after you! Money goes to those who have knowledge, those who have ideas!”

“I can hear your thoughts: “You must live on the moon, my dear professor! Who pays competent people well? Don’t you know how many people with
masters degrees and how many of the very best students and pupils can’t find a job in Montenegro; don’t you see how miserable salaries are? This is all a pipe dream!” (Am I right in thinking that what was going through your minds? If it wasn’t, you are in business already!)”

“I would have to write another book to answer and comment on your question! I see this way of thinking as an effort to justify failure! It’s natural to justify your failure and to think: “I know I am a genius; it’s other who should be blamed for my failure!” Are you waiting for someone to spread a red carpet in front of you so that you can ascend to a throne? Many people think like this so you’ll be joining a large crowd of like-minded individuals who will tell you are right, completely right! Then, you’ll have no further doubts – and you’ll have no initiative either! You won’t start the engine when you want to go uphill! You and the rest of the crowd will remain at the bottom of the hill wasting your lives without success or passion! Haven’t you seen these people sitting in coffee shops every morning waiting for someone else to remove the hill? The choice is yours - to spend your life living cozily and doing nothing or to take the risk of attempting to climb the mountain! Will you start the engine?”

“If it’s like that”, you say to yourself, “then why have I been spending my time studying if I have to take such a risk?”

“My answer is this: You attend school and study precisely so that you can learn how to conquer the mountain! You aren’t studying so that someone else goes to the top instead of you!”

“But Bill Gates, Henry Ford and many others never finished school”, you say, “and they managed to climb the mountain and earn a fortune!”

“You are probably right! They didn’t complete their educations, but you have to convince me that you are as smart as Gates! Show me that you have the same kind of ideas he had and then tested before he quit his studies! Have you ever thought how much passion, imagination, and sleepless nights went into his success? If you think he just sat in coffee shops and suddenly got a great idea, you are mistaken! Read his book “Business @ Speed of Thought” and you will see where he got his schooling! It was in the school of work and thought! Gates also had the self-confidence and willingness to try! Have you every asked yourself this question: If Bill Gates was able to succeed without finishing school, do I have the qualities to do it the same? Do I really know what to do and how to do it? What have I done to demonstrate my knowledge and to put it to use?”
“Well, professor, I trapped you”, you say! “Who has ever given me a chance to show what I can do and present what I know? Don’t you see that opportunities are given only to those who have connections – the chosen ones? I’ll be honest! I don’t have any connections!” (Most of my readers will say at this point that I’ve been floored)! “You can’t answer that, professor!”

“The moment we were born, maybe even before then, we were all given an opportunity! Life is our chance! I don’t want to enter into theological discussions although I enjoy them very much and read lots of religious literature finding it important for business (for example, did God create man or did man create God?) Have you ever asked yourself how singers, managers, professors and sportsmen became famous? Someone told them: “This is your chance!”? Do you believe that Dejan Savicevic got a real chance to start a bright new football career in Drpe, the old center of Podgorica? He had to go to Milan! How many good players have dreamed of playing for Milan! The chance of a lifetime often comes by the back door – unimagined and invisible! Only some of us see it! Most people check only at the front door! They wait, and wait, and wait and the chance never comes! Then they blame someone else! Montenegrins never say that they were late for a train, they say instead that the train left!”

“How you act and the results you get is your chance! Do whatever you do the best you possibly can! If you clean, be the best cleaner! If you distribute mail, be the best mailman! If you are an accountant, do your accounting better than anyone else! Be the best in whatever profession you enter! Be the best at your university! Accustom yourself to being either the best or among the very best! This is the underlying principle of achieving and sustaining success!”

“In Montenegro the trouble is that men and women think they should start at the top, that they should play football at Milan first and at Drpe later! One should have a concert immediately at Maracana, the Champs-Elysees or Madison Square Garden and become immensely rich owing to connections and opportunities offered by someone else (someone else should remove the mountain)! Doesn’t that sound strange? Maybe you don’t think I’m being serious as I offer these thoughts? But in my opinion this way of thinking is the key characteristic of our mentality nowadays – get rich quick, cheat on an exam, get a job using connections!”

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8 Dejan Savicevic - famous Montenegrin football player, well-known in Europe and worldwide as Il Genio (The Genius) – name he has got while playing for Milan AC football club, Italy.
“Once I leave the Faculty I’ll start to work seriously and to learn languages” – you say! What is this? Think about the way you make decisions!

“It’s the same thing in politics! Think for a moment about the statements of most politicians! Most of them demand results or promise immediate results? Do you notice that they offer no long-term vision? They don’t accept or recognize that it takes a process to achieve results! It’s impossible to pick grapes in Montenegro in April regardless of what the ruling political party promises! We must struggle to have grapes by September, when they are ripe; to expect them earlier would not be realistic! I remember a conversation I had in the “Madera” restaurant in Belgrade with Miljan Miljanic, a famous football coach, and Dr. Aca Obradovic when I said that the choice of a certain goalkeeper had been wrong and that there was another who could have defended much better against impossibly difficult goals! “Who can defend against impossibly difficult goals?” he replied! “The best goalkeeper is one who can defend against possible ones!” The message is: Do the best job you can – no more than that! Don’t try to impress people! These views have formed my way of thinking! They are the synthesis of deep, long-term experiences! Usually people view these statements as well known epic phrases! But they aren’t, and when you can recognize them for what they are, you will be different than other people! These kinds of thoughts are like music: for connoisseur they are a challenge, for others a matter of indifference!”

“A problem I have noticed more and more in Montenegro is a loss of vision and natural development and flow in the process which leads to vision! What we have now is a general view that the process can be accelerated artificially, a belief in rapid development! Problems of preserving the environment occur when balances in nature are destroyed! And nature warns man to respect natural law! Imbalances can also occur in economics and business, but that’s a question, which should be examined separately! We must therefore go back to what is natural in both economics and business! Simplicity is a basic characteristic indicating whether you are on the right road to creating the perfect process! Nothing is simpler than a natural process! Nothing is more complicated than the constructions of people who are trying to impress others with their competence and importance! They want to fascinate those around them! But despite all the glamour their results are either poor in quality or completely useless! Simplicity is efficient, gets results and is successful! “Simplicity is a road to perfection!” said Fyodor Dostoyevsky, whom I have quoted before! He also stated “Nothing is so fantastic as reality!” Reality is
fantastic! Driving a car is simple but it wasn’t the first time you did it! More knowledge, practice, repetition, correction of mistakes, initiative and creativity – all these are what lead to simplicity!"

“Draw a distinction between those who talk passionately about driving a car before they have even learned to drive or had a lesson or two from those for whom driving is a reflex action! Although both are talking about the same thing, be sure to understand that they are completely different people! Beware of driving with the former no matter how likeable they are or attractive they seem! Don’t be misled by nice clothes, fancy talk and snobbery! After all, what is your goal? It’s to drive safely from one place to another! Be careful whom you choose to drive whether it’s a car, your life, or your marriage! “Your image is reflected by the people with whom you surround yourself,” says an old proverb! Freedom of choice is what should rule your life! Who pays for the consequences of all the bad things and injustices around you which you are constantly criticizing? You and only you! The ones who pay the price are the ones who do nothing about them! There is a cartoon character, Calimero, who is constantly repeating, “It’s not fair!” Don’t just accept injustices! Fight them! But fight not with talk, snobbery and drawing room manners but with real action!”

“Those who live with injustices create injustices! That’s my view! I have obeyed this rule all my life! So do something about them yourself! On the other hand, have you ever thought that injustices are actually rather convenient? You benefit from some of them yourself! They give you a reason to complain about your lowly position in the social hierarchy!”

“I have listened most often to talk about ‘injustices’ from people who have not wanted to change them, but to benefit by promotion and higher status within the same ‘unjust’ system they criticize! (Look at each man who claims how righteous he is... He is poor, so he says because he is moral and claims that others are immoral because they are rich! Morality and justice are like pregnancy! You are either pregnant or you aren’t)!”

“Always think before you make a proposal about the possible consequences if it were accepted! It could cause a lot of problems! In my opinion the best thing is to accept what others propose whether you like the proposal or not and then ask them to implement it! From my experience I can tell you that the usual answer is “I didn’t mean that, I think someone else should do it!” It’s a kind of attitude, which seems to suggest that only when you argue every point
will you be considered important! There is a tendency in the Montenegrin personality to want to oppose – to be against something or somebody! Do everything possible to avoid conflicts! Search for compromises, but only, of course, up to the point where your idea and viewpoint will not be completely jeopardized! Practice this way of doing things with respect to the small disagreements you have with your sister, brother or friends!"

“Never try to prove that you’re right! By proving yourself right you don’t always end up effectively defending your position! To the contrary, you may destroy it! And you should end each discussion in a position to push the process forward and manage it! It is particularly important to have a vision and plan for near-term results so that you achieve your goal! Trying to convince others usually means wasting energy and enthusiasm! You may have to sacrifice something to move forward! It’s better to give an impression that you were wrong than to sacrifice the vision and the project for which you are fighting! Therefore focus on one or two important ideas which are key to your idea or vision! You must understand them totally! When you understand an idea, when you are convinced of its integrity, when you are sure of its sincerity and of your own lack of bad intentions, certain that it will produce benefits not only for yourself but others, then your idea will slowly be accepted! This has been my own experience in the development of ideas and achievement of goals! Fine talking people are a part of the Montenegrin mentality! As Djonovic says “Our people become angry quickly, but also calm down quickly!” (Keeping this in mind I never agree to an ‘urgent’ meeting for presenting grand ideas! I always postpone it for a couple of days to see how the presenter of great ideas will react! I have also observed that on Monday’s people have more ideas or critiques! For inactive people Monday is the promise of a new beginning but it’s rare that they actually begin! It’s like the gambler in the Dostoievskey novel who keeps promising himself: “I’ll quit gambling tomorrow!” Unfortunately tomorrow never comes! So on Monday’s I never receive people with grand ideas)!”

“Professor”, you say to me, “I must admit you fight well! You have led me to think about trifles like the importance of appointments on Monday or Friday – in the morning or afternoon! In my office or your office? Are you telling me that everything in life should be a studied calculation, that we should think only about the details? If so, where is the freedom of choice and spontaneity for which you are known by students? What you are preaching now seems quite different!”
“My reply is this! I don’t think what I’ve just said is different! Perhaps you think that spontaneity and freedom of choice are different! Think about yourself! Is what you seem to understand by freedom of choice really freedom of choice? Freedom does not mean anarchy! Spontaneity doesn’t mean let’s do it and see what comes of it! The famous professor, Stjepan Han, whom I used to work with on roundtables in Budva which discussed “Yugoslavian managers” surprised me when I noticed that he had secretly ‘read’ his speech in a way the audience couldn’t notice! When I gave him the floor, he put the paper under the table and talked without notes! It really looked spontaneous! He noticed how surprised I was that he had needed notes for such an occasion and even more that he wanted this to go unnoticed! He said to me: “Veselin, people like it when it looks spontaneous!” The most spontaneous is the best prepared! I also remembered how my professor, Bosko Gluscevic, a genius of the spoken word, used to walk up and down his office, deeply concentrated on preparing himself for his lectures! There were hundreds of books on the shelves around him! Each book was arranged precisely! He could find things you were looking for among thousands of his papers! I saw the trouble he took in preparing himself before many of the gatherings where he looked so relaxed and calm! But many 'geniuses' who have never been outside Podgorica are used to warning me that this work model is not a serious one! "He improvises", they say! But something wasn’t right! I wondered how it was possible that the geniuses from Podgorica were not recognized anywhere else, while Professor Gluscevic was a benchmark of the Faculty wherever he showed up in the former Yugoslavia! ‘When there’s a mismatch, that’s when research should begin’ is one of my principles!”

“Both Stjepan Han and Bosko Gluscevic were people who understood the customs of broader markets and accepted them and followed them! Learning and respecting rules are what produces the kind of spontaneity I have been talking about! It's like chess! The one, who plans several moves ahead wins, has the 'spontaneous' victory! Isn't that so? Take basketball, for example! How spontaneous are the stars of the National Basketball Association? (Drazen Petrovic, the famous basketball player who played for the New Jersey Nets in America was once asked how he scored so many three pointers! "Very easy",
he answered! "After each two hour training session I shoot an extra 500 baskets!" I've read something similar about Dusko Ivanovic,9 too!"

"Prepare yourself for each meeting, Ante Markovich, Prime Minister of the former Yugoslavia used to say when I was a member of his government! After hearing him say it, I recalled what Ilija Jorga, the tough karate champion and trainer, told us when we were the first generation of karate competitors in Podgorica" "Train! Train! And train! Success is training and training and training!" The man who said that had a PhD in medicine and had earned the highest belt in karate and many prizes abroad!"

"I have to admit that I have had to prepare myself for public speeches and my classes in the same way! I learned this from my own experience when I used to blush and feel so embarrassed in front of a group! The modern phrase for this is 'learning by doing' - meaning sleepless nights, nervousness and tears! I had been dividing my public presentations into three categories - important, less important and unimportant, preparing myself accordingly! But learning by doing taught me a simple rule: the less important a meeting or a public speech seems to be the harder I need to prepare! I follow that rule carefully as my friends and associates know! (Better take an umbrella when you go to England during the summer months although you can do what you like in the winter)! I don't have much regard for people who speak in public without preparation! (I remember Madeleine Albright, the American Secretary of State! Ten of us were accidentally sitting with her at the same table! She was constantly reading and checking over her speech! A Japanese friend told me afterwards: "The more famous you are the higher the stakes!" In a sense each public presentation is a contest)"

"Listen carefully to a couple of sentences when someone is talking! The continuity of his thoughts reveals the degree of his preparation and understanding of the topic! A friend of mine was very surprised in Washington when I went to my room to get all my papers when we were negotiating about introducing the DEM in Montenegro! I was about to answer a phone call from George Soros who had called me from his office in New York! When we called Mr. Soros back, I had all my notes and papers on the table! I think I knew 90 per cent of the facts by heart but I wanted to be sure! The discussion lasted

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9 Dusko Ivanovic - a famous Montenegrin basketball player and coach. After he ended carrier of player he started to coach basketball teams. He won many national and international basketball championships both as a player and as a coach.
longer than an hour! During the conversation Mr. Soros said to me: "While I was preparing for this conversation, I noted that the Montenegrin government gives x per cent of its subsidies to a single company! Why are you doing this and how do you expect to make the DEM credible if you continue to do it?".

“My answer isn't important! What is relevant though is Mr. Soros’ statement: “While I was preparing for this discussion with you!” What does this tell you? The average Montenegrin will tell you: "Of course he had to prepare for this discussion!" But would the average Montenegrin have prepared himself for a discussion with a foreigner who had never heard of Montenegro about a potential $15 billion investment - an amount 15 times greater than the Montenegrin GDP? NEVER! As a result, no Montenegrin has $15 billion. Just so you don't get the impression that your professor is a genius, I was preparing for an earlier conversation with Mr. Soros in Belgrade in 1996 when I was co-president of the G-17 Group of economists of the former Yugoslavia! I had organized with Mr. Soros a project called 'Program of Radical Economic Reforms in Yugoslavia'! I was very surprised about his degree of knowledge about the conditions of the state! The information I didn't have made me very nervous! If I hadn't had the benefit of 'learning by doing' I don't think that second conversation with him would have ever taken place! When you're dealing with top people, it's not important if you make a mistake! What is important is whether or not you are aware of your mistakes and that you correct them or learn something from them! My advice is that the more important your boss is, the less you should be afraid of introducing new ideas and innovations! (Small bosses are obstacles)! Stay away from the small players who have convinced themselves and the people around them how great they are! In the logic of the sports world great talent is wasted in small clubs! So the moral of this is that unless you have worked and sweated, you will get nothing out of learning by doing! It would be better if you just blushed!"

"Professor", you say, "although you fascinate us with all these names and the consistency of you views, we are only students, small people without experience, money or connections! We live in Montenegro where the big news is about who won folk song competitions! Your words are far removed from us! We have not been shooting 500 baskets, and, if we did, it would be useless! How can we benefit from your advice?"

"I am disappointed with your question, so disappointed that I would almost like to stop writing! I don't need to write more books, having written several
already! This book was written not for me but for young people, university students, my children and the children of my friends to help them to overcome the reality! My life has been challenging - full of trials and errors but with some successes, too! If I, as a child from Piperi, a Montenegrin village, could eventually rise to play a prominent role in international markets, then I want to encourage young people to do the same! I became quite enthusiastic when I saw that some students who completed 'my school' were achieving real successes! Perhaps my part in their success was just symbolic but it made a difference nonetheless just as the inspiration of my own teachers, Professor Gluscevic, Professor Ljubica Radovic and many others did for me! Everything begins with me - is the first thought of most men when they reach a prominent position! No! No! No! If it hadn't existed before me, it could hardly exist today or in the future! Each idea is built on the shoulder of those who have come before us! I am a product of many people who have influenced me! In turn I hope that my co-workers, my students and you yourself will use my ideas! I don’t respect Montenegrins who say:” Everything begins with me, everything ends with me! I am God, bow down you tiny mortals!”

“When I visited a spa in Vilnius in 1986, the famous Russian sociologist, Vladimir Antonov, noticed that I was enjoying the deep Baltic forests! "This spa", he said, "was not invented by socialism! Those who lived here created it a thousand years ago! Conquerors and social systems have merely adopted it!"

"Why is that, professor?" I asked him!

"Because people have always enjoyed this spa," he replied! An idea which people enjoy can't be stopped! Try to sustain an idea or practice, not stop it or try to change it by force! Isn't socialism an example? Or the behavior of your neighbor, a snob, who tears down an old house in order to build a new one on the same spot? Build your new house next to it!”

“Do you notice how many 'important people' there are around you, those with new cars, clothes and flats! Those who raise their eyebrows and say in an offhand way "good morning" or "good afternoon”? And look around at the people who have got new jobs, become new managers or new deputies! Or the new owners of businesses! Everything new - a new social class, a new age! Has the history of morality waited all this time for them to show up and make us happy?”

“New assistants, Masters of Arts, Doctors of Science! New and old professors! Bow with respect! Don't you see this new elite? They live in elite
places! Elite professors give elite interviews on how to reform education in empty classrooms where students don't want to listen to them! Half literate, rotten and corrupt journalists write and publish articles in newspapers and offer their views on TV! So many things happen every day, that there is no time for real change! Everyone talks about honesty, accusing everyone else of theft and immorality (except themselves)! If each Montenegrin were honest and accused every other Montenegrins of dishonesty and there were a public inquiry among our 650,000 inhabitants, what would the result be? - 650,000 honest and 650,000 dishonest Montenegrins! This would solve nothing! We would be right back where we started without knowing who was honest and who was not!"

"Many Montenegrin managers and bankers will talk for hours how bad everything is in Montenegro and how much they want to help young people, give scholarships, offer them credits, and educate them abroad! You almost feel like crying after hearing the concerns of these 'Eternal' Directors who worry about the futures of our young people! How they long for their success! Oh! Oh! Oh!"

"Do you really believe they are serious? Ask them two questions! First, how long have you been a director? Second, what have you done in your own company to help the young? Most will answer: "I'd like to but nobody else is doing it so why should I?" (There are exceptions, but things change very slowly)! It's always someone else who should climb the hill! You can always recognize the demagogues as the ones standing at the bottom of the hill! This is the tragedy of daily life in Montenegro!"

"Professor", you interrupt, "you did not answer my question; you keep avoiding it! How can these directors continue to be directors? Why aren't they replaced? Why are they eternal? Why doesn't the government get rid of them? Why don't they make plans to revitalize their companies or train new people? Can't we increase their salaries to make them happy since they won't work unless they are happy? Why don't they install smart people to solve these problems? I don't understand!"

"Think what would happen if your proposal were accepted! They would have to get rid of the Eternal Student, too! You would have to finish your studies in four years and to pay for your education if you continued them! An Eternal Director doesn't want to pay the taxes to support the Eternal Student!"
In a sense the Eternal Director and the Eternal Student are just alike although their appearance isn’t the same! (Think about this in terms of your own life)!”

"Professor", you continue, "you really exaggerate! Eternal students preserving eternal directors? That makes no sense! What would happen to the eternal directors if we eliminated the eternal students?"

“My reply is this! A person who wants to make changes and create new things is always seen as bad in Montenegro and a cause for suspicion! Criticizers, walking encyclopedias, and empty words are what we value here! That started long before your studies began, even long before your birth! Unfortunately it’s the same at University! Bad students create an atmosphere, not good ones! Once you have become accustomed to being an eternal student (meaning having no obligations, low initiative, and a desire to do no more than pass exams) then you are a candidate for becoming an eternal director! "Not bad at all", you might say, but it is bad because it continues to perpetuate the same negative way of thinking, the same unsound philosophy!”

“The philosophy of business I have been talking about in this book demands a change of approach! An invisible philosophical thread connects the eternal student and eternal director! The threads are: old norms of behavior, values, rewards, and promotional systems and penalties! These connections remind me of a river course - hundreds of sources arise independently at first sight, but you discover very quickly that they all come from the same underground source and become a single stream of water!”

"If the threads that connect them are invisible, professor", you ask, "how can we change them?"

“I agree that it’s not easy to do! But it’s not impossible either! The first step is to understand what’s invisible and to bring it to light for other people and to understand its realities and psychological consequences! That is why I have written this book as a dialogue! Perhaps that may seem strange, unscientific and useless to students! But my experience tells me otherwise! I have tried it all on my own skin! I am not talking about the experiences of others!”

"Older students have been telling us that you created an intellectual incubator for entrepreneurs", you tell me!

“The idea of an entrepreneurial economy in Montenegro does not belong only to me! It is part of the concept of liberalism, openness, freedom and
individualism! But the idea was mine! I now share it with a large number of co-workers and people both within and outside the university! Today the whole Economic Faculty is an incubator, recognized in the market place for its value! But daily problems often disrupt it, as do some of its students! Your generation is wonderful! You don't deserve such a poor system - I am speaking here not only about students at a higher level but all students in our educational system! Nor do you deserve your parents! The poor system I am talking about is also in the heads of your parents! As a result you quickly begin to resemble your parents! I recall a statement of the writer, Dusko Radovic, who said: "Start beating your children as soon as you notice they are beginning to resemble you!" I used to think this was a good joke, but now I take it as a serious warning that children should become independent at an early age in order to educate themselves through work and not by imitating what is fashionable!"

"That means, professor", you respond, "that you believe the family is important for education, culture, the opinions of young people, business logic and success! Allow me to disagree! The social life of coffee shops, schools, kindergartens, and TV have influenced me more than my parents! Globalization has also influenced me much more than you have! I hope we agree on the influence of universal values! We, the young, feel the family is not so important! Perhaps at my age you felt the same way!"

"You have opened Pandora's box but my answer will not be long with most of it possibly saved for another book! The family is key for you and all young people! Attempts to replace it with the type of collective social system into which I was born and grew up, the desire to replace different kinds of people with a universal man, to kill all differences and to develop the myths of equality and uniformity was a disaster for which we are still paying today in Montenegro and will continue to pay for decades to come! I will not enter here into psychological/sociological theories of education nor continue discussions which began many years ago! But as a boy I noticed in the village where I was born that those animals which came from the best mothers became the next breeding stock! Later, in secondary school I easily understood the words of Plato who noted that education of children begins a hundred years before they are born! Our ancestors had not read Plato but they were familiar with his principles based on experience! Look at the mother, and then decide whether you should choose her daughter! You can see that Plato existed in the lives of people! As a schoolboy I wondered why some people
were richer than others, why some children were better pupils! The question 'why' is essential for understanding reality! If we accept everything as a given, meaning having no cause, then we become the slaves of inertia! Maybe I shouldn't reveal a secret! I often find myself in a classroom of students looking at each of them and wondering, "Where did this boy come from this morning?" Or, "Is this one under some stress?" Or, "Is this one in a hurry to catch the bus?" Older students will confirm that in exams I often ask: "What is your parent’s profession?" “Which school did you attend?” “What grades did you earn?”; “What sports do you enjoy?!” Before posing these questions I try to guess what the answers will be! I am right about 90 per cent of the time! I practiced this for years so it has become almost an automatic reflex!

"Why is that relevant, professor, to my question about the importance of the family for education and my partial disagreement with you?" you ask!

“It is extremely relevant! If we accept the idea that the family is unimportant and that only social and global institutions are valid, then we are led to the idea that all people are the same and that their only differences are related to external features like height, sex, and clothing! If that were the case, I would think of my students as an undifferentiated crowd or mass - everyone the same! But the problem of crowds is that they are easily manipulated! My orientation, however, is toward creativity! I like challenges and constantly learning new things! I have learned how stupid it is to be present in an exam for ten hours to test students but not to learn anything myself! If you multiply ten hours by the number of examination I give each year, that’s a very large block of time! Therefore I try to learn from students during the exam! I can’t treat a student as a part of a crowd if I am going to learn anything from him! I have to treat each one as an individual, as a person! Each conversation with a student is an exercise for me, like a scientist in a laboratory! I want to live with human beings and deal with living systems! Heisenberg’s uncertainty principle can be applied to human action!”

“The reason I love Dostoievsky is because he treats each individual, poor or rich, as a person! A writer who sees people as part of a crowd can’t write a novel like “The Injured and Insulted”! As Charles Schwab says: “Personality is to a man what perfume is to a flower!” I can’t work with large groups of people without wanting to experience the richness of their different scents! To be able to experience each student as an individual I must take him or her out of a group setting! How do I do this? One is the student’s family, another the organizations he belongs to, another the sports he likes! I learn a lot just by
looking students in the eye! The eyes are the mirrors of the soul! I study students intensely! I want to get into their thoughts and to understand their cultural backgrounds! That’s how I separate them from the crowd and turn them into individuals! Then he or she exists for me as a separate, independent human being! Suddenly, you find a man or woman sitting before you, not just a student! This is someone who may have a problem, who wants to pass an exam! And I soon find myself beginning to root for this person to pass! That is another reason to change the examination system and to create a psychologically motivated system where each student can pass the exam! I don’t want to punish people! I want to make them responsible for themselves! Differences between people exist and those differences are natural ones! Differences are what make for progress! Imagine what would happen to mankind if differences did not exist! I remember a student who had great character! She did not pass her exam! She took her exam booklet, stood up, and said in a friendly manner: “Oh, my dear professor, if you only knew how much passing this exam means to me?” She did not ask for anything but simply reacted to the image which failing the exam had for her and her life! She was honest I already realized: “My dear colleague, I replied, I don’t want my statistics course to embitter your life!” I took her exam booklet, marked it with an ‘8’ and told her! “You will be happy eventually about what you are unhappy about today! Both you and those who disobeyed the tragedy of customs! Therefore lift up your head! Be proud, not ashamed! Good luck!” There was a silence in the room, then murmurs of exclamations of sympathy for the girl from other students!“

“One year later she came to me and asked to earn the ‘8’ I had given her although no one had suggested that she do this! By then, of course, it was more like chatting with a happy mother! Imagine, she did not thank me for giving her an ‘8’ on credit! She was simply thanking me for understanding and supporting her at a critical moment! You can’t help someone if you treat him or her like a faceless person in a crowd!”

“Is it possible to say that this approach is one way to make things change?” you ask! “Can we change things without entering a man’s soul?”

“You are absolutely right, I answer! You must understand a man’s or woman’s soul and the influences which emanate from his or her family! The family passes on its traditions, customs, concerns and prejudices to the children, just as basic education does! These are the origins of one’s future success!”
“Fine”, you respond, “but how is your story about students related to business and business logic? And how can I apply it to my life?”

“I admire professors and managers who don’t feel it’s necessary to enter the motivational structure of each individual! They say to themselves that it’s enough to raise salaries! In my view it’s much more important to treat individuals like people, to say ‘good morning’ or ‘good bye’ to them in order to make them feel valued! They should feel warmth and safety in a job! We economists, managers and professors work with people! Each of them has a soul! I believe it was Njegos, who said in “The Torch of Microcosmos” “there is no secret deeper than a man’s soul!” And this same idea is mirrored in Hesse, Dostoevsky, Goethe, Andric and Selimovic, and Presern!”

“I apologize for interrupting”, you say, “but don’t tell me now that all that boring literature I read in high school is important for business!”

“On the contrary, I think most of that literature is more important than my lectures because it develops new ideas! And ideas are business! They educate you and make communication easier with others! Business among other things is communication! In fact, business theory can be boiled down to a single factor - how to get the money out of a buyer’s pocket into your own. Also don’t forget that choices become wider in an open, global world! You are not the only salesman! I am not the only professor! Ask yourself whether you are shopping with stupid or smart salesmen at a kiosk or green market. Today the sale of a product or service is based more and more on how the customer is treated than on the quality of the product or services itself! Here we come to marketing not just as a technique but a philosophy!”

“But let’s go back to the question of people! We can’t change anything unless we understand people’s motivation, a factor that is largely invisible! Here we face a problem! People don’t learn behavior out of books but from life! If I were to take this idea to a more sophisticated level, I would prefer

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10 Petar II Petrovic Njegos - Montenegrin Prince-Bishop and the great duke of Montenegro who transformed Montenegro from a theocracy into a secular state. However, he is most famous as a poet and the first notable writer from Montenegro. His notable works include The Mountain Wreath and the Light of Microcosm.

11 Ivo Andric - famous writer, novelist, Noble prize winner for literature 1961. His novels, e.g. The Bridge on the Drina and Bosnian Chronicle dealt with life in his native Bosnia under the Ottoman Empire.
life! If I were to take this idea to a more sophisticated level, I would prefer Aristotle to Plato! The former believed behavior is more a reflection of our senses and acquired experience where Plato felt it is inherited!”

“Learn by creating your own experience, events, problems, solutions, tears and happiness! Learn from your own troubles! Realize your dreams! Do what I have already recommended – learn by doing! A man recognizes himself in others! Get to know the world around you as Freud, Maslow, Fromm and other psychologists have recommended! They are absolutely right! I can’t get to know myself just by staring at my reflection in the mirror! Or at photos of myself! Or from fools! If I often listened to what others were saying about me, I would get the wrong message! My mother says there is no son like me on the face of the earth! My father says the same thing about his daughters, as do their aunts and uncles! You can’t get to know yourself either by having good intentions! Solitary plans, showing off, wearing flashy clothes or other snobbish habits! I have found that snobs are people who are trying to find themselves! That’s the reason you find them everywhere! They are completely artificial! You won’t get to know yourself by going to Paris, London or Los Angeles! You won’t get to know yourself simply by getting a title or by pretending to be in a hurry, or by being a businessman or by asking dramatic questions of others or by being aggressive in public!”

“Displaying these behavioral traits will just be a chance for others to get to see your faults! People trying to find themselves in this manner are already recognized for what they are by the ‘masters’! The artificial ways of creating experiences to know oneself that I’ve just described are a little like trying to jump over your own shadow! They result in having no real experience at all! Those who behave this way will end their lives without having either happiness or sorrow! They will not have tried real life! They are like flies in the tropical forests around Victoria Falls and the Zambezi River where large insects pass their lives flying around in circles leaving no trace behind! No matter how long they live their lives are actually short! But the man who leaves results behind lives on forever! Do you realize that Alexander of Macedonia lived to be only 30 and that Sergei Yesenin committed suicide when he was only 27? But our father, Adam, so the Bible says, lived to be 970!”

“Does that mean”, you ask, “that age and experience aren’t positively correlated and that people who are older aren’t necessarily more experienced?”
“My answer to that is based on business logic not science or research! Therefore, you don’t have to agree with me! To be precise, I find that things are completely upside down in Montenegro! The older you are the less experience you seem to have and the less you know yourself! People in their fifties, sixties and seventies are still trying to find themselves as can easily be observed! As soon as you see radicalism in a person over forty, you know that person has not grown up! There is a Spanish proverb that says that a man who is not an idealist through his twenties but who is still one after forty is a fool! Nonetheless, a distinction between an idealist and a visionary needs be made – it is the distinction between the impossible and possible!”

“I am not quite clear what the word radical means to you”, you respond!

“Radicalism is when someone criticizes you solely for the sake of criticizing or proposes something impossible or not realistic! You can do all these things until you’ve reached your forties, but not afterwards! By the time you’re forty you need to have acquired vision, wisdom, knowledge and virtue! You must also have achieved results confirming your beliefs!”

“Does this mean that experience rather than age kills radicalism?” you ask!

“Yes, because once burned is twice shy! Whoever fails to fulfill his dream may never become an entrepreneur or businessman! These classifications may give you an answer as to what behavior is appropriate at difference stages of your life! “Everything has its season!” Professor Gluscevic helped many students with such useful advice - “You must experience, feel and try many things, both moral and immoral, until you are in your thirties! After your thirties you must have a clear vision and view of what is appropriate behavior”, he said. In my view managing your life is the hardest management of all! It is harder for a man to run his own life effectively in the short time given him on this earth by God than to run a business! Therefore it’s no surprise to find that the percentage of successful managers and businessmen is proportionately higher than the number of men and women who are happy and successful with their lives! It is not easy to make your own life your best friend and companion! How many people do you know today for whom life has been cruel and brutal?”

“Does that mean that happiness and money don’t go together?” you ask! “Money by itself doesn’t bring happiness, does it?”
“Money by itself is not enough for happiness! On the other hand I have never felt happy when I haven’t got enough money to cover my needs. I have always tried to balance my expenses with my income. Sudden changes in one’s structure of needs are not normal or desirable, particularly where they increase your expenses! On the other hand too much money can make people dizzy! You have to get used to managing a lot of money, not become its victim or allow it to govern you! In my own case I began as a simple pedestrian, then bought a bicycle, and finally a Lada, a car which was made by the former regime! Did this happen because I was smart? No! It was simply because I was able to earn enough money to buy both the bike and the car! I had no other sources of income!”

“Will your children be happy to begin with a car like a Lada, after often driving your Mercedes?” you ask!

“Should I buy them a car? Should you solve their problems? No! I have already told them: “I invest only in your knowledge! That’s not a small investment and it’s not easy for me!”

“Having spent time with various kinds of people I have come to believe that parents should help their children by investing in their knowledge and their brains, not in material things! I will be very frank about this at the risk of being too personal. My children have never in their lives asked me to give them money! Never! I have always had a strict rule about this. I will help them find job opportunities but I will not give them money! In my family you don’t ask for money, you must earn it! At first you earn it in your own home through your parents and later through your own efforts when you’re on your own! My motto has always been:” Money must be earned!” A person, who asks someone else to give him money, including his parents, has no pride or personality!”

“Money is a key to the education of children and adults and also of nations! Where money is obtained without work, through fair or unfair distribution of flats, salaries, subsidized prices of electricity, and food, regardless of whether the state is doing it for a certain class of people or parents for their children, it creates conditions which disrupt the moral order! If you want to ruin someone, give him money he hasn’t earned, money that belongs to someone else! If he’s done nothing to deserve it, he’ll end up feeling he’s dying of the cold! Even though he may feel temporarily warm with money he’s been given, he’s still dying! This is one of my rules and I apply it to every day life!” My
second postulate is that there is so much money around us that no one knows much there really is! There is money everywhere!”

“Professor, this is very interesting! I almost believe you! But, please don’t tell me that there is so much money in Montenegro that we may do what we want with it! Maybe it’s like that in America! Do you yourself have as much money as you would like to?”

“I have always had enough money to cover my needs! Perhaps that has been due to my hierarchy of needs or understanding of what I needed! I wanted only the things I was able to afford and was able to buy them with the money I earned! When no one gives you money, your brain works intensively! I earned my first money when I was seven because I wanted a football! (At that time I was dreaming of becoming a football player! It almost happened, when I was a student! But, I didn’t have the courage to join the “Partisan team”, a Belgrade football team, even though I had already passed their test)! When a group of my teachers taught me my love of reading for the first time, we had to sell wood to buy complete set of books called Words and Thoughts for the school library in Drezga, a small village near Podgorica. But, these things are too personal!”

“No, professor! I was only intending to ask what you had done to see if you had applied this rule about money to yourself as well! Did you get to know yourself? How is it that a man who was born under socialism and is a former communist became an advocate of entrepreneurship and business? How did you come to champion reform?”

“I have to admit you are giving me ideas for new books and discussions! It is true I was a communist! I used to do public volunteer work! When they admitted me into the Communist Party as an undergraduate student, I was the happiest man in the world! For the first time in my life I felt that someone believed I was the best! Only one pupil in each class was admitted to the party – the best one! Even though I came from a poor Cominform family I wasn’t conscious either of the communist ideology I was adopting or the resistance to it that I had naturally inherited from my family! When “The Trend” by Antonije Isakovic 12 was published describing the tortures at the Goli Otok prison, everyone was shocked! “Is it possible”, my professors wondered, “that such a place could have existed?” I was shocked in turn by the ignorance of my

12 Antonije Isakovic - a writer.
professors! I knew about Goli Otok as a child because my uncle and father had been imprisoned there for almost 15 years! But to read about it in a book by Isakovic created my first political wounds! The reality I lived in did not precisely match the books although it took me many years to understand this!"

“I have always been entrepreneurial! I like to start things! I inherited most of this from my mother! I have had lots of business problems beginning with my father who used to spank me since I didn’t behave quite like other children; then in the student service when I attended the Economic Faculty; then in my thirties when I used to earn more than half my income from the so called Bosko’s Institute; then with my first business ventures in the mid nineties when I experienced all sort of trouble with former politicians, then with the foundation of the Institute and the Center for Entrepreneurship. Now, as you can see, I write books! My mission now is to get more young people to go into business! Shall we stop our discussion here?”

“No,” you reply! “I have more questions for you! Your answers are like a swamp! They drag me deeper into more subjects! I resemble Ilja who you mentioned before in your story about Stalin! The closer I come to you the more you seem to recede! You are untouchable! Perhaps I do not have enough experience to talk to you! Although your answers seem honest, you are still too remote! At the beginning I thought I would understand your points immediately! You simply don’t offer a firm enough foundation for your theories, just spontaneous discussion! Let’s go back to money! What is money and how is it important, particularly in Montenegro, where everyone is running away from it, even though they all want it? Money is somehow seen as something immoral!”

“My response to you in the words of Dostoievsky is that “money is minted freedom!” Money shouldn’t come first! It should never be the goal but it can become the means for you to fulfill some of your other goals like buying books or living a decent life! Money shouldn’t govern you! You shouldn’t run after it! Let it run after you!”

“Well”, you say, “then how should I understand that statement in our PMB studies at the Economic Faculty which says: ‘Anyone who isn’t studying economics with a view to learning how to earn money is wasting his time here!’
“I have had quite a few problems with this sentence! Some very serious professors have accused me of reducing economics solely to a matter of money and say that my approach tends to arouse selfishness and greed! The altruists also attack me, but their altruism usually masks their own hidden selfishness! Very few really understand this sentence from PMB studies! Its emphasis is on acquiring the knowledge which makes it possible to earn money! It’s a motto, one intended to motivate young people! It is amazing how much the behavior of both students and professors has changed since the introduction of PMB! Doesn’t this book, its style, and manner of stating its message make that very clear?”

“It’s a story which describes a mental shell which has existed in the minds of most students!” – You reply!

“I have tried to scare a lot of students to break through this shell! Some have remained indifferent! But I am certain many others want to break through it in order to develop logic of business and success!”

“Professor, there will be a lot of people who claim that what you have been saying is already well known and that there is no need to listen to you!”

“Yes, I’m aware of that! I find that 70 per cent of the people who have read the “Mountain Wreath” think they would have written it themselves if Njegos had not done so first! This is proof that “The Mountain Wreath” flowed quite naturally out of people’s inner realities and thoughts! The best creative writing is writing which is familiar to the reader because it represents things they already know! For the same reason I hope that people will read this book several times, finding in it new thoughts and ideas which are already known to them!”

“Professor, I would like to continue the discussion!”

“Fine, let’s talk about some problems which will help you to start your entrepreneurial engine!”

**Business – Is It a Talent or Can It Be Learned?**

“Professor, can you teach business here at the Economics Faculty? Isn’t it really a talent with which one is born? Many men in business have never had much education!”
“Business can never be taught in a classical manner! That I can tell you based on my own experience! There are tons of business books where the subject is systematized, defined, and illustrated with case studies and biographies of successful men! There are also books on business for beginners and how to start your own business, which sell millions of copies! They are important because they give you ideas! But traditional business lectures make no sense! I think students should be trained to think about business through discussion and practice! This creates a key problem for a professor! Believe me, it’s much more difficult to organize lectures based on this approach than it is in other disciplines which I teach third year students! But things are constantly changing and there is “endless searching” to use a phrase of Carl Popper! Our discussion is part of this searching process! Once you are convinced that you know everything about a subject, then that’s where the search should begin! Today, more than ever, I realize how important it is to pay attention to new facts and to the opinion and behavior of others! Business is always taking place in a real environment and therefore its cultural characteristics need to be understood!”

“If it is difficult to teach business and if we are studying economics rather than business administration, then why do we take exams?” you ask! “What’s the point?”

“First, I don’t like to give lectures in the usual manner with structured topics and methodologies because that means imposing my own opinion! In reading Justice Gaarder’s excellent book, “Sophie’s World”, I found a compelling idea, which inspired me in the same way as Plato’s “Dialogues!” A philosopher she states, does not lecture to his students but tries to understand things together with them! Only in that way can you break old habits of thinking and developing new ones! Thus, the purpose of an exam is to influence the way you understand the realities of business and to get you to think! I know there are some among you who either believe you know everything already or don’t care about business at all including this discussion! Without trying to take away anyone’s freedom of choice I can only say that I am not sure those people will ever find themselves in life – not because they don’t have the right qualities because some of them do! But the qualities are buried in prejudice! If these people wake up, they can become as creative as those of you who are reading this book and who are neither closed to new ideas nor indifferent! You are searching! Good businessmen are like the jokers in a pack of cards! They have special qualities! They are constantly seeking new knowledge and
understanding of the world and looking for new ways to create new ideas and methods! Isn’t finding new markets the same as discovering new ways of thinking in the work of some philosophers?”

“Professor, I am surprised! How can you compare the achievements of philosophers or scientists with those of businessmen? I think of philosophers or scientists as people living in an ivory tower far removed from the world of money and fast dealing and where many businessmen do not have much education! Are these two groups equal?”

“I have met many philosophers, Nobel Prize winners, poets, artists and sportsmen and I have also met many clever businessmen, entrepreneurs and farmers! It is amazing how much they resemble each other in many respects – not in their appearance, education, knowledge or foreign languages, of course! It’s their basic understanding of life, which is similar! The first thing I look for is the light in their eyes! Are they lively? Do they have energy? Do they have hope? The eyes of successful people shine! They are open! They look as though they have no secrets! They don’t care what others think of them! For all of them success is a means to do more searching! Success itself is not their goal! I am talking about real people! I am not talking about conceited philosophers or cheating businessmen! I am talking about those who are heading forwards, those who are always searching and reinventing themselves! Test this in terms of your own experience!”

“But business”, you say, “is a field where cheating is common while in philosophy it isn’t!”

“The ideas, which some philosophers have expounded, have harmed mankind much more than any cheating businessman! Philosophers are the ones who have started most wars and recent historical movements like Nazism and anti-Semitism! Fraud is not limited to just one area of man’s activity! Men commit fraud and they can do so just as readily in philosophy, teaching and politics as they do in business! Men are men! Everywhere! And nothing human is alien to man as Dostoeievsky once said! Despite all the prejudices against it there is no more immorality and lack of honesty in business than there is in any other field! One can’t create a company which survives for very long if it gains a reputation for dishonesty! Some have tried but most of them have failed! That there are murderers, thieves and drug addicts in the world does not mean that the whole of society is characterized by such behavior!”
“If you want to run a business you have to understand that ethical standards are a prerequisite to success! Njegosh once said that: “Time is the best selector!” What this means is that only the most able and ethical will survive in business!”

“I must admit”, you say, “that this becomes more and more interesting! You think that business is the same kind of creation as art and philosophy and that morality, not fraud, is a basis for a successful business!”

“That is just what I think and how I act myself!”

“You will have trouble convincing a lot of people of that, especially here in Montenegro,” you reply! “I personally accept it but I need more time to understand what you are talking about! I trust you more than I understand you!”

“I don’t expect everyone reading this book to believe it or accept it! That is not my goal! If I manage to do it with just one person in my class, like you, then I’ll have done what I hoped to! Individuals are important to me! Crowds are important to politicians! Politicians think in terms of percentages, not individuals! My primary goal is to influence the thinking of as many people as possible to make it easier for them to face life, to make them leave behind apathy and fear about passing an examination and to enter a state of mind where they ask themselves why they are reading a specific book and how they can make use of it in private business! My goal is to get you to search for new ideas for your business, career and education while you are studying! All this is an effort to get you to give up conventional behavior and ways of thinking!”

“Does this mean that business logic is a kind of ideology?” you ask!

“Yes, if we understand ideology as a way of understanding the world and reality! The word ‘ideology’ is misunderstood in Montenegro! It originated in France at the end of the 17th century, ideologists belonged to a school in France, which was opposed to the thought of the Ecole Polytechnique, the military school and its scientific constructivism – which was a continuation of the ideas of the French Revolution and the basis for the rise of napoleon! Ideologists belonged to a school (remember Condiac), which focused on the analysis of human ideas and actions including the relationship between man’s physical and mental capacities! Ideologists were interested in individuals and freedom! But let’s go back to business!”
“Business is an ideology, which declares that you can manage your own life, earn money yourself, and not simply wait around for someone else to give it to you! Furthermore, it recognizes the importance of freedom – freedom of choice, personal responsibility for the decisions you make, and having ideas and the courage to implement them! It also recognizes love and feelings!”

“It is often argued”, you respond, “that business is about exploiting others, as Marx used to say!”

“Do you really believe that Bill Gates and George Soros made their fortunes by exploiting their employees and paying them low wages? Businessmen know that high salaries and treating their employees well is the foundation of good business practice! Only a satisfied worker will enthusiastically contribute to increasing profits! But that’s a different story! Concerning Marx, who was one of the 19th century’s greatest thinkers, it’s important to remember that he emphasized the existence of different interests in society which he came to see as the interests of separate social classes! A stratification of interests is important in business because business is an activity where many different kinds of people come together – managers, wage earners, suppliers, buyers, bankers and brokers (all of whom are stakeholders in this process)! You should focus on the word ‘interest’ which you have heard many times before!”

“But that word is often used in a negative sense in Montenegro”, you say, “as an expression of selfishness and greed! In Montenegro, people are more altruistic on the surface, ready to help others more than themselves!”

“Humans are primarily selfish beings! I have never met a real altruist! And I have always been very cautious about those who present themselves in that light! You and I may disagree on this point, but I assume you have had experiences with someone about whom you said afterwards: “I did no expect such behavior from this man! He seemed like the kind of person who was completely unselfish!” Do you recall the statement of stewardesses on planes: ‘In case of loss of cabin pressure an oxygen mask will fall out of the compartment above your seat! Put your mask on first, then your child’s!’ Perfect! What’s so different about business? What if the founder of a new business puts the mask on someone else first? He would suffocate! What I am referring to here is about what I call controlled selfishness! I follow this principle in my own family! You have to realize that the interests of others limit you own and must find a balance between those interests! In business
this means paying everyone what they have earned! Whatever is left, the profits, belongs to you! If nothing is left, the business fails!”

“Professor, I don’t understand! First you say there is no altruism and that everyone is selfish, then you say we should be selfish in a civilized way! First we should give to others! Only afterward should we keep all the rest! What’s this all about?”

“Whether humans are altruistic or selfish has been debated going back to the beginning of human history (Thomas Hobbes:” Homo homini lupus est”- “A man to a man is like a wolf!”) I recommend Ayn Rand’s book “The Virtue of Selfishness!” I am a practical person! Life is not all black and white, especially where the emotions are concerned! What I’m saying is that when you are running your business and underpay you workers, such behavior is called greed and you will end up losing your business! When someone greedy tries to present himself as an altruist or benefactor, a man who is good to his employees, then he is just being a hypocrite! Greed itself is the worst vice of all! It is a form of mental AIDS! When I talk about selfishness, however, I am not referring to greed! When you run a business, you are not paying your employees out of benevolence but out of selfishness! Do you recall the statement of Adam Smith in the Wealth of Nations where he says “it is not from the benevolence of the butcher that we expect our dinner but from his regard to his own interest”? I also want to remind you of the Montenegrin saying: “Beware of Montenegrin altruism!” It usually manifests itself when someone is ill or in a difficult situation! Test someone’s altruism to see if it still exists after you have become successful! Speaking of interest, I discovered early in life that those who are considered to be fools, dreamers or unfit for their jobs never make mistakes when it comes to their own interests! I have read somewhere that there are no smart or stupid men, only men with different interests! There is also a proverb: “A dog does not bark to save a village but for the village to save him!”

“I must admit”, you reply, “that everything sounds very simple, almost as though it weren’t necessary to be a professor to have ideas like this! At the same time, you always quote philosophers, writers and Nobel Prize winners! You always have ideas! Where do they come from?”

“They come from everywhere – science, sports, academia, business, leisure activities, family, friends and students! Ideas come from having an intense life and from the energy of facing challenges!”
“Does that mean that you recommend we should live intensely? -You ask!

“It is too late to make such recommendations! You should have already lived your life that way! I believe that people who live in several dimensions of reality are those who become truly creative! Jean Paul Sartre once said that a writer must live in several different layers of reality in order to understand it and write about it! If he lives in only one, it’s as though he were imprisoned in a small town! Here is a practical suggestion for you: mix with lots of different people, people who have different educational and professional backgrounds, do different jobs, travel and observe life! Business is like art! You must live intensively in order to become inspired and challenged! If you adopt a rhythm of waking up each day followed by morning coffee, the newspaper and TV, you’re living as though you were retired! Unfortunately some 25 to 30 year olds are already living like this! I warn you not to retire too early!"

“Professor, I agree! But we started this as a discussion of business – how to pass exams, from what books we should learn, and what guidelines we should use for taking an examination! Everything you have said is useful but students need to be practical! They need to pass their exams!”

“Let’s stop worrying about this sort of thing! It’s easy to pass an exam! At least it used to be! After this book no one should fail an exam! If this book isn’t of interest to someone, then that person still deserves to pass an exam, even getting the grade they want! I recall the story of Professor Gluscevic who asked a student who was quite stupid: “Colleague, for God’s sake, can’t you tell me anything about any book you have ever read?” “Professor”, he replied, “I have never read a book!” There was silence in the auditorium! We were all shocked! That was the student’s final year at the Faculty! The professor then took the student’s grad book and marked it with a passing grade, saying: “Dear colleague, please make me a promise that you will never become a politician! I couldn’t survive such a disaster! However, since we have adopted a multiparty system, I suppose it won’t be necessary to make such a request!”

“In my view the essence and purpose of exams is to wake you up! For many years I have asked only three questions on my exams! Everyone knows what they will be in advance! The first is: What will you do once you complete your studies? The second is: If you had $10,000 how would you invest it? The third is: If you had a new business idea, where would you find the money to finance it?”
“Professor, you are posing these questions to a first year student! Isn’t it too early? How could a first year student know the answers to these questions?”

“No it isn’t! Unfortunately, it is already too late! Our entire education system is upside down! You should already be familiar with business by the time you’re in kindergarten! Don’t forget the saying in the business world: He, who has not managed to get rich by the time he is forty will never get rich! Take this saying seriously! Isn’t it important for a student to know what he is going to do after he finishes his studies? If he doesn’t know what he will do while he is still studying, he won’t have any criteria for deciding what he ought to learn! He will be studying by inertia!”

“I have changed my exams in recent years and grade students based on many factors! Doing an interview with a businessman or gathering student opinions about a project might be included as examples! I also grade on the basis of whether a student has been active in a sport, books he has read and concerns he has attended!”

“But do all your students take the same examination and read the same textbooks?” you ask!

“Yes, they do! The first thing I should stress is that the exam is about freedom of choice! This is a vital principle and a secret of success! It is the path which makes it possible for you to become powerful in any situation! I will not reveal that secret to you yet! I recommend you first read Milton Friedman’s book, “The Freedom of Choice”! You should apply Friedman’s principles to yourself! I hope you will come to me when you are 35 and say: “Professor, I discovered your secret!” I will be happy for you!”

“When he takes his exam, my student chooses his final mark on the exam in advance – a 7, 9 or 10! To get a 7 is easy – for example, by being able to recite Kipling’s “If” and to have read Charles Schwab’s book, “The Road to Success”, which is only 35 pages! You need to do much more learning to get a 9 or 10! The exam for a 7 is given in a different room than the one for a 9 or 10!”

“Does anyone ask for a 9 or 10? I don’t believe it”, you say!

“That is a question I am often asked! Everyone thinks that all students care about is getting a good grade, that they don’t care about learning, and that all that is important to them is passing! But over 90 per cent of them are trying to get a 9 or 10!”
“Professor, what’s the trick? Are you promising them things? Or perhaps some students know more than others!”

“The problem in Montenegro is that everyone thinks that the best way to do things is to find a shortcut! You should think about things differently! Shouldn’t it be normal for a young man or woman who is used to being a good student in college to want to get a 9 or 10 instead of a 7? Why should someone who was already doing well be satisfied with a lower grade? This didn’t make sense to me! Therefore I base my work with students on what I think is the standard they will set for themselves! Believe it or not using such an approach creates a wider field of creativity, innovation and challenge! In such an environment it is critical for a student to make a decision how much he wants to achieve and say so publicly! To say publicly:” I want to be the best!” In this environment you soar into space! The largest contribution to the exam to your progress as a student and in life is to make your decisions publicly!”

“My oldest sister told me the same thing,” you reply! I don’t fully understand the idea but I accept it! My sister started her business even before she graduated! Professor, I’m amazed! You continue to bombard us with simple principles and illogical things that aren’t connected at first glance, but in the end they become very important! It is not easy to understand you, but please don’t tell me that it is important for our business careers, education, marriage and God knows what that you don’t give 6s or 8s on exams!”

“Do you remember Fiodor Dostoievsky, the author who looked on himself as being in the writing business? He used to delay finishing his stories deliberately to increase his fees even though their printing had already begun! I think he described this in his novel, “The Young Man”. The simplest ideas are the ones which are hardest to understand! But the common man understands banal ideas incredibly fast! Quick understanding, says Dostoievsky, is a mark of banality!”

“You wanted to know why I never give a 6 or 8! It’s a matter of business logic! I have given a 6 only three times in my life! It’s a grade for absolutely hopeless cases! Fortunately, I don’t have any of these 6s among my students at present! An 8 is a grade for indecisive people who can’t decide whether they should choose between a 7 (indifferent) and a 9 or 10 (ambitious)! Grade 8 is a characteristic of the Montenegrin mentality – I want to be ambitious but in an indifferent kind of way! Make a choice! It should be either/or since
making decisions is a key to success! The Montenegrin mentality is a split one! Montenegrins want the maximum benefit with the least possible sacrifice! That’s an equation that can’t be solved either in math or life!”

“It’s easy for you to innovate when you don’t lecture on difficult subjects like math or statistics where you have to be exact”, you reply!

“I do lecture on difficult subjects such as statistics to third year students! My book, “Macroeconomic Accounts and Models”, is 900 pages long! It is amazing how well students have accepted it! For many of them it has been an economic Bible! It deals with freedom of choice even better than my Business exam! Speaking of math I should note that one of the most popular professors at the Economic Faculty in Belgrade is a professor of math! When you ask me about criteria for passing an exam, I don’t think I’m an easier grader! But there’s something else which is important, too! People are important!”

“You preach to students about things they should do during their studies! Is anyone taking these ‘unserious’ things seriously?” you ask!

“Frankly, I have learned more teaching business and economic philosophy in the last seven or eight years than teaching economic statistics for almost 20! For a long time I had wanted to teach some ‘irrelevant and unserious’ topics like business! Once you have relaxed your students, awakened their interest and understand their motivation, once they have lost their fear of failing an examination, then you begin to enter the world of creativity! Your influence may become so strong that you feel frightened about what may happen! The same thing applies to ‘preaching about things’! For instance, I tell my students that they should learn at least two foreign languages and the computer! I tell them to spend at least five days abroad! Finally, I tell them to learn skiing, tennis, dancing, and proper table manners!”

“I have been surprised how many students follow these recommendations. The worst problem is with the car! Each one wants their car to be a turbo Audi. They have not surmounted this hurdle yet. And many of the parents have been angry with me about recommending a car!”

“Professor”, you ask, “where does all this wanting to advise your students come from?”

“It comes from my belief that you are different from the prevailing mentality of Montenegro. Your potential is equal to if not higher than that of students at western universities. There is no need for you to feel inferior. I know this from
my own experience and visits, discussions and lectures in western countries. But even more than it is confirmed by the success of our students abroad. My generation is paying for the fact that we became used to the idea that we were inferior to others. But creating the impression of being conceited can’t break the feeling of inferiority. The key is to break out of our mental shells and to incorporate some of the global principles that are common in other parts of the world into our own daily lives without abandoning those important characteristics of our culture, traditions and customs, which make Montenegro special! (We should think globally and work globally!) If you don’t want an inferiority complex you must do things differently than what is ‘normal’ and ‘prevailing’ in Montenegro!”

“As I understand it”, you say, “The key to success is being different. At the same time you also say we are different already. Isn’t there a danger in each of us becoming different in our environment? Isn’t it much easier to live like other people? And at the end of the day is it even moral to be different than the majority? My family did not teach me that! And you have said that the family is the basic unit of society!”

“That is a good question and we shall talk about in more in the coming chapters. Let’s start with the poem “If” by Rudyard Kipling! Before we begin, however, don’t forget the thought of Marko Miljanov, who said: “The ordinary, honest man is involved in deeds of great valor, where the hero acts once with superhuman courage!” This statement summarizes the message of Kipling’s poem. Actually, in those brave days of old when being a hero was a noble profession which carried with it the willingness to sacrifice everything for an ideal, the wise Miljanov said in one sentence what “If” proposes in a much longer and more analytical way. Whenever you quote Kipling, remember to quote Miljanov, too!”

“But why is it important, Professor, to remember Miljanov if we already have Kipling?”

“The real reason lies in the need to get rid of our national inferiority complex, the so-called complex of Scepan the Small, the Impostor King – submissiveness to the unknown. It is widely believed that everything coming from abroad is automatically good whereas what is proposed in Montenegro is

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13 Marko Miljanov - Montenegrin duke and writer (1833-1991). His most important work is The Examples of Humanity and Bravery, a collection of true anecdotes depicting practical examples of achieved ethical ideal Montenegrins of his time strived for.
supposed to be worthless! Everything emanating from inside the country is underestimated and neglected. Unfortunately, however, what is adopted from outside is usually accepted only at the beginning. Afterwards, bit-by-bit everything returns to what it was before. How is it possible to create an environment acceptable for success in business if you are constantly underestimating your country, you company, and your friends? We don’t realize that by doing this, we end up underestimating ourselves!”

“I remember a recent international conference held here in Podgorica called “Montenegro – Micro State!” My colleagues and I had lots of problems with it. Local newspapers published two reports. One article was strongly critical of the Institute for Strategic Studies and me for our proposal to cut the size of the army, reduce customs rates, introduce English as one of our official languages, decrease the number of government employees, reduce public expenditures to less than 30 per cent of GDP, and stimulate business! The former Prime Minister of Estonia, Martin Lar, who had been invited, recommended some of the same things at the conference. The same newspapers that had criticized us judged his proposal to be “reasonable, rational and logical!” I think that this sort of thing is the result of our somewhat mythical understanding of history and reality! As long as something is a myth, it is respected and seen as valuable! But when you are face to face with a real person who has virtues and vices, height and weight and you can actually touch him, the myth and all respect for it disappears. We live in a shell where death, not life, seems to be glorified. We talk more about the heroics of death than entrepreneurial creations. This is not only a huge barrier to economic development but also one which stands in the way of personal development!”

“But let us go back to the question. It’s important to recognize that there have been people in our country who have appreciated human and moral values for generations. These thoughts have been familiar to many Montenegrins, too! I have already mentioned Marko Miljanov who collected the ideas of his countrymen! His book, “Examples of Chivalry and Bravery”, may be interpreted differently. But we shall talk more about that later! Just as Marko based his opinions on experience, so did Kipling! Kipling’s verses are not verses based on artificial imagination, on some omniscient mind or someone who invented rules about how to behave! NO! Nor did Kipling borrow from the Old or New Testament! What he said was based on life and the experience and action of thousands, of millions of men across the centuries! It is important to realize that “If” is not imagination or constructivism! Like Miljanov’s “Examples
of Chivalry and Bravery”, which tells the story of real events, so Kipling’s’ “If” offers lessons from real life, creating an exciting poem, which, for me, has great therapeutic and motivating power!

“Professor, if I understand you correctly”, you say, “what you are recommending is not to read this poem as a myth or a heroic folk tale but as a matrix in which to understand your life, your experiences, troubles and needs and the events of every day life!”

“Exactly! Try to understand yourself and your behavior in the framework of this poem. If you read it from a distance as though it were for someone else, you are wasting your time!”
‘IF’ – Ethics as a Foundation for Business and Success

“Kipling’s poem provides us with a rationale for being different! Let’s read it together!”

IF
By Rudyard Kipling

If you can keep you can keep your head when all about you
Are losing theirs and blaming it on you,
If you can trust yourself when all men doubt you,
But make allowance for their doubting too;
If you can wait and not be tired by waiting,
Or, being lied about, don’t deal in lies,
Or, being hated, don’t give way to hating,
And yet don’t look too good, nor talk too wise:
If you can dream – and not make dreams your master;
If you can think – and not make thoughts your aim;’
If you can meet with Triumph and Disaster
And treat those two impostors just the same;
If you can bear to hear the truth you’ve spoken
Twisted by knaves to make a trap for fools,
Or watch the things you gave your life to, broken,
And stoop and build ‘em up with worn-out tools;
If you can make one heap of all your winnings;
And risk it all on one turn of pitch-and-toss,
And lose, and start again at your beginnings
And never breathe a word about your loss;
If you can force your heart and nerve and sinew
To serve your turn long after they are gone,
And so hold on when there is nothing in you
Except the Will which says to them: “Hold on!”
If you can talk with crowds and keep your virtue,
Or walk with kings – nor lose the common touch,
If neither foes nor loving friends can hurt you,
If all men count with you, but none too much;
If you can fill the unforgiving minute
With sixty seconds’ worth of distance run,
Yours is the Earth and everything that’s in it,
And – which is more – YOU’LL BE A MAN, MY SON!
“Professor”, you say, “I read this poem in high school! I admit it fascinates and excites everyone. But I never would have thought of it as a business topic!”

“Once when I was having a few personal troubles, I read this poem for the first time! Ever since it has been my therapy and inspiration, my defense against personal weakness! It is incredible how Kipling manages to inject into one poem all the secrets of life! First, the inner life – he really understood human nature! The poem is easy to read! But the depth of its perceptions about human nature depends on experience! Each time I read ‘If’ I feel the poem differently! It’s not a poem to memorize! It must be lived instead! This poem is like “The Torch of Microcosmos”! It contains unlimited amounts of human experience! It’s a fractal as the chaos theorists call it: an unlimited limitation!”

“Professor”, you ask, “To what should I pay special attention in this poem?”

“Pay attention to yourself - to your own intimate secrets, your experience and your relations with other people! Think about the meaning of honesty! Think about situations where you did not but ought to have felt remorse! When I read this poem with you just now, two things came to mind! First, we live next to boundaries! Second, think how much the ideas of this poem clash with the superficial daily mentality we encounter all around us! To live next to boundaries means to live without boundaries! From the edge of a boundary you may go either left or right to two separate worlds, one as different from the other as being on shore is to an offshore zone!”

“I recently read a strange book on psychology by Ken Wilber, “No Boundary”, which analyzes eastern and western approaches to personal development! It begins with several questions! Why is it that life seems to appear as a series of opposites? Why does everything valuable have an opposite? Why do we always make decisions in terms of opposites? Why are all our wishes based on opposites? All spatial dimensions, he says, are based on opposites: up and down, high and low, north and south, as are such concepts as good and evil, God and Satan, freedom and slavery, success and failure; strength and weakness, cleverness and stupidity, reality and appearance! Both the tangible and intangible world is a huge set of opposites! In the logic of the black-and-white world where most people live you must choose the right ‘opposite’ in order to be successful! But does it make sense to choose an extreme! No, it does not, but people do so everywhere! But the
more you think about it the stranger it is! There are no truths or lies in nature, no moral or immoral trees or right or wrong oceans! Some bears are clumsier than others although they don’t seem to care very much! They don’t have inferiority complexes since everything for them is simple and natural! So, opposites in nature are complete different from opposites for human beings!”

“Some would say that nature is stupid”, you tell me! “Perhaps that’s the reason!”

“I recently tried to understand an essay by the biochemist Alber-Zeng-Giorgy on the intelligence of nature but failed! However, I did understand the question he was asking: If nature is stupid, how was it possible to create the human brain? I wonder! This is just one of the conflicts troubling those trying to understand reality (not just explain it in an educated way)! Do you recall the riddle:” Why do raindrops fall? The answer, of course, is that they can’t walk!” You’ll soon see that most public proposals and opinions related to the world of business and economics have the same quality as the answer to that riddle! But to recognize this you much have to have many experiences!”

“I should also note that each decision we make, each word we say is based on a conscious or unconscious creation of boundaries! In accepting one thing we reject something else at the same time! We want to draw a line between pleasant and unpleasant things and yet choose only peasant ones! If you are obedient to one idea only, however, then everything else becomes false and unacceptable! Isn’t education actually the process of teaching us where and how to draw boundaries and how to deal with limitations? A war begins when we draw a battle line between our enemies and ourselves! In short, to create boundaries is to create opposites! The nature of life has to face opposites! They exist simultaneously! You must be ready to accept the fact that they exist and accept their consequences! Choosing the right thing isn’t always pleasant! But one of Kipling’s key messages is not to do what is pleasant but courageously to do what is right:

“If you can meet with Triumph and Disaster
And treat those two impostors just the same!”

“In each victory, which you experience, there is a germ of defeat, in each defeat a germ of victory! We don’t live solely behind boundaries of victories and defeats! There are no real boundaries between them! The Chinese symbols, yin and yang, also suggest this! And there is a proverb in Montenegro: Don’t let fame turn your head or misery humiliates you!”
“If you can dream – and not make dreams your master’
If you can think – and not make thoughts your aim!”

“You should live at the same time in both your dreams and reality! It’s hard to know where the boundaries between them are!”

“That’s an interesting theory”, you reply! “Live at the boundaries! If I understand you properly, that means being ready to accept both gains and losses!”

“Njegos once said: “Whatever comes next, I am ready for it!” I think this is the key in both, business and life! Ask a villager who has just planted his crop: “What will your yield be? His answer will probably be: “I expect it will be a good one if there are no hail or rain storms!” Are you aware how much philosophy and experience is contained in that answer? Most of us will see it only as the answer of a simple villager who has no idea what computer programs like word and excel are! Therefore, his answer must be irrelevant! My approach is different! You may be surprised to learn that I see in this farmer’s answer the origin of risk theory! But how did a farmer create risk theory and not some Nobel Prize winner? How could a villager from Vasojevici understand risk and portfolio analysis before a Nobel Prize winner like Markovich had even formulated it scientifically? How is it that farmers, traders, and other engaged in business have survived so much risk without knowing about Beta coefficients?”

“Can you really imagine what it means when you hear on TV that dinosaurs lived sixty million years ago and then disappeared from the earth? What we seem to believe today is that everything that’s worthwhile happened in the past hundred years! But have you ever asked yourself how it was possible for Marko Polo to discover Asia without a cell phone or for Columbus to discover America without a compass? Have you ever asked yourself how the Roman Empire survived without planes and modern technology? You may argue that the standards of civilization in those days were pretty low and point out that human rights were often violated! We will talk about that more some other time! But what is important to remember is that those former civilizations have provided us with many of the things we use and read and learn today! I am not so sure whether the civilization of the 20th century will be particularly impressive to people living in the 23rd! The 20th century was a century of crowds, a century of technology! But it wasn’t a century of individuals or innovation! But I am getting too far off the subject! What I do want to
emphasize here is that many generations came before us; their contributions have been passed down to us! Very few things have started with us! We may evaluate our present success only by viewing it from the standpoint of future results!"

“Let’s go back to our villager and the theory of risk! A farmer is aware that he lives at a boundary where he experiences either a good harvest or destructive storm! Something unacceptable to me is called risk! To live with risk means living continually at a boundary! But when you propose something to State employees or bureaucrats in Montenegro, the first question is always: “Professor, what guarantees can you give me that we will earn 100 per cent on our money? We don’t want any risk! You are a smart man who can forecast results! How can we enter this transaction without knowing what the results will be?”

“Professor”, you say,” their answer is just what you’d have in sports if we insisted on knowing the result of a game before it was played or if I say, I will play the game only if I’ll win! Otherwise, I won’t!”

“Great or as you kids would say – cool! Sports are a good example of living at a boundary! You can either win or lose a game! The probability is that you will win if you’re good, but there is always the risk of loss! That is the essence of the idea! Those who live inside boundaries are people who insist on winning and expect someone to guarantee the result! They live in a closed circle and are part of the crowd! That is the prevailing mentality nowadays in most places! As a result those who belong to the crowd are constantly worried about justice and the violation of rights! They want to be protectors! They sincerely care about others! Knowledge and experience, however, tell me that half the evils in this world are created by these kindly souls! But if you accept the idea of living life at the boundary, then you accept the idea that there is always risk, always the danger of a hailstorm! It is those who want to protect us from these storms, who are blocking development and progress! They are always trying to stop you on the road to success!”

“Professor”, you say, “It seems to me that those who care about others, the protectors, are a lot more popular than those who call for hard work and creativity!”

“Popularity and development are seldom connected! People in the vanguard are rarely popular! All good ideas are adopted first by small groups, minorities! Then the crowd begins to perceive how ‘clever’ they are! When the majority
accepts an idea, no one remember those who made the sacrifices to bring it to life! I am not talking simply about technology or scientific innovations! But it’s precisely because the crowd does not acknowledge the contributions of individuals, minorities and small groups that the crowd itself makes few contributions to mankind! That has been my experience over the years! There is no greater thief of ideas than crowds! However, even laws are not enough! The protection of such rights needs to have a moral rather legal character! What we need is a tradition which calls for an analysis of how a new idea is born! Once again, as I have asked many times before: Why did the Petrovics become the Montenegrin dynasty? Why did Marko Miljanov write the same thing as Rudyard Kipling? Is there really a question in our minds about how these things came to be? Why they and not someone else? More and more I have come to believe that we ought to think about an idea’s provenance, since the real question ought not to be how something happened but by whom it was initiated!”

“Does this mean”, you ask, “that the message of “If” is that you will be a man when you can live your life without boundaries just as nature itself does and that you should be natural?”

“Yes! Be natural! There lies the problem with many people who lose touch with nature and their inner beings! Worst of all they spend their lives imposing rigid boundaries on themselves and others! But we are all born equal! Therefore, isn’t freedom our natural right? Think about the snob and how many boundaries he has to live with in his own mind! He ends up living unnaturally!”

“Your message then, Professor”, you reply, “seems to be about breaking through our prejudices!” Can you tell us something about this based on your own experience?”

“I certainly can! For instance, I’ve noted in Montenegro how often men rising to high office suddenly change! Somehow they become more important, cleverer in their own eyes! And they literally start to gain weight! I find that sometimes colleagues who passed exams I never took look down on me! I have seen some of my acquaintances, who are getting out of cars which are newer than mine turn up their noses! Success seems to have gone to their heads! Fame has infatuated them! It’s in situations like these that I often call up Kipling!”

“If you can talk with crowds and keep your virtue,
Or walk with kings – nor lose the common touch!”

“Professor”, you ask, “what are the most important things for you in Kipling’s poem?”

I’ll tell you! One of them is the following:

“If you can watch the things you gave your life to, broken, And stoop and build ‘em up with worn-out tools!”

“Like others I’ve had my ups and downs! But even when I failed or fell into disfavor, I was loyal to the logic of sports and to myself. What this means is that if you don’t keep trying to score goals, you’ll definitely lose the game! The second important things I try to remember is:

“If you can bear to hear the truth you’ve spoken Twisted by knaves to make a trap for fools!”

“Gossiping by successful people is a way of life everywhere! It’s the price we pay when we try to make changes, the price of progress! There is a proverb: Only a good horse leaves a lot of dust behind him! If you start to pay attention to gossip, you’ll lose the energy you need for your business and end up wasting time! So be honest with and cooperate with the people you work with! You’ll get results! I believe that the only proof of success is good results! At least that’s my experience! It’s not easy, but...!”

“Professor, I like these thoughts!”

“If you can be good and wise, not puritanical with a narrow mind!”

“Don’t be upset with me”, you say, when I tell you that I sometimes become impatient with the pettiness of professors! I used to find myself taking various exams where I knew all the material cold but not the specific date of some battle! The date I’d put down would be wrong by a couple of years! Two years of 15 centuries! The professor would react as though the world had collapsed! Also, I used to have arguments with my mother when I had cleaned my room! “Why, she’d ask, “did you leave that small piece of paper in the corner?” I find that getting bogged down in small details destroys ambition!”

“You have heard it said of someone that ‘he’s like an ocean!’ That describes a broadminded person, a person who’s not thinking about trivia, and a person who is strong! A broadminded person is tolerant, indulgent and reliable! He or she truly lives at the boundary like an ocean between continents!”
“I become upset with purists! No one is without some vice! One person smokes, another drinks, a third is stingy! The sum total of all the vice in the world remains the same! It’s just distributed in different ways! Beware of people who are always aggressively promoting purity and honesty! You know who talks the most about honesty? It’s the ones who aren’t honest themselves!”

“Professor”, you say, theories about honesty in Montenegro are quite controversial and dangerous! You have just mentioned Marko Miljanov and his book, “Examples of Chivalry and Bravery”, which is famous in Montenegro as a kind of testament which supposedly proves our honesty!”

“We should leave off talking about honesty and purity! As I said earlier, I believe that Marko Miljanov, who was one of my ancestors, was a great man! Everything I heard about him from my grandmother, his niece, was truly amazing! I was also delighted by his book! But there is a shadow of doubt hanging over some of his words! For instance, if honesty is so common, why did he feel he had to write about it? If honesty were common, wouldn’t it be more logical to write a book called Examples of Dishonesty? It isn’t important whether I am right or wrong about this! What is important is that you recognize that just as Kipling said everything could be seen from one side or other once you have clearly seen where the borders are!”

“I admit it’s a provocative idea”, you say, “but I still don’t agree!”

“When I was your age, I used to think that way, too! Men change as they grow older!”

“That’s normal”, you reply! “Our needs change throughout our lives and our needs change our way of thinking! We all have different needs, depending on our age! I have just remembered, Professor, to ask you a question! Do you and I and others have a need to run a business? And if there is such a need is it similar to the need to go to the theatre, own a car or be with other people?”

“That’s a good question so you can now pass me your student booklet so I can grade you! With that question, however, we enter the secrets of the human soul, always a challenging task, and it would be a pity to quit our discussion here!”

“I agree”, you say, “but about my student booklet...!”
**Needs – the Secret of Business or Economics of The Soul**

“Professor, I have read somewhere that if you really want to get to know someone, you should understand his needs! Do you agree with that?”

“I agree completely! Man is a syndrome of needs: a need to eat, read, travel, have company, give someone presents, and send a postcard! Those are some of the inner needs we use to define our universe! Needs are inside us, not somewhere else! Needs define the intensity of our actions and reactions to reality! For instance think about the amount of food we eat in order not to feel hungry! Needs are to business as gasoline is to an automobile! The speed of a car depends on the quality of gasoline it uses! Needs result in interests and interests produce motivation! If we have an express need for something, then we take action! Actions, the activities we undertake, are reflections of our invisible needs! You are talking to me now! This conversation is your activity! What lies behind it, make you voluntarily to talk to me? Where does the need for knowledge come from? When you drink water, you have a need to quench your thirst! The question you asked was a good one because it lets me underline something fundamental – when you drink water you show the world you are thirsty! Once I see you drinking I know you are thirsty (unless you are drowning)! I representing the outside world, discover you’re thirsty, that you need water! Think about this simple logic, which is actually quite subtle and complicated! Ask a psychologist! I venture to point out that there are some missing links in this chain, but we can omit them for purposes of this discussion! If we continue our conversation about economics and ask whether economic man (homo economicus) exists, then I have to be subtler, risking the possibility that psychologists will criticize me! But I am only talking here about the use of psychology without explaining its essence!”

“Professor”, you ask, “does economic man really exist?”

“No! Man is more than a rational being! He is also an irrational creature, more than a rat reacting to a stimulus! We do not live in a world of Pavlov’s conditioned reflexes! Man is at once both rational and irrational (a combination of instincts, traditions and customs) and he or she not only reacts and adapts to his surroundings but also acts to change them according to his needs! Man is constantly relating himself to other people, things and nature! His world is one of invisible relations, a network of communication! Such a world is one of uncertainty and risk, more than one of constructions,
determinism and certainty! Whoever has treated men as though they lived in a world of certainty, planned happiness, safety and pleasure, whether on an individual or collective level, has done great damage to humanity! Probably they do this benevolently! It has often been said: The road to hell is paved with good intentions! I will repeat here what both Dostoievsky and Njegos said – that man is the greatest secret in the world! If man is a secret even to the wise and those who are “engineers of human souls” as Hayek called them, then how is it possible to know how a person will behave when conditions change? Clever people were often astonished by the sudden changes of behavior which took place when the dissolution of the former Yugoslavia occurred during its internal wars! However, I have met ordinary people who told me they had not been surprised at all and expected it to happen even earlier! But let’s return to the subject! What I want to emphasize once again is that men reveal themselves by their needs!”

“That means, doesn’t it, Professor, that I could use the thirsty man as an analogy in other area with respect to man’s invisible needs?”

“Yes! You can get to know a man through his acts! How? Because what a man does reflects his needs, inner nature and invisible side!”

“But isn’t our conversation also a way to discover our inner self? Aren’t we sometimes revealed solely through our words or actions? Can’t I discover your inner being through the answers, opinions and attitudes you have to my questions?”

“That’s a difficult question which I can’t fully answer! Those who understand it deeply will answer it just as I did! Those who don’t, will give you what they think is a sure answer! Life is life! Ignorant and half educated men will often look better than those who really know! The reason is that they have no doubts! An expert is always suspecting since he has studied a question so deeply that he understands its complexity! The essence of a complex question is never without ambiguities! An ignorant person, who does not understand the real essence of a question, cuts off all explanations at the beginning, sure that there are no unknowns! Test this for yourself by thinking about some idea that you think you fully understand! When you have become stubbornly convinced you are right, ask yourself whether or not all you think you understand is just opinion! As I have said before, men usually base their opinions not on facts and personal experience but on prejudices – historical, political or family ones – “My father told me so” or “trust your professor”, or
“It’s the general view of our Party!” Yes, it’s possible to judge a man on the basis of words only but it is much more difficult! You have to be a ‘master’ of words, one who fully understands their meaning! You need to realize that there may be an abyss behind the spoken word! It’s only when you are fully familiar with the origin of a word that you will know its real meaning! Read, for example, Njegos, Andric or Beckov to be able to understand their real meaning!”

“You should realize that almost three quarters of the men you talk to do not understand the meaning of the words they use! That means that their words do not really correspond to their intentions, to their invisible parts! Listen to politicians! Listen to professors! Most of them are performing in public as though they were actors! They talk as though they were mouthing someone else’s lines! If you want to judge others by their words, then you must know them well personally! Why does someone say what he or she says? Why do they say it then? Why, for instance, does he or she use the word ‘hope’ instead of ‘prospect’? There is also body language (the language of your body while you’re talking)! All these things reveal us! The question of why someone is doing exactly what he has been doing is the key to understand people! If someone says he has been doing something without real interest, then he has told you he has no need to do it! Either that person is hiding his real intentions or is a completely empty person!”

“That is a difficult idea”, you reply! “Can a man do something solely as a matter of conscience even though it is not in his own selfish interest?”

“My dear colleague, you’re making this discussion extremely complicated!”

“I disagree, Professor,” you answer! “Can’t conscience complicate self-interest?”

“Mihailo Djuric, one of the seven philosophers who were expelled from the Faculty of Philosophy at Belgrade (I remember the secret memos and texts I received in those days through my “Belgrade connection” at the magazine “Student!”) I don’t think I ever felt as much pleasure in taking risks as I did then although I did not fully understand what was happening at the time! The title of Djuric’s presentation was “The Chaos of Modern Times!” He as talking about principles of philosophy today and yesterday and discussing the tendency of people to follow their interests blindly (i.e., to obey) that had brought onto the political scene a number of imbeciles and poor leaders! He reminded us that Socrates always emphasized conscience over self-interest
(similar to the distinction between altruism and selfishness)! Actually Socrates never wrote a word or mentioned a book! Many books have been written about him! What he insisted on was the primacy of conscience, which he believed was obligatory for all of us! What Socrates said was that we must know ourselves and be able to explain to others and ourselves why we live as we do! That the ancient Greeks followed this truth is still important today! I know that in our discussion we talk about conscience from a practical point of view! I wouldn’t enter philosophical discussions on the role of conscience nowadays! In my view conscience is a manner of cultivating our interests! Therefore, I have used the term “cultivated selfishness”, to indicate that the interests of others may limit one’s own! This means not doing to someone else what you wouldn’t do to yourself! Ask yourself as often as possible: How would I react to something, I have done to someone else if it is done to me! This is my view on conscience in business, not a Socratic essay on conscience as an organizing principle of society!”

“You cleverly connected business and Socrates”, you tell me!

“Yes! It’s proof that the business field lies on the upper levels of human spirituality! At the very least, many of the concepts of business are connected to the precepts of many of the greatest thinkers!”

“Let’s go back to the practical world”, you say! “Do you have examples from your own life that illustrate your estimate of someone on the basis of their acts?”

“I automatically judge people on the basis of their acts! It’s a kind of reflex! My subconscious mind always does that! As soon as I sense something wrong, some inner alarm sounds! And I judge you the same way!”

“And what is your subconscious telling you at this moment?” you ask!

“It tells me to continue talking to you since you have a strong need for self-fulfillment! In simple words you have desire to become an independent man, to develop your personality, to guide yourself by your own lights, and not let someone lead you or be part of the crowd!”

“Professor, you don’t think I could be the joker in the deck of cards we were talking about earlier, do you?”

“No, I don’t! But I make no predictions! Life will make its own judgments! In strictly economic terms it’s only the buyers of our products and services who
make judgments! A joker in the hands of a child you does not play the game is just a plastic piece of paper, which produces no results! It’s not a real joker!”

“Does that mean,” you ask, “that my business game hasn’t begun yet with this conversation?”

“No, I reply! The game has started! In this phase we’re still dealing the cards! This is the phase where I motivate you to sit down at the table and play! You already know certain rules of the game! You have already estimated the skills of other players! You know who is bluffing, who plays a conservative game and who cheats! In simple terms my task is not to teach you how to play but to develop in you the needs to play, to increase your interest in playing! Are you going to be a joker? A thousand times during your life you will say to me” “My dear professor, what have you done to me? I wish I had never met you!” Of course, in the case of those of you who start to win, many will forget your professors! But some won’t! The jokers won’t! They are real players! Big players never forget those who got them started!”

“Is that the reason you mention the names of Professor Bosko Gluscevic and Professor Ljubica Radovic14 so often?” you ask!

“Those who inspire you are more than a memory! They are part of you! Therefore, there is nothing calculated about remembering them! Fools, acting out of an empty self-dignity, will tell you that you shouldn’t say that someone has influenced you because it seem to diminish your own success! Others will say: “I might have mentioned you, professor, as one of my influences, but you would say I was a fool! I might cite you and your book, but you’d think I was buttering you up!”.”

“What is your own experience, professor”, you ask!

“The more foolish they are, the less grateful”! Fools have never been great players! When someone says, “I would thank you but I’m afraid that someone might say I’m a fool”, I know I’m already talking to one! I’ve now arrived at the point where I’m ready to answer your question with examples from real life! For instance, I usually search for a very long time to find an assistant! This is always very difficult! I examine them thoroughly but in an intuitive and evolutionary way because you never want to make a choice and then have to test it! No! Let the process make the choice in a spontaneous way! That is a

14 Ljubica Radovic - professor of economics.
lesson I learned! Let’s say that a student I think might be a possible assistant comes into my office for the first time! He or she does not react to the thousands of books which are on the shelves during our one-hour conversation! This may be because of indifference, a lack of personal need to read! Can anyone do the job, if they don’t have this kind of need?”

“Shall we go on to broader topics? Are needs somehow an indicator of both individual and group development? In my view they are! The development of men’s needs is directly related to the success they achieve! The same is true of the state! People, who don’t have developed needs, who are satisfied with life at its most basic level, won’t produce a developed state or society! I truly believe that underdevelopment both in the case of individuals and the society they live in is the result of an underdeveloped mental condition! And this means underdevelopment of their needs! Those who do not want to achieve more and to fight for it will remain undeveloped! Remember Engel’s Law – as income rises, the percentage of money spent on food declines!”

“Well”, you note, “that’s normal! The poor spend a larger part of their total income on food than the rich! Basic needs are satisfied first only after which come luxuries!”

“Your statement is correct! But you take the wrong approach! It is wrong to use a division between rich and poor as an expression of injustice! Why don’t poor people have higher incomes? What makes them different from the rich and successful? It is a question of the development of needs and satisfaction!”

“Don’t all men have the same needs”, you ask! “Are all needs equally important? Is there a hierarchy of needs?”

“In the 1960s Abraham Maslow of Brandeis University near Boston in the United States presented a hierarchy of needs in his most popular book, “Toward the Psychology of Being”! It was the same basic idea which had been developed by Karl Menger, the founder of the Austrian school of economics in 1871! According to Maslow there are five levels of need!
“In this model basic needs take precedence over higher levels! I won’t explain this hierarchy in further detail except to relate the story I heard from a famous Russian scientist, Vladimir Antonov, who was my teacher at the Faculty of Philosophy in Moscow where I was studying demography! He was lecturing on the reproductive behavior of people!”

“At the first level in his model, there were physiological needs! Those are needs built into us by the Creator – physiological and sexual, the need for food, air, and water and even “going where even an emperor must go on foot.”

“The second level focuses on the safety and security of the body, protection of such assets as clothes, shoes, sleep and shelter.”

“The third relates to the preservation of the self within the framework of the question: Who am I? Isn’t this the most common question of your drunken friend? He wants to protect himself by emphasizing his ego! Isn’t this also true of those who are deliberately late to attract attention? The purpose of clothing styles is often to distinguish the wearer! This third level also relates to the need to be loved, to have friends and family! By the way, let me ask you this! When two men meet, how many egos are involved? The answer is six! The first is how I see you, the second how you see me, and the third how I imagine you see me! Double that number so that it applies to the two of you, and you have six egos!”

“The fourth level is self-esteem or the need to gain status! On this level one needs to be involved with others in a group, to belong to a group! Expensive
cars, signature clothes, a house in an elite part of town, and being important are all needs of this type so that others ‘drop dead’ with envy! The need to be admired by others is what people are looking for at this level! They are trying to belong to a higher class and have higher values! People who are dominated by need at this level usually behave artificially! They seek to be respected! At this level one needs to define one’s own position in society!”

“At the fifth level is the need to create! Here there is a need to realize oneself, create and develop oneself personally! Where does the need to be successful belong or the need to start a business? Perhaps it belongs at this level! Is business a form of self-actualization or survival?”

“Many feel that Maslow’s hierarchy of needs is too simple to explain human motivation fully! However, it is valuable to me in understanding the gradual nature of personal development! You can’t become a businessman over night by bypassing previous levels of motivational need! To explain this and the typical mistakes of nouveau riche businessmen one of my friends used to say: “You can’t start a Mercedes with a peasant’s shoe!” Managers, the ones actually running a business, should satisfy lower levels of need before trying to climb to higher levels! For example, some businessmen modernize their companies, refurbish buildings, buy computers and new furniture, and pay for ads on TV but pay such low salaries that their employees can’t pay for food and rent (second level of need)! Therefore, all that modernization isn’t going to motivate employees! Basic needs must be satisfied first! The need to do business is the need to motivate employees! Basic needs must be satisfied first! The need to do business is the need to create! A simple job to provide funds for basic survival is at the lowest level of need! Having children belongs to self-actualization (fifth level), whereas sexual needs belong to the first level!”

“I have to admit”, you reply, “this is an interesting idea! It feels familiar to me and should be useful in daily living! I understand now why one of my neighbors sometimes pays the bill for everyone else in the coffee shop, trying to appear honest when he can’t even afford to support his own children (in other words, not satisfying a lower level of need)! But a few minutes ago you were talking about the rich and poor! You almost said that we should choose for ourselves what category we want to belong to! Does this part of our discussion help us in that way?”
“The term ‘wealth’ is a broad one! The greatest form of wealth is creativity! Have you ever wondered why your great grandmother had five or six children, your grandmother three or four, and your mother only two or three!” Don’t forget that living standards have improved over the years! The need to have children (descendants) is a fifth level need – self-fulfillment! Your great grandmother lived in times when the need to have children did not have much competition from other sources of self-fulfillment! Your mothers, on the other hand, had the opportunity for education, traveling, and community activities! When such competition exists, the need to have children loses its intensity and the number of children falls! Since you have been facing certain kinds of life decisions, try to keep this in mind!”

“This discussion is meant only for those who have the strength, needs and motivation to move on to the fifth level! If you prefer to spend your time in some coffee house instead of going to university, then I am afraid the third level is where you will remain! The same thing applies if you have just been sitting around waiting to inherit money (the fourth level of need)! My goal is to motivate you, to encourage your needs, to have you develop your need for self-fulfillment, not to be a snob, or, what is even worse, a coffee house man! Also, I don’t want you to become ‘one of the crowd’! If you want to be yourself, you can do it only with courage, diligence and decisiveness!”

“But most of us are still too young”, you say, “to know whether we are meant for the fifth or some lower level!”

“I don’t understand why you continue to underestimate yourself by creating an impression of youth and inexperience! You sound as though you were saying, “Professor, cut the story short about business! I have a math exam tomorrow! I don’t care about anything else”! Well, math will be important for your business, too!”

“Think about this subject in another light! Aren’t you and other young people, many of whom were the best high school students, the ones who managed to get into university, already firmly on the road toward self-fulfillment? You are fully capable of developing logic of self-fulfillment instead of survival, but you will have to follow logic of development, not of self-doubt! I believe you have the freedom of choice either to move on to the fifth level of need or to remain at some lower level!”

“We deeply love and respect those who believe in us”, you say! The only thing remaining is to believe in ourselves! I have to admit that I feel scared
when I feel the uncertainty, the grayness around me! I am not very convinced I will be able to jump from a lower level to the fifth level of need!”

“There is only one solution to this problem! Don’t pay attention to the grayness! Look for greenness! If everything were totally gray, there would be no point in having this discussion! Have you ever seen the pines which grow on the cliffs in the Moraca canyon? They don’t have an easy life! But they dominate the grayness around them making us admire them!”

“I must admit”, you reply, “that you have destroyed my arguments, but at the time this is motivating me!”

Motivation – The Driving Force of Spirit and Initiative

“Many have said to me that it is important to motivate people! Some say in fact that it’s all that matters! But in my view it is more important to motivate you! Only a man who is motivated himself can inspire others! Isn’t it true that a leader is someone who motivates and inspires other people? When you hear someone saying that people can’t live without a leader and are looking for one, isn’t he saying that you, your colleagues, parents and friends are immature, ignorant people who need to be driven by a whip and led by a bell? Don’t believe it! Neither people nor grounds need a dictator or tough boss! Remember the leader in Domanovic’s\(^\text{15}\) story! He is the model of a good leader! Also remember other examples from history! A leader convinces his followers! In turn, crowds create leaders!”

“But it’s safer when you’re surrounded by crowds, I have read somewhere,” you reply! “I have felt this at sports events, concerts and political meetings!”

“I don’t want to start on what is one of my favorite topics – individualism and collectivism! I just want to call attention to the fact that a man who is part of a crowd is not the same as out who it outside it! Try to remember your own experiences! You must have had them! Crowds have their own psychology just as individuals do! I advise all my students to read “The Psychology of Peoples” written by Le Bon in 1895! The book appeared as a reaction to Marxism and socialism! Actually, the first criticism of socialism by Le Bon, which was followed later by those of Mises and Hayek, argued that although crowds

\(^{15}\) Radoje Domanovic - a Serbian writer and teacher, most famous for his satirical short stories.
destroy the creations of individuals, they are by nature destructive and weak willed! I have no doubts when I say that where a crowd suppresses the creativity of individuals, families, schools, universities, associations, banks and companies, there will be no progress, especially over longer periods of time! I used to observe respectable and powerful families in places where I lived! One person in each of these families would be treated like a god – an uncle, aunt, mother or brother! This protector would solve most of the problems of each member of the family from the youngest to the oldest! Observe this in your own family! Among my conclusions based on these observations are, that the family goes into a decline after the protector is gone and that these protectors are the most selfish people in the world! I personally felt the burden of closeness and hierarchy in a Montenegrin family as a boy! Free yourself from the authority of your parents, particularly your father! Learn to be your own man!”

“Professor”, you say, “my eyes shine when I look at you”! “That means I understand you! I think I already behave this way to some degree! But knowing other students I think many of them barely understand you and might even become angry if they had heard what you just said!”

“Anger is the first sign of accepting something you disagree with! Anger is a fight between the conscious and subconscious! It is an eternal struggle! It is not particularly good in business when the conscious and intellect win! The person who possesses a strong unconscious component is closer to the job he is trying to do! Without a subconscious a man is too artificial, rigid and machinelike! Brazilians play football! They play it with soul from the bottom of their subconscious! They play instinctively! No doubt, stronger and better-organized teams which have trained diligently should be able to beat them! But in the long run the Brazilians will adapt to these teams and win! Wasn’t that true during the World Football Championship in 2002? The teams who played football were the ones that one and will be remembered!”

“I pay attention to the football jerseys children often wear! Ninety per cent of the time those jerseys carry the names of the players who play – the real masters of play! Other players consist of the ‘good and the grateful’ as they are sometimes referred to! This applies to other sports, too!”

“But professor”, you reply, “how do children know?”

“Children observe things naturally! They are not spoiled by having had the wrong experiences (which they will acquire later on)! Children instinctively
recognize good people! Keep away from men whom children don’t like! Never underestimate children! Talk to them in a straightforward way without the double meanings which adults tend to attach to words! Dostoevsky wrote a lot about this! Isaac Adiges bases his entire theory on the psychology of children! In my view one of the great problems of mankind is that man is treated in a way which reduces him to an industrial stereotype where his nature and inner tendencies are suppressed by the wrong kind of learning, and this creates an artificial person who no longer follows his instincts and intuitions!”

“Professor”, you reply, “our discussion about football leads me to look at things differently! You also mentioned children! Now you’re saying that learning destroys character! Is there any end to this? I feel you’re trying to show me something, but I’m passing through a mental labyrinth!”

“There is no end! Everything in life and nature is so closely linked that everything is open! Precisely because of that linkage no system can be closed! You can’t identify all the causes or discover final explanations! There is no absolute truth! When a Montenegrin says: “I vote for a closed system or a closed economy”, he is arguing that he is voting for an absolute truth and averring that Montenegrins can live without anyone else’s help! He is saying that Einstein’s Theory of Relativity is wrong and that Freud is more a sick-minded man than a scientist! God knows what else he is saying! Words are a mechanism through which we channel our way of thinking!”

“If there is no end, professor, and if life and business are an endless search, as Popper says, is there any beginning?”

“There is no beginning! I have recalled an unpublished book of mine in which I analyzed the philosopher Lao Tze, the Chinese philosopher! In this 3,000-year-old book, which discusses the meaning of life, Lao Tze said:

The Nameless is the Source of Heaven and Earth;
The named is the Mother of the Ten Thousand Things!
Desireless, one may behold a mystery;
Desiring, one may see the manifestations!
Though one in origin,
They emerge with distinct names!
Both are mysteries –
Depth within depth –
The threshold of all secrets!
“The word ‘Tao’ means right way, signifying the order of managing people as scraps of wisdom collected from ancient Chinese rulers! But Lao Tze had a timeless approach to Tao! He sees non-being as much deeper and more secret than being! In a business context non-being is the period before you begin a business; being is after you’ve started it! In a state of non-being there are different opinions, fears, hopes, and anxieties and everything is jumbled and undefined! Being is represented by the symbol Tai Chi and non-being as an empty circle!”

“Does this mean that those secrets are deeper before you have started a business than after you’ve begun?” you ask!

“Yes, I think so! Perhaps, I am wrong! My experience and that of many others whom I’ve met is certainly not scientific! But it offers practical instructions and suggests certain principles! If we obey them, perhaps we can achieve success! But there’s no guarantee!”

“Well”, you ask, “is our discussion part of this pre-business stage where secrets are deeper than they are afterwards?”

“When I began this discussion, I had no idea how deep I would go! Many believe that deep thoughts mean straying from practicality! This isn’t so! Don’t let yourself be affected by such prejudices! My experience is just the opposite! The deeper we go the more vital force we encounter and the more practical we can become! The deeper we think the more our thoughts can become productive! In contrast, the closer our thoughts are to what is commonly called the practical, the closer we are to crowd thinking! How could you become famous if everyone knew as much as you do? Success stems from differences, not similarities! I am talking here, of course, about human capabilities not material differences!”

“I have trapped you”, you say! “Isn’t it social differences which are jeopardizing development? Doesn’t Amartya Sen, the Nobel Prize winner, show how social inequalities obstruct development? The experience of transitional countries also seems to prove this! Even the World Bank has a Poverty Reduction Strategy!”

“In principle you’re right that social differences destroy human motivation! Remember Maslow and his hierarchy of needs! But it’s even worse for a society to insist that everyone has equal capabilities! You must let everyone in schools, companies and partnerships demonstrate their own special abilities!
In my opinion a good manager uses and manages these differences between people and unites them with those of others! It’s similar to the concept of marginal costs and business policy! If you run a company on the basis of marginal costs, you motivate the most capable people in the company! But running it on the basis of average costs means motivating only those who have only average capabilities!”

“Now, professor, you seem to be connecting costs with economics, not business!”

“The problem is that there isn’t enough time in school to integrate knowledge from different disciplines! It’s as though knowledge were stored in different files with no connection between them! Business integrates everything! All the tiny brooks flow into one stream! You can’t tell from which field you gained your knowledge! Business also synergizes our knowledge! In my view both the need to do business and the need to create motivate us to use our knowledge! Neither theoretical nor empirical knowledge are important to our success, as Hayek notes, but our practical knowledge can be applied at any moment and in any given situation! I call it situational knowledge! A boxer’s theoretical knowledge is useless unless he correctly estimates in a fraction of a second that his opponent is about to throw an uppercut! He will end up on the floor if he isn’t there already! The same is true in business, life, and examinations! When you say, “I can’t remember the answer”, it means that the knowledge you have for passing an exam, differs from theoretical knowledge, the knowledge which others can’t observe! You know as much as others believe you know! What you and I think we know is not as important as the recognition by others of what they think we know! But let us back up a little! I previously told you that we need more leaders, not more commanders!”

“What’s the real difference between them, professor?

“A leader is a man who motivates others! He stimulates the mental capacities of his fellow workers! He increases their enthusiasm! A leader wakes up others! He does not give orders! At its foundation leadership is freedom! A leader gains strength from the idea that all of us are equal! Leadership makes it possible for maintaining individuality within a group! A leader establishes principles, values and way of thinking! By taking this approach a leader comes to represent the rule of law and institutions instead of the arbitrary power of individuals! I believe that the basis for human
motivation can be found in the familiar proverb “Give a man a fish and you feed him for a day! Teach him to fish and you feed him for life!”

“What are the characteristics of men and women which motivate others, professor? What should be the qualities of company managers, sports trainers, and university professors?”

“I would also add chairmen of student organizations, NGO officers, and municipal inspectors to that list! In my opinion leadership characteristics should be applied at every level of society including the family! I haven’t completely studied all the characteristics but I’ll mention a few of those who motivated me to study and work hard!”

“First, each of these men constantly tried to improve themselves in their jobs, learning continually from their own mistakes!”

“Second, they were basically ‘good’ people, who wanted to help others and do well!”

“Third, they emitted positive energy as cheerfulness, satisfaction and happiness! It was a pleasure to be with them!”

“Fourth, they believed in others, gave them opportunities, tolerated their shortcomings and didn’t constantly criticize! They believed in the unrealized potential of others! They created a world in which development and new possibilities can come to pass!”

“Fifth, they were noble in their behavior toward others but humble at the same time! They read the best books and magazines and kept themselves fully informed about the latest news and events! They were socially and intellectually active and had many interests! They read, observed and learned! They had balanced viewpoints! They were intelligent and wise!”

“Sixth, they viewed life as an adventure! They enjoyed life and accepted challenges! Each person they met was a new experience! I have always been surprised how focused they were when they listened to others! Those people who don’t listen to others but gaze around instead, look at their watches, and wave to their friends, won’t inspire others! These people are on a third level of need – obsessed with their own egos! They represent the coffee house world where everyone talks and no one listens!”

“Seventh, they regularly exercised in order to maintain their physical and mental strength which helped to support their spiritual and emotional
development! You’ll see people like this running, engaging in sports and attending seminars! Try to devote at least one hour each day to physical exercise! I always feel like a winner after exercising which is somehow transmitted to co-workers! I try to overcome inertia where I say to myself I really don’t want to jog today!”

“I have to admit, professor, that what you say about leadership sounds quite nature and simple! There are no mysteries as you talk about it! I had always felt there must be some great secret to it! Now I think it’s possible for everyone to become a leader! But when I look around me at home, at the university or listen to managers, I can find almost no leaders! I may sound confused about this! Even older economists, who graduated from school ten years ago, are employed in jobs where they could show leadership qualities! Your theory gives the impression that leadership should be a simple matter, but when I see the world around me, I find everything to be quite different!”

“Your observations please me and make me feel I’m having some influence on you! You began by validating both my statement and your own with facts and realities! You started by making comparisons! You have abandoned the ‘know it all’ attitude of so many Montenegrins! Everyone here thinks he knows everything although the realities are usually quite different! We tend to digress from what is simple and obvious to explaining the world in terms of religious or surrealistic myths! Perhaps we have inherited that from our past! We have our Kosovo Myth, our Marko Kraljevic myth, our Honesty Myth! I recommend a book to you on this subject written by the Belgrade philosopher, Dragon Lakicevic, in 2002, “The Balkan Archipelago”! We should remember, of course, that the Balkans did not experience the Reformation while it was under Ottoman rule in the 15th and 16th centuries and so missed the processes of group deterioration and growth of individualization! Western society can be grateful to individualization for the present superiority of its civilization! In the same fashion, the spirit of our previous system, socialism, did not encourage individualism, citizenship or the courage to fight for civil rights! But that’s another subject, a cultural one! We will talk about one of its outstanding philosophers, Ratko Bozovic, later on!”

“I want to add one more thing about why all explanations in Montenegro are simple! All of us are familiar with the fact that we know it all and yet have no leaders! The explanation that it is a matter of politics and ruling political parties is much too simple and should be avoided! We always say it’s politics, both the expert and the casual observer! This is the result of the catastrophe
caused by the polarization of a society based on autocratic and patriarchal foundations! Well, you can hardly have leaders in politics when you don’t have them in business, banks and universities! I will return once gain to the environment which destroys you, young people and draws you into it! There is so much talk and rhetoric and so little in the way of action and results! Why is this? There is a danger that in the next ten years some of you will belong to the crowd regardless of your personal qualities! But we have talked about this enough for the time; we can continue the discussion in the next few days! Explanations are endless!”

“This is a critical juncture in our discussion! If we understand and interpret it properly, it will make sense! The discussion thus far has had only one goal: to lead you and motivate you to think about the visible part of reality! Everyone in Montenegro is clever and thinks he knows everything but results are still almost non-existent! We know the principles of leadership, but there are few leaders, almost none! We are moneyless geniuses as a friend of mine says! Look for answers to this in individuals – in yourself and me! Let’s not go any farther! Let’s start with me! Do I as a professor have the right to talk about leadership on the basis of my results and work? Do I motivate my students? Do I help them? Am I improving my knowledge? Do I exercise? If you don’t recognize me as a leader because of my work then I am telling you fairy tales - A professor who is late for his lectures, a bungler, and gives his students no time! Small things like this show what we are and reveal our understanding of leadership! So long as there is no conflict between words and deeds, there is no problem in our environment! By environment I mean the market! But men and women are also part of the environment! Why don’t we recognize the small things that create a conflict between words and deeds? Why don’t we recognize that the problem is in ourselves? Unfortunately, however, we don’t know ourselves! We think we are someone else and tend to coexist with that other person! It is that other person in us who is always guilty! It is never me! We do everything for that other person! Sometimes it is our father, sometimes a neighbor or friend! Sometimes it is tribal values! But how can you be a man, my son, if you don’t know who you are! How can you learn from your mistakes if you don’t know the real you! As Dostoevsky says: “Everything is perfect, everything but man is sinless!”

“I have been applying what you have just said to myself, professor! I have been thinking about how much I really understand these simple things! How well do I know myself? Of course I had always felt I knew myself pretty well!
When reading stories about leaders, I thought it was simple! I probably felt this way because I really did not understand myself at all! I don’t think I do now! Why not? In my opinion a man needs to be faced with temptations in order to know himself! When I look back at the past twenty years of my life, I don’t think I’ve had enough time! I still live with my parents! The schools I’ve gone to have always acted on the principle of ‘learn and shut up’! I’ve been constantly exposed to the phrase “Don’t complain! Live like everyone else!” I don’t have enough money to go abroad! If I got to know myself at all, it was when I was active in sports on my school team! Oh, I almost forgot! I also had the experience of washing cars at a gas station last year! It was a valuable experience, professor, and I find that it unconsciously helps me to understand you better! I have to admit that my own mother didn’t know I was doing this and would not have let me do it since she would have been ashamed to tell her neighbors! I used to think that it was cruel for rich parents to make their children to earn money during the summer, but now I understand its value! I remember having a long discussion in my classroom when President Clinton made his daughter live at a boarding school instead of a private apartment! It seems as though all of it is part of a system and social order! What all this must mean is that we don’t have a system in Montenegro that can help us know ourselves!”

“Don’t blame the system! That’s my advice since it’s always easy to find an excuse! The system, good or bad, hasn’t stopped you from training at some sport regularly, working every summer holiday, learning another language, or helping your family to work in the field! You will never make progress if you are always looking for an excuse! Look for the obstacles which stand in the way of what you want and then remove them! An excuse is just an escape from yourself! You will never get close to yourself if you make excuses!”

“Professor, I have just remembered the conversation we had at the beginning of our dialogue! We were discussing why people from Montenegro are successful abroad but not here! Were those people who went abroad forced to get to know themselves? Is the change of environment important in getting to know yourself?”

“Yes, it is! But this is getting into results again, not causes! You should never say to yourself – fine, I’d go abroad, I’d get to know myself! Many, who do go, never get to know themselves! What is really important is to awaken the desire to reach down into your inner depths! You won’t get to know yourself by standing in front of a mirror! The mirror won’t show you your inner self!
You’ll only discover that through action, challenges and risks! Action will very quickly show you if you have the qualities which are needed, and the sooner you begin the better!”

“Can we now put this discussion in the context of Maslow’s hierarchy of needs?” you reply! If the principles of leadership are so simple, why don’t we have more leaders? Before you respond, however, let me make an observation! You have enumerated the qualities of leaders! The development of individuals comes from their character! In saying this you are in conflict with many others! Auguste Komte, the father of Sociology, claimed that man’s society is subject to basic laws just like the world of nature! Sociology, he says, creates a naturalistic science of society just as much as physics and chemistry create a law of natural phenomena! I think it was Njegos who said: “There is nothing feebler under the sun than man!” Perhaps I wasn’t completely clear, but earlier in our discussion you exposed me the idea that social reality is governed by the power of collectivism and the strength of leaders! Now suddenly you seem to be making the individual the basis of everything!”

“Excellent! You are comparing things again! It’s important to compare! You compared individualism and collectivism! Komte and Maslow, me with other, and yourself and others! Comparison is a mechanism which brings you closer to yourself! When you compare, it means I haven’t persuaded you (which would bad for our discussion)! I used to love Komte! Not any more, but on the basis of experience rather than theory! My work in Statistics during my student days developed my sensitivity to probability, my feeling for uncertainty, and showed me the distortions to reality created both by aggregate numbers and averages! To offer an example half of all people eat meat and half eat vegetables! So on average they eat stew! This answer clearly illustrates this danger!”

“Would you say professor, that there’s no average businessman?”

“Not really! In an economic policy model – yes! But how do you stimulate an ‘average businessman’? How do you stimulate someone who doesn’t exist? How do you motivate him or her? These are real limitations to high-level policies! And that is where my doubts lie about great achievements by the state in economics or business! But we shall talk more about that at some other time! I only trust individuals! But I don’t trust all of them! I argue again as Maslow does: human fulfillment is possible only through self-actualization! Only those living in the world above the level of elementary needs can walk
the path of fulfillment, coming close to the ultimate values of being (truth, justice, beauty and simplicity)! The fifth level of Maslow is the one which is important for me! In my opinion motivation for action can be found only by individuals who are on the road to self-actualization, on the road to knowing themselves!”

“Professor, I now see more clearly why you have said we ought to know ourselves! That’s self-actualization, isn’t it?”

“Yes, it is! I talk about the same thing in two related contexts!”

“What sort of behavior”, you ask, “leads to self-actualization?”

“First, what I have already said about leaders can be taken as an answer to your question! The man or woman who has found himself is a leader already! Whether he or she becomes a model for others depends on many factors! In my view complete dedication to and obsession with work is necessary for self-actualization and making proper choices! We must choose either to move forward or regress! Self-actualization is a long process requiring that you develop a growth strategy - choosing to grow without fear! It is like pouring a glass of wine for someone and asking him if the wine is good before checking the label! Each time you take responsibility for something you are on the road to self-fulfillment! In addition, you must have the courage to listen to your inner being! You must be open and frank with yourself since suppressing problems is not a way to solve them!”

“We could conclude this part of our discussion, then”, you note, “by saying that all individuals have the potential for self-actualization! However, you didn’t make a distinction between individuals; you limited what we said to people who want to improve themselves and grow! Aren’t you being unfair to others who haven’t developed a growth strategy?”

“Whether someone comes to adopt a strategy of development or regression is not important for our discussion! We have not created criteria which makes it possible for someone to enter a room and assign people to one of these two categories, saying “You belong here and you there!” No! No! No! The only principle we have established is that evolution will determine what kind of strategy each person develops! Real life is life at the boundary!”

“Again, it’s a matter of freedom of choice”, you say!

“Don’t think there is complete freedom of choice! Something else called nature needs to be considered! It is human not to change without resistance!
But here we have a confrontation with the existentialists, with philosophers such as Sartre! According to them man can completely and fully adapt to anything and to all sorts of conditions! Men prefer to bend rather than change because they are weak! Is it our destiny to be adapted by conditions or to adapt them to ourselves? After the tectonic changes which took place on earth million of years ago zebras adapted themselves to the world in which they lived! It’s as though zebras had said to themselves, “I can’t change things!” Therefore, zebras have remained zebras for millions of years! Primitive man, on the other hand, did not adapt to conditions! He changed them with tools, clothes, and shoes! In doing so he evolved into modern man! Man’s growth and evolution represent the largest entrepreneurial event in history!”

“You are saying, Professor, that if I only adapt to conditions I won’t achieve much in life! For success and self-actualization I need to change conditions! I must struggle against conditions, change institutions and rules! I must face risk and uncertainty and be willing to disagree with other people! I have to be the one who removes the ‘No Parking’ sign if I want to do business!”

“Yes! You must do so when you want to line up with the strategy of development!”

“Well”, you say, I definitely want to line up with it, but someone else should remove the No Parking sign! Wait! I should be the one to remove it! And I’ll do so! Now let’s continue our discussion of development because now I have a motive to change!”

“Change to what?” “I won’t let you trap me this time, professor! I want to change myself!”

**Development – a collision of interests or friction of ideas**

“Self-actualization means having your own strategy of growth and development! Growth is a term related both to quantitative changes such as height or weight and to qualitative changes, which are inner ones!”

“Does that mean, professor, that my two months studying Italian in Perudgia, which will give me three foreign languages, represents growth and development? It doesn’t sound bad, does it?”

“It’s both growth and development! By learning Italian you have made it possible to converse with at least 100 million people who speak that language!”
Can you imagine how important that is for business! You will learn a lot about economic growth and development from reading Robert Solow, Theodore Schultz, Sir Arthur Lewis, Robert Fogel, and Gunnar Myrdal, all of them are Nobel Prize winners in economics! Therefore, I won’t spend much time talking about economic approaches in the aggregate! But I do want to talk about them in another sense! Somewhere I recently read that development relies on having good people! That’s my own view precisely! This means that the growth rate of many regions and countries depends most of all on the quality of their citizens! We can see this clearly when we compare two countries that have exactly the same laws and institutions; one is more developed than the other! I explain this difference in terms of self-actualization (Maslow’s fifth level of needs)! Perhaps this may appear to be a narrow view, but I think it can serve as a working model for countries like Montenegro!”

“Does that mean, professor, that those of us who live in Montenegro might benefit not by reinventing the wheel but by importing solutions from other countries as a way to solve our own problems?”

“I realize it’s difficult to resist that conclusion! After all it’s rather stupid to reinvent the wheel! But there is a problem in mechanically transferring certain solutions related to the organization of companies, privately owned businesses, educational programs and incentive systems! Doing this won’t automatically lead to success in Montenegro because there are differences here in social conditions! Many believe that social norms and customs can easily be transplanted from one country to another as though one were buying Nike, Versace or Givenchy! But even that is not so easy! Wearing an Italian suit means taking a shower every day! It’s awful when you can smell sweat coming from a ‘Boss’ suit! And such a suit can be completely out of place in a cheap village bar! Timing is everything! Many people wonder why the quality of English grass is not the same in Montenegro as in England! “What’s the secret?” someone asked an Englishman! “There is no secret”, he replied! “You fertilize, water and roll it regularly, and, if you do so for 300 years, you’ll have an English lawn!”

“That means”, you reply, “that if we wait for our country to evolve, it will take decades before changes occur! Who will be alive then? We are so far behind that we are racing to catch up!”

“That’s a common reaction! All I want to stress here is that the experience of institutions cannot be transferred mechanically! We can’t transfer the cultural,
sociological and psychological milieu, which is part of the solution! We can transfer the tangible but not the invisible part! The key changes are the invisible ones! In discussing transitions Professor Steve Pejovich emphasizes the importance of informal rules and institutions such as traditions, customs and morals! We are in a situation where we want results immediately but we don’t have the necessary invisible incentives, and this results in failure and statements such as “these changes don’t apply to Montenegro; we’re not like the rest of the world!” And do you know what happens as a result of revolutionary changes to people who lack patience! Nothing changes! Everyone retains the same position and title! We end up with having eternal directors and eternal students!”

“How do you introduce changes in your own work, professor?”

“The work itself introduces changes! If you work constantly, then life itself brings changes! It pushes you to make innovations! Work and activity create a kind of shell in which you live and where conditions are suitable for you! That’s the kind of change I mean! The speed of change depends on the amount and effectiveness of your work, not on your wishes and desires! You can’t achieve success if you’re simply waiting for it to arrive! I have been gradually making small changes in my own lectures although they are generally very small ones! When you work every day and improve even one small thing, they can add up very quickly to large changes in your work! But it must be done every day – Monday, Tuesday, Wednesday, Thursday, Friday, Saturday and Sunday 365 days a year during the 1,460 days you are a student! You should work at least 10 hours a day including your training! That’s how you gain speed! If someone really believes he can develop quickly by working two to three hours a week every seventh day of every second month of every leap year, then it’s no wonder he or she is in a hurry to catch up! In my experience the ones who hurry most, however, are the ones who are the busiest! Those who are doing the least are being supported by someone else! These inactive ones are usually the ones who are constantly criticizing the slow rate of change! I don’t accuse them of anything! I leave you to do that yourselves! I am just helping you to recognize where resistance is coming from to ideas you yourselves introduce such as the manner of your preparing for exams and the summer

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16 Steve Pejovich - an American economist, Professor Emeritus of Texas A&M University, Texas, USA and University UDG, Montenegro, famous for his theory of property rights, Furubotn-Pejovich effect and interaction thesis. He was born in Montenegro.
internships in which you participate! Make a suggestion, for example, that the
June examination period should end no later than June 20 so that students will
have two full months for their internships abroad! How do you think students
who work throughout the year will react to that or those who are in the habit
of cramming just before the exam? These sorts of questions open a Pandora’s
box!”

“Maybe”, you note, “not all the students want to study but merely to get
their diploma! Perhaps not all of them have the same need for self-
actualization!”

“Suddenly, spontaneously, this conversation has now turned to students!
That’s good! It will enable you to understand even better the essence of this
discussion! There is a danger of course, that by talking about students some
will accuse us of banality, saying “If I have to study such simple things, then
why am I here? I have better things to do!” Don’t jump to conclusions about
simplicity! Remember the small hole in the dam that began to spread and
finally brought down the whole structure! In chaos theory it’s called the
butterfly effect! For example, when English policemen beat up a couple of
Americans in a tavern without good reason, it led to the American war of
independence! The tangled web, regardless of its size, can become unraveled
in one place! Therefore, observe all these small things and try to understand
them in their general context, never as isolated phenomena! Also keep
another thing in mind! Completing one’s studies does not necessarily lead to
self-actualization nor does failure to complete them automatically lead to the
opposite! I have in mind Bill Gates, of course, who never finished his studies,
even though there aren’t many like him! Within the context of self-
actualization I would say that whoever only wants a job by getting a diploma is
satisfying a basic need! Therefore, those who only want to complete their
studies only to get their diploma are demonstrating that for them basic needs
are the main priorities!”

“Can you estimate the level of a student’s needs from his understanding of
his studies”, you ask!

“I only get an impression! For instance, in my generation 90 per cent of all
students wanted to finish university because the diploma meant a lot! Before
the introduction of PMB studies only one quarter of all studied in order to
learn, not just for the diploma! Today two thirds study to learn!”

“I disagree with you professor! It may be far less!”
“I don’t think you’re right! But what’s important is to recognize that those on the road to self-actualization are not supermen! I remember when I was young feeling fearful every time I met someone famous or successful! Today I’d be able to recognize them as self-actualized! In the beginning I was very surprised! They were not at all what I expected them to be! The same may happen to you if it hasn’t already! When I search my memory I can think of many people in politics and the media who left me with the impression of being quite limited and incapable to put it mildly! I had to hide that impression from them! I was fortunate to have my own strong family tradition and good teachers from elementary school and high school who were more than average people! I also remember important texts by Professor Branko Horvat from the communist era and sessions of the editorial board of “Students’ Words” in Niksic, which were held at night (for some reason or other we were almost arrested)! I remember discussions with Niko Simov Nikolic about possible arrest, discussions which led me to understand the distinction between the ‘visible’ and ‘unreal’! I read somewhere later on that people tend to rise to the level of their capability! On the other hand I was very surprised by people who really deserved to be called self-actualized! They lived down to earth existences, not theoretical, surreal, and divine or exalted ones! I have met millionaires, businessmen, musicians, football players, economists, professors and scientists as well as grocers and tellers who were wise men, almost saints, meaning self-actualized! None of them had halos around their heads! They wore shirts and shoes just like everyone else!”

“I have read in the book, “The Art of Worldly Wisdom”, by Valtazar Gracian,” you reply, “that to preserve their light stars must have no close contact with us!” “I tested this theory with my friends and somehow we ended up most respecting those professors who were most distant from us, the ones who were untouchable! We respected most of all those who had turned themselves into a myth instead of those who came close to us! I admit I’m confused! Perhaps I’m not correct!”

“I know this from my own experience! I observe how common people usually react when they come into contact with a ‘great man’! Once they realize that he eats, sleeps and has other physiological needs and vices, that he doesn’t differ biologically from the rest of us! ”Who would guess he is like this” is a comment you frequently hear from them! Then the danger of being destroyed by the ‘small place’ syndrome begins! If you really start to believe that these people admire you, you will be pulled down by quicksand! If you
want to avoid this, show your superiority and authority by remaining mysterious! This will delay your demise in ‘a small village’! When I was in London for special training I once saw the British minister of education on a live TV show! He was not wearing a tie! I asked my mentor about this because I have sometimes been criticized in Montenegro for not wearing a tie myself! “Yes”, he responded, “but did you see the shirt he wore? It probably cost a hundred pounds!” “Yes”, I said, “but that means almost any Englishman could buy it!” “Yes, he said, but it wouldn’t be proper for them to do so! It’s well understood that only certain kinds of people may wear such a shirt! It’s an English tradition!”

“Then, it’s really hard to develop in a ‘small place’ and even harder to stay developed! This is your conclusion! Am I right?” you ask!

“More than right”! “I have never managed to explain this to foreigners! They always try to persuade me that being a ‘small place’ is an advantage! Perhaps it might be better to be smaller in a very large country! But being in a small place in a small country is like putting a fish into a bathtub! The problem may be solved in one of two ways – either the fish gets smaller and smaller or the bathtub gets larger! At one time ‘our fish’, the former Yugoslavia, was large and famous, but in recent years it has shrunk!”

“Today, there’s a chance to enlarge the swimming space, to enlarge the bathtub! It’s called globalization - new markets! Globalization is not something coming from the outside world to make us happy, but our chance to enlarge the bathtub from within! That means that space will be enlarged in Montenegro, however, only when we, the people who are living here, show that we need more than a bathtub – first a river, then a lake, then a sea and finally an ocean! Somehow we all think after swimming in a bathtub we can immediately swim in an ocean! I’ll have to admit that I have several times been at the seashore and haven’t had the nerve to swim because it was too cold! I’m also told streams are not so comfortable either!”

“If I understand what you are saying correctly”, you reply, “it’s completely contrary to what I have been hearing about globalization and my understanding of it! You are saying that if we sit and wait for globalization, hoping it will solve our problems; we will be making a big mistake! We are like a man who is unaware he is about to be hit by a huge tidal wave into which he will disappear forever! You are saying that globalization is that wave!”
“Yes, it’s a wave! Each large wave has a name: trade, conquest, colonialism, imperialism, humanism, the Renaissance! Even socialism! Now we have globalization! Each seems different, but perhaps they have one thing in common! Money, gold and jewelry have always headed toward large countries! Perhaps globalization is different from these other waves in giving more chances to small countries! But perhaps it’s not only about giving them a bigger chance but making it possible for them to better use the chances that they have already! Our motto should not be “think global, work local”, but “think global, work global!” That’s the best way to survive in a small place! The great Valtazar Gracian once argued that there were countries whose people were so envious and small minded that they despised their own great men but revered those of other nations! By thinking global we can begin to overcome this failing!“

“Professor, I thought you were probably going to advise me to leave small places in order to develop myself! Now you’re giving me hope again, that there is life is small places!”

“To leave or stay is a constant dilemma for all of us! I don’t want you to think that I know the answer! I don’t! I do know that there are two basic issues! The first is that you can’t run away from yourself wherever you go! The second is that there is no chance to actualize yourself in a small, local market! It is one equation with two unknowns! Everyone has to solve it in his own way! In math there is usually only one unknown! Applying it to our discussion the unknown is uncertainty, risk, stage fright, indecisiveness or lack of courage to make a decision! With two unknowns you don’t know how to solve the equation! But indecisiveness is costly especially to people in small places!”

“Professor”, you say, “I have just been reminded of some of my neighbors, relatives and politicians who appear on TV! They don’t seem worried! On the contrary they act as if the whole world belonged to them!”

“I totally understand you! I am delighted with your application of ideas to real life and real people! That means you understand! It also means that I can throw you off balance, that I can help you to know yourself! It’s like a Montenegrin saying to a friend: “I’ll call you duke publicly if you’ll call me prince! When we come home, we’ll both know who we really are!” The problem of the ‘empty man’ regardless of how enlightened, happy, content, rich and successful he may be is that he remains small and empty! He hasn’t proved himself to himself! This sort of man is like a candle! When the sun
starts to shine, nobody notices the candle or pays attention to it! But you
notice the sun immediately whenever it appears no matter how cloudy it may
be! Don’t let yourself become fascinated with candlelight! The sun can be used
as a metaphor for a larger market! Nobody from Montenegro, especially in the
younger generation, has a chance to develop unless he can sell something in
the larger global market!“

You reply “you understand development in terms of exchanging information
with the environment as I believe you say in one of your texts! Don’t you think
that development also consists of buying computers, software, books, cars and
clothes?”

“Remember that I said that your two months in Perudgia was a form of
development! Why? Because it makes it possible for you to exchange
information with at least 100 million people! If you didn’t speak Italian, you
couldn’t do that!”

“But I can speak English! Isn’t that enough?” you respond!

“No, it isn’t! I realized this when I was in a bookstore in Berlin where I was
leafing through some books in German! I used to know that language! I knew
just enough during my bookstore visit to realize that all the treasures of
German books have become inaccessible to me, not to mention Arabic,
Chinese and the languages of India! You need to understand the limitation of
knowing just one language, even if that language is English! Your value is equal
to the number of languages you can speak, languages that you know well
even to exchange information for selling your products and services! This
has enormous importance in our global world! Why do you need a computer if
you don’t use it? When the ‘fast trains project’ was being critiqued in Serbia by
economists, the best question was posed not by an economist but by the
writer and publicist Boro Krivokapic who asked: “Is there anyone in this
country who is in such a hurry, that he needs fast trains?”

“Please don’t ask me, professor, to learn Chinese! It’s unbelievably hard! It’s
a language spoken by a completely different culture!”

“Nevertheless, it’s a language spoken by a billion people! When we talk
about globalization, we have to consider even that option! It’s possible that in
a few decades those who can’t speak Chinese will be worse off than those who
can’t speak English today! It’s not important whether I’m right about this!
What is important is that we recognize that development lies more in the
knowledge of ‘invisible’ things such as foreign languages than in the development of technology! We must always be open to development! We must learn constantly, gain new knowledge and skill every single minute!”

“Professor, you’re talking about minutes now! Are you doing so on purpose or accidentally? I become panicky when I think about days and hours and you are talking in terms of minutes! Are you really serious? What’s a minute after all?”

“When I encounter a student like you, it never seems possible to finish a conversation! You open my eyes! Until our discussion I didn’t know I wanted to talk about so many different subjects!”

“To be honest”, you reply, “neither did I! I thought I was supposed to be a good student who attended lectures, learned, passed exams and maybe even got good marks! I hadn’t expected to find myself with so much interest in discovering answers to important questions! The questions you’re asking me are not on any exam!”

“There lies a problem! You never know what questions you’ll be asked in life! We shall talk later about whether you are preparing yourself now to pass a professor’s exam or a ‘life exam’! I have to admit I’m losing the strength to continue this conversation although my motivation to do so is growing!”

“Professor”, you say, “we haven’t even started! Now I have some real questions for you! Up to now it seemed you wanted to have this discussion but now you want to quit! No! Let’s continue! Don’t start a fire unless you can stand the heat! Maybe I’m taking too many liberties, but please don’t treat me like a ‘small village’ student!”

“I have already told you that men usually get killed with their own weapons, with their own proposals, unaware of the consequences they may be preparing for themselves!”

“Is that the reason why people block changes?” - you ask!

“No! I don’t believe people do that consciously! What happens is that they remain mentally immature like children? This has huge implications for business, labor productivity, savings, price earnings ratios and stock market prices! Where the economy of small places is led by men who are still children, stock prices are not even quoted and rarely appear on larger global markets and stock exchanges! Why are no Montenegrin companies listed on the Ljubljana stock exchange or in Frankfurt?”
“I may seem rude, professor, but do you produce anything worth being listed on world markets?”

“I made a mistake! You quickly used my words against me when I asked you if words could be confirmed by deeds! But someone who knows his own weapons can kill him should not start a fight! If I were trying to defend myself, I would say that several of my student (they are my ‘products’ in the market place), have joined the global market! They invite me to participate in conferences, which give me access to broader markets, round tables, colloquiums, and membership in the prestigious Mont Pelerine Society! We should not deceive ourselves, however! We are still only on the threshold of the world market!”

“Yes, professor, but you are still in the international market!”

“Yes! Twenty years ago that would have satisfied me! Today it does not! Twenty years ago I felt much more inferior than I do today compared with people who are at the very top internationally!”

“You probably fell into the ‘small place’ trap”, you tell me! “You have been close to so many great people that they don’t seem great any more! Have you ever met a noble prize winner in economics or spoken to one?”

“You are demolishing me! I don’t know what to think or say! I’ll be honest! At the beginning it seemed that way! Actually I met seven or eight Nobel Prize winners – Friedman, Leontief, Coase, Buchanan and others – when I was making presentations at conferences! As long as you behave like a good boy at these conferences you have no problems! But once they find that you can be dangerous, then the problems begin! Then you have to show your qualities! As soon you begin to feel that there is a dam in front of you, you had better lose your inferiority complex! The fight begins! And I fight! I have no time to reflect on whether I am inferior or not! I have to survive in the market!”

“That means”, you say, “that you still haven’t reached a level where you can be self-actulized in the wider market! You are fighting just to stay alive in it! Isn’t that true?”

“You are becoming unpleasant!”

“I am your choice”, you respond! “You must bear the consequences of freedom of choice!”
“To be honest, I’m lucky to be having this discussion only with you! I wanted to choose two students originally, but now I don’t think I could survive it!”

“Imagine what it would be like if you had chosen 20 students”, you say!

“That would create a crowd and I would have no problems! There would be no questions! All of them would just listen and write! Probably someone would ask to leave early to catch a bus!”

“So it’s more difficult to deal with one individual than a crowd?” you ask!

“It’s amazing how much cowardice is hidden within the illusion that crowds are courageous! I know this from my own experience in football! Never run away from crowds! Go straight at them! Go straight for their leader! If you do this, you have a chance! If you start to run, you are finished! Freedom of choice! But it comes more from the heart than the brain! You can’t begin to imagine how much courage, strength and resistance can be lodged in one individual, even a fragile one! Always estimate the strength of your opponent’s motivation before you attack! Never touch children! Every mother is a lioness! And don’t underestimate the resistance of a doorman you insulted or overestimate the support of a crowd which claims it would die for you! An insulted person is much more inclined to resist you than a motivated man to offer you his gratitude! Perhaps I’m wrong but these are my experiences!”

“Professor, let’s go back to self-actualization and the hierarchy of needs! Let’s look at them from the standpoint of my development as a young student and my colleagues’ who are living in a confusion of challenges and limitations! How do you connect to self-actualization what you have said about human development? For a moment you sounded elitist since supposedly only a few people can reach the fifth level of needs, which is self-actualization! At the same time I still seem to believe that everyone has the potential to achieve self-actualization! The stories I have heard about you confirm this second viewpoint! You treat all your students alike!”

“When you treat them all the same, you love them equally!”

“Please don’t disappoint me now,” you say! “I began to think I wouldn’t have to pass the exam, that you had got to know me so well I wouldn’t have to take one!”

“For goodness sakes! I hoped your needs were not just basic needs! If you only want to pass the exam, pass me your student’s book so I can give you a mark!”
“Professor, my dear colleague, I’ve made you angry! Do you have to show your transparency in such a nerve wracking way? Didn’t you tell me that nervousness is the gap between intentions and acts?”

“Well you proved that we should learn from our students! Who would have thought that you would outwit me? You do ask good questions!”

“That’s very persuasive, professor, but I don’t buy it! You are flattering me! Now it’s you who are collecting feathers! How can I accept the fact that all along you have felt I was being understanding about your words and thoughts when you suddenly have seemed to forget that your own words relate to you as well and that I caught you? You really made me think, but please don’t insist that I accept all your opinions!”

“Students should be better than their professors!”

“I would probably believe you, professor, if I didn’t know you! I don’t believe you would let anyone willingly beat you! You are more a marathon runner than a sprinter! I’m more of a sprinter! All right, let’s go back to the question and stop arguing! If you think that everything you don’t like is an argument, then this discussion itself is an argument! I find that you are one of those rare persons, apart from my relatives, with whom I can argue! I tell you this frankly! I respect you so much, however, that I would never reject your opinions without careful analysis! Your thoughts are tickling my brain like an afternoon breeze! I always wonder where my curiosity comes from!”

“You are quite right! Professors are also conceited! Well, they, too, are human!”

“But conceit”, you say, “doesn’t lead to development! Isn’t vanity a characteristic of aggressive people?” you ask!

“Yes, it is! But do I seem like an aggressive person?”

“Professor, I made you so angry earlier that I’m afraid of going too far!”

“Don’t be afraid! Tell me what you think! Don’t give the impression that you are forgiving me! I don’t ask for forgiveness if I make a mistake! Also you, a student, are not the cleverest man in the world! What background do you have? A month’s work at a gasoline station, some routine schooling, living at home under your parents care, and only the promise that your energy may produce something useful some day in the future!”
“I am glad you are treating me equally, professor! But now I must say you are being aggressive! I am feeling aggressive too! We are both conceited!”

“Congratulations! Instead of me showing tolerance, you are showing it instead! That’s the basis for real personal development when young people begin to see that older ones have old bones, limited flexibility, meaning that they need to expand their tolerance, not squeeze it harder!”

“It would be more normal”, you note, “if older people were more tolerant than the young! But I don’t want to create more conflict! Let’s go back to what we were talking about before!”

“Since you brought it up I just want you to know that butterflies, no matter how young they are and flexible they look, are neither flexible nor long-lived!”

“You are a worthy opponent”, you reply! “You’re saying that it’s not enough to be young and ultimately to have all the solutions! A butterfly is young and dies young but with no results! He simply disappears!”

“Now we are back to economics, the so-called ‘butterfly economy’! We shall talk more about that when we start our discussion of economics! Nonetheless, this is a conversation about business! Let’s go back to the question!”

“That’s fine with me”, you respond! “I still have a feeling that vanity, leaving aside yours and mine, is a great limitation on Montenegrin development! What’s your view?”

“Although you and I have reached a somewhat forced spirit of reconciliation, let’s continue our conversation! Shall we agree that the discussion of development causes disagreements and arguments? By nature the essence of development is conflict!”

“I admit”, you say, “that I hear my echo. Shall we make peace? Does that mean that conflicts are normal when we are in the developmental phase?”

“There are endless conflicts and discussions about development! Development contains a friction of ideas and interests! This is called dynamics!”

“Well”, you say, “there will be no dynamics if development harms me! You can’t go further without me! What will happen to your book? If I get up and leave, your book is over!”
“Don’t tell me you are blackmailing me, that I must obey you! That’s out of the question! Let’s stop! Give me your student’s book so I can get rid of you!”

“Please don’t speak to me like a man who can be blackmailed with a mark”, you reply! I can achieve self-activation without your mark!”

“But it seems that all you want is a mark!”

“And I think”, you reply, “that all you want is a student to act as a foil for your discussions!”

“I should have found someone else!”

“Well, why didn’t you, then”, you say! “Do you remember Kanjos Macedonovic in “Kanjos Macedonovic” who told the Montenegrin dukes that “better people than he wanted to be with better men than dukes? Well, here I am with you!”

“Yes! We all get what we deserve, so I got you as my student and you got me as your professor! We are equal!”

“No, we aren’t”, you say! “I can go to London and enroll there as a student but I don’t know if you could be a professor there!”

“Yes! But the difference is that you must pay in order to enroll, while I must be paid to give lectures!”

“Oh, your vanity is definitely back in action,” you rejoin!

“I agree! You asked me whether vanity is a limitation to development in Montenegro? Yes! It is a great limitation! Montenegro is sick with vanity! It is a collective disease! Alfred Adler says: “When the yearning for power becomes strong, it begins to prevail in a man’s spiritual life, causing him to see much more clearly the purpose of power and predominance! His life becomes an expectation of triumph! Such a man must become surreal, loosing contact with his life, constantly thinking about how to make an impression on others and caring what others think about him! It greatly hampers his freedom of action!” Vanity is a Montenegrin disease!”

“Professor, what does that mean in the context of development?”

“A conceited man usually tries to put the blame on somebody else! He is always right while others are always wrong! Conceited people are full of themselves, self-righteous, mythological and vain, not practical and full of vices! Is it possible to combine vanity and practicality in real life?”
“I restrained myself, professor, when you called vanity a Montenegrin disease! I completely agree with you now that you explain it! When I look at my generation, I see that it thinks it’s right about everything! Someone else is always to blame for all the problems: the president, the state, politics, professors or parents!”

“I’ll be honest! Vanity is not a disease which is limited to Montenegro! It is a disease of ‘small places’! Instead of an open difference of opinions, which leads to discussion and compromise, we are constantly apologizing and feeling sorry for ourselves! To overcome vanity you have to face reality, to respect facts and traditions! You must face them but you don’t have to obey them!”

“Could you please explain this more clearly,” you ask!

“Vanity, in my opinion, means to be blinded by one’s own values, by one’s own importance, by the dominance of one’s own ego, by the need to impress on others that their only role is to make me happy, that they should praise and glorify me! I lord it over the rest while others are viewed as pawns! I am Gulliver in the land of the Lilliputians! I apologize, but this is Montenegro! This is a place where you must ‘do business’, where you must develop the knowledge you learned at the Economics Faculty! Is it possible to find anywhere else such masochism as we have here, to be against everyone else and praise ourselves at the same time! That is real sickness! I call it ‘Full Circle Sickness’! A man who differs from me 360 degrees is facing in the same direction I am! Where’s the difference between us?”

“Is it possible to overcome vanity in Montenegro and other ‘small places’?” - you ask!

“I don’t want to enter a new phase of discussion! It might become boring! But I do think that vanity is an enormous barrier to personal and national development! Everyone will tell you this, but no one will admit they are conceited! If there are no vain people in Montenegro, then where does Montenegrin vanity come from? This is a key question in my view! This is what we call ‘Montenegrin narcissism’!”

“Maybe, you’ve convince me”, you reply, “but never mind! I generally agree with you! In studying psychology I have learned that conceited people work against the interest of the community! We say that vanity is a sickness in Montenegro but that Montenegrins have a sense of community on the other! Which is correct?”
“I don’t really know! Montenegrins are ambivalent! In any event, I find that vanity here is stronger than the sense of community! Extreme selfishness (vanity) in Montenegro is greater in Montenegro than extremely unselfishness (care for the community)! But surface and the essence are completely different! On the surface we claim to be the greatest altruists in the world! But the clash of the visible and invisible, form and essence, true and false are all very strong here! Montenegro is a series of contradictions, a grouping of the illogical! As the writer Boro Krivokapic says: “Only Montenegro looks larger from a distance! As you come closer, it becomes smaller and smaller!” The myth evaporates and the reality we enter is far less glossy!

“Is personal and national development possible without a sense of community and synergy?” you ask! “Is it possible to make a career in business?

Synergy – unselfish selfishness or harmonization of interests

“Professor, I was surprised when you said that synergy was the next topic of our discussion! On the surface it is a topic which doesn’t seem to be about business! Isn’t that so? Isn’t synergy about unselfishness? The question is whether synergy belongs to the generally understood logic of success?”

“Business is still a very unpopular word, and everything related to business is therefore seen as immoral and suspicious a priori! The same is true of success! It is as though business were an activity where men ate each other to satisfy their egos! It would be a catastrophic error for those of you who want globalization and a good life to think that way!”

“That means that there are classes and interest groups who still think local but want to live a good life”, you say!

“Yes and there lies the problem! Lots of people want a ‘Montenegrin market!’ To them, that means having a local currency, closed market and national capital shared among people in some fair way, of course, through government administration! If you open up the market, there is a danger that someone from the outside world will come in and increase the competition and destroy domestic production!”

“Professor, would you explain to me the meaning of ‘Montenegrin market’? Do you mean institutions, organization of the market, market structures such as monopoly, oligopoly and competition?”
“First of all I’m thinking of the absorption power of the market, meaning that one is able to sell only a certain quantity of goods or services within a given market! A market has its own geographical and demographic boundaries and purchasing power! Certainly there are also limits on resources as well as available human capital! Never forget when discussing an economic question the size of the market – the real size, not the imaginary one! In Montenegro we act as if the world depends on us! As Nikola Djonovic says: “Montenegrins think that the whole world is posing the question every day: Well, what are the Montenegrins doing today?” It’s the result of our mythology which made sense only in earlier times when there were major wars, famine, and hunger. So the real size of the market today is a GDP of 1.3 billion EUR, approximately 650,000 inhabitants, a territory of 13,500 square kilometers and a coastline of 293 kilometers!”

“It is really strange to compare ourselves to the United States, EU and China”, you say!

“I constantly hear that being used for or against us! Is this part of the tradition of relating ourselves to larger nations than Montenegro? In the old days we used to sing: “We and Russia have a combined population of 300 million!” “Continue the song which goes “And we without Russia can load only five trucks!”

“Comparing ourselves to large nations is our tradition, a spiritual inheritance! You can break up the institutions of the old system, but their spirit will linger for a long time afterwards, influencing human action, as Josip Zupanov once noted! You can’t say that even America protects its own industry or that China has the politics of regional development! It is rarely observed that America’s GDP is ten thousand times larger than Montenegro’s or that China’s land size is 718 times larger and its population 2,000 times larger! And this is to say nothing about the differences of tradition, history, geography and national character!”

“With whom, then”, you ask, “should we compare ourselves? Which countries should be our models?”

“We should use Estonia, Lithuania, Slovenia, Luxembourg and the 37 countries which are smaller than Montenegro, taking into account, of course, the social and political differences between them and us!”
“That sounds reasonable”, you say, “but it might hurt our pride a bit and our opinion of our own importance! But perhaps we can find some comfort in the word of Schumpeter that small is beautiful!”

“I don’t want to argue about what is better or worse! I simply want to warn you that the size of local markets unavoidably influences economic systems and economic policy! A small country is a small country! Smallness has advantages and disadvantages! We should increase the former and decrease the latter! I understand synergy in terms of opening up a small economy, participation in a wider market, and an exchange of information with larger markets!”

“Montenegrin football or European League – is that a good point of reference for the economy as well?” you ask! “A Montenegrin economy and a European market?”

“That’s a good comparison! We all want to be good at sports, but when production is at issue, we want to limit it to the Montenegrin market! When will the Montenegrin League ever be strong unless we participate in the European League? Isn’t the same true for the economy and business? And sports themselves are a business! If we don’t participate in the European League or the European market, there will be no synergy!”

“But isn’t it true”, you ask, “that there’s an outflow of ‘Montenegrin money’? Why does Montenegrin money go abroad? Why, for instance, do some English tourist agencies ‘collect the money’ when they bring English tourists here instead of Montenegrin agencies? Why should this money go abroad?”

“Isn’t that the sort of thinking which has prevailed during the past half century when our economy was collapsing? Why should the English agency be eliminated in order to give the money to a Montenegrin one? Here’s an example! Let’s say that you and I are the owners of two hotels on the Montenegrin Riviera! Is it better for us if the English agency brings Englishmen here or a Montenegrin one local people?”

“Well”, you reply, “it’s obviously better to have Englishmen! But the Montenegrin agency employs Montenegrin people! You don’t seem to care about Montenegrin employment! Where does our money go? It goes to England!”
“That’s not completely true! The money goes to the hotel! It’s used for salaries, food and liquor and for taxes which are paid to our state and local governments! Is it better for Englishmen or Montenegrin guests to pay us? If a domestic guest pays, it is a completely neutral transaction from a macroeconomic standpoint, a moving of money from the right pocket to the left! It’s like paying your mother rent out of the pocket money she gives you!”

“Does that mean, then”, you ask, “that Montenegro should open itself up more to foreigners?”

“We should strive for synergy not closed conditions! I see synergy as an effect of community and openness, the effect of the combined efforts of many players in the same game! I have explained several times during this discussion my understanding of development as an exchange of information with others! How can we develop businesses without such information? I understand synergy as the result of unity, openness and complexity where the same game is being played! We constantly need information on prices, inflation and new products! Communication is crucial! The more information we have the more powerful we become!”

“That means, professor, if I’m right, that we need a network of communication! It’s important to be in the net! That’s fine! But is it possible to be in the net and powerful at the same time? What about fish which are caught in a net? I don’t suppose you regard them as powerful!”

“It’s important to be part of the net but not caught! To benefit from the net you should be a strand, not a knot! The strand is the path of communications between two knots or two men or two companies! In your opinion where’s the synergy in this description?”

“Obviously”, you reply, “the more strands there are the more power the net has! It’s like the story I used to hear from my kindergarten teacher about seven wands! The teacher was explaining to us the importance of honesty and friendship and also how to defend ourselves from aggressive children! If you want to break the seven wands, it’s easy to do so one by one, but if they are bound together, you won’t be able to do it! But what is synergy?”

“Synergy can be explained by the words you just used yourself – ‘bound together’! The binding between the wands produces additional resistance to breaking, more energy, utility and order!”
“But wait a minute, professor! I though I understood you, but now I find myself faced with more questions! Does synergy kill the individuality we have been talking about through this entire discussion? For instance, don’t the uniforms of policemen and soldiers produce synergy?”

“Those are good questions and observations! You could easily find yourself beginning one of my favorite topics – chaos theory! But let’s leave that for another time and discuss the army instead! An army’s soldiers have the same uniform! Its function is to make all those wearing it adopt the same goals! If the general gives the command: “Assault peak 707” and the soldiers begin to argue with him about whether that’s a good idea with some wanting to assault it and others not, then peak 707 will never be taken! The uniform, therefore, helps to unify the behavior of the soldiers and to give everyone the same goal!”

“The idea of synergy also emphasizes the coordination of individual behavior! Other individuals are not seen as enemies or people to steal from! The emphasis is on cooperation, understanding, tolerance and freedom but freedom understood in the sense of being limited by the freedom of others!”

“Does the approach also imply a synergy between buyers and sellers in a market? Is there a market synergy?” you ask!

“Yes, that’s exactly the case! I see market synergy as a synergy of the respective interests of a buyer and seller! The mutual trust of partners in a business is also a kind of synergy and the results of synergy!”

“Let’s go back to synergy as a network”, you suggest!

“What I described was a communication network through which information flows invisibly!”

“You anticipated exactly what I was going to ask you”, you say, “You are very intuitive!”

“You wanted to say that I was reading your thoughts meaning that I could see what’s invisible!”

“Exactly”, you say. “I wanted to ask you to explain to me in a little more detail the example of the fishnet where we have individual strands and knots working together! Aren’t the knots always in the same place, tied together tightly without freedom? But suddenly you are talking about what’s invisible!”
“First of all, when you want to do business, and that is the subject of our discussion, you have to see the invisible! I don’t mean dreaming, of course, although dreams are an important part of business as I told you at the start! But, as Kipling says: “If you can dream and not make dreams your masters”, since it doesn’t produce results!”

“Professor, if we had to go back to the beginning of our discussion, I think I’d give up! Don’t tell me that business is poetry! When I think about business, it’s always concrete, tangible, practical, financial, a matter of profit and loss! But it’s never poetry!”

“But in a sense business is poetry! Or to put it another way it’s a result of poetry! I think a businessman is a man who creates business! In a sense he is also a poet! I have met many real entrepreneurs! All of them have had something special inside them! Their thoughts are different! Their sentences are, too! Business has never been done by whose who understand the world in terms of its surface realities through sight, touch and measurement! Most people are more or less prisoners of what is tangible! They don’t care about essences and are molded by inertia, prejudice or commonly held opinion and apply these surface judgments to everyone else! They don’t see beyond these limitations! But it’s exactly what lies beyond these limitations which matter! To be able to explain and understand what lies beyond them is the precondition for doing business successfully! But let’s go back to the invisible web!”

“Not quite yet”, you urge! “Doesn’t what you’ve just said mean that philosophers and professors should be among the richest people?”

“I could have done without that idea!”

“Which idea?” you ask!

“The idea which urged you to start thinking! But that honestly was my goal! Philosophers, poets and professors are not interested primarily in money although money sometimes results from their work! What they create is something altogether different! All I wanted to say here is that people who create are similar deep down inside! One of their similarities is to see the world and understand its essence as well as its surface characteristics!”

“I remember a professor of philosophy,” you say “who used to tell us: ‘The eye looks but the brain sees!’”
“Could you have ever imagined that the thoughts of your philosophy philosopher would be important to your understanding of business?”

“No”, you reply, “or what I learned in high school! But it is becoming clear that many of the things I learned in elementary and secondary school, even going back to the wooden sticks I used in kindergarten, will be helpful to me in understanding business! Is that a kind of synergy?”

“Yes, there is a synergy which comes from school! But it is a synergy that flows out of such studies as languages, math, chemistry, history and literature! In my view synergy comes primarily from people, from specific professors! You said yourself that you remembered what your philosophy teacher said! What was more important was, who was teaching literature than what you learned! In reality you can’t ‘learn’ literature! What the professor does is to open our hearts and minds to understanding Pushkin, Dostoeivsky, Andric, Selimovic, Shakespeare and Goethe! The same is true of music and the fine arts! It’s a pity that most teachers lecture and force you to learn instead of dedicating themselves to awakening passion and motivation in their students and developing their personalities! Can you imagine a situation in which a newborn baby would learn a language in a school or where lectures on maternal language were given to a toddler? Imagine the suffering! Imagine the tears and weeping of both the child and mother! Chaos! Catastrophe! Children learn a language by playing; they aren’t even aware that they are learning!”

“Excellent”, you reply! “I suddenly see things much more clearly! And the purpose of this discussion becomes much more understandable!”

“No, no, no! You can’t learn business! I simply want to waken you to its possibilities, not to teach you or train you! Synergy is possible only when a person has been awakened! Indifference or obedience to a teacher don’t create synergy! Synergy comes from action! Synergy comes from individuals, not from groups! Let’s go back to the net once more! To repeat what I have said before I am stressing the importance in business of an invisible communications network, not some material web consisting of a metal framework!”

“But are these invisible communications too difficult to be reliable?” - you ask! “Should we invest our money in and expect a return from something invisible? Is it safe?”
“Those I have met who put their trust in safe jobs or safe investments always seem to lose their money! Typical examples are the Dafiment Bank and Jugoskandik Bank! People were enormously surprised once the pyramid chain was broken when they had been so sure that they would earn a good return on their money! Many economists were also taken by surprise! It was like the game where the ball is hidden under one of three matchboxes where the observer is sure he knows in which one the ball is hidden and bets on it! How delighted he is when he points to the matchbox where he thinks the ball is hidden! It must be there, he thinks! How disappointed he is when he lifts the box and finds no ball! Anyone expecting safety should not go into business! Remember the discussion we had about life at boundaries and about the farmer and the risks he faces in the form of storms and hail! Speaking about the strength of what’s invisible, I always say it’s stronger because it has an energy of its own!”

“You wrote in another book, professor, that energy lies in ideas! And Bill Gates said that energy lies in the speed of thought! Is the energy of business in thoughts rather than buildings, assets and machines?”

“Yes, energy comes from thought! In our day to day language don’t we have expressions confirming the reality and strength of the invisible such as: ‘strong love’, ‘the inseparableness of mother and child’, and ‘my word is my bond’?”

“So synergy is invisible”, you exclaim! “The effect of cooperation and the effect of the whole on its parts are invisible! But how do you transform the invisible in business into money? I transform my thoughts into words and sentences by writing and the coordination of my hand and brain! In the case of synergy what mechanical comes into play?”

“Imagine a spider web! What’s its purpose? For the spider to catch flies! This is a description but not the essence of the spider web! We can perceive the essence by posing two questions! First, how does the spider know that the fly has been caught? Second, can’t a fly simply break the web and escape? In asking these two questions we can see the importance of (a) speed of transmitting information to the spider and (b) speed of the spider’s reaction! The key advantage of the web is its speed of transmitting information! Wherever the fly is and wherever the spider is, the spider immediately gets the information and reacts! That is the advantage of a network organization over a command organization where information is transmitted from the lower level to a higher one until it reaches the person who will use it!”
“If I understand you correctly, professor, we are in a communications network that gives us quick access to information! The fly that enters the system provides the information! But when one fly hits the web and several spiders race to catch it, only one spider will catch it! For theoretical purposes I supposed we could argue that the spiders will share it! Isn’t it better if each spider hunts separately? Nature answered this! Each spider has its own web! In this case there appears to be no synergy, or, at least I don’t see it! If I’m right in this, explain to me if the same can’t be said of business information! Is it better for each businessman to search for information and keep it for himself?”

“That’s the difference between the tangible and non-tangible! Although material things decrease when you share them (as happens when you share a chocolate with someone), intangible things increase! When you share your idea with a poet, for example, both of you become richer!”

“That’s right”, you say! “We both become spiritually richer! But everyone will say you can’t live on ideas! You can’t ‘eat’ information!”

“First, we must understand that information is the only resource in the economy which is enlarged when we share it! Sharing information between different people in business produces synergy or energy in a communal sense!”

“Professor, it sounds clearer now! You destroy prejudices! What you are saying is that when we obtain information, those of us in business obtain new knowledge, new inputs, which move all of us forward! On the basis of new information each of us should act in a manner which maximizes profit, not jeopardizes the profits of others! By trying to keep everything for himself, someone destroys the possibility of cooperation! Am I correct?”

“I think you are! Cooperation with others is one of the sources of synergy, additional energy that speeds your own growth and that of others!”

“That means then that synergy produces acceleration! Isn’t that true?”, you ask!

“That sounds logical to me although physicists might be led to attack us if we tried to enter their sphere of knowledge which is a closed field!”

“Therefore, sharing information in business through synergy,” you note, “increases our profits! Wait a moment! When you spoke of Adam Smith, you said that his book’s title in many textbooks is ‘The Wealth of Nations’! But is
that correct? I believe the correct title is ‘An Inquiry Into the Nature and Causes of the Wealth of Nations’! I remember that Adam Smith came to a very simple conclusion about the wealth of nations – the division of labor! Isn’t that also true of synergy? Perhaps not! I am confused! Is wealth increased by the division of labor which causes specialization (sharing information), as a result of which we become more productive or does it come through the synergy of cooperation (the exchange of products between specialized producers)? What’s the secret, professor?”

“The secret lies in creation, in innovation! That’s the key to success in business! But that’s a separate subject!”

“Professor, will you please continue!”

“It depends on whether my writing style can be easily understood! This is not a discussion about events or peoples’ preferences but of success and failure! This is a discussion about experience, not mysticism! The aim is to understand the importance of thinking! Only thought can create, make things, and bring innovations into existence! But most people want descriptions! They like to live in myths! Most of us are guilty of static thinking, of preferring a description or explanation of something! Explanations rarely motivate or initiate action, however since they are oriented to describing events or impressions! It’s educated speech that gets the highest level of praise! But it also happens that some people make good descriptions of something! The problem is that they don’t recognize what is real! Understanding what you are taking about, not just describing it is essential for success in business! To understand something means to recognize its reality! What is typical in Montenegro is that we say we know all about someone, can give thousands of details about him, but when we meet the man himself we do not know him at all! The same is true of such things as prices, information management and banks! We can talk nicely about them but our ability to do something about them is weak or nonexistent! We are very ‘clever’ but even more inefficient! To be able to act we must understand reality and practicality! That means we must concentrate on processes, not on events, to analyze how and why something has occurred, not to accept it as a constant value or axiom! We must test conditions and the logic of events! When something happened, who was the first one to observe it or initiate the idea? To understand reality, then, means to follow up the logic of the process with motivation and not just listen passively and repeat the story! We need to learn how to develop the ability to change our attention from describing the events to the process, from the
description and explanation to the ideas and thoughts which created the idea! We need to change from discussing what has always existed to the question of how and why it exists and who was the first person to recognize or initiate the idea! In my view that is the key underlying need of restructuring ourselves mentally in order to make creation possible and to search for new creativity instead of wallowing in inertia and indifference! Business is creativity not imitation!”

“Although it may appear that creativity is reserved for the chosen ones and untouchables of this world, it’s well within the reach of everyone who understands that energy is in our thoughts and that only the awakened mind can help us to create! Awakened though creates synergy which stimulates creativity! Creativity goes to market; creativity creates the need for free trade, as my friend Enrico Colombatto says!”

Creation – Depth Of Thought Or The Spiritual Need for New Ideas

“Professor, while I know you want to go on to creativity, I would first like to test myself and then ask a question with which I have had trouble for a long time! I feel doubtful about the connection of synergy and creativity! Synergy isn’t possible without action or movement! In a word I’d call synergy creation! Does that mean that synergy is the result of the mutual creativity of several individuals, companies or teams?”

“You are simply terrific! We have young people here in Montenegro we don’t deserve! You don’t resemble your parents at all! As I have already told you, the great Dusko Radovic, Belgrade writer of children’s poetry, once said: “Beat your children when you feel they are becoming like you!” This message is related to creativity!”

“What part is related to creativity?” you ask!

“I am reminded of Hesse’s little Sinclair! I remember his troubles in leaving the world of his parents and entering the real world! Sinclair was very familiar with the world of his parents! This world was called father and mother, love, discipline, and school! It was a world of chastity and honesty where everything was familiar and certain and where life was generally wonderful! It was a world of clean hands and clean suits and good manners! Sinclair’s parents were always pointing the right way, which is, if obeyed, a way of straight lines
leading to a good career and to the parents’ unfulfilled ambitions! But Sinclair starts to notice some alien influences in his life! His is a wealthy family, but some of the maids and servants are wearing unclean uniforms and are sometimes drunk and noisy! And he hears stories about burglars, murders and suicides! As a small boy he is astonished that these two worlds can coexist under the same roof! How is this possible, he wonders? His school friend, Demian, reveals the secrets of the real world! I find that many of those who have not had to face up to this same tension between the world of parents and the real world have not been able to achieve real fulfillment in life! Sinclair shows that he has matured by becoming himself! He receives a letter from Demian, which says: “The bird fights its way out of the egg! The egg is the world! He who would be born must first destroy a world!” I hope you have watched a chicken being hatched! How quickly it escapes once the shell is broken (the old world) and how quickly it emerges (the new world)! There is no new world inside the shell of an egg! You must emerge in order to achieve something!”

“I admit”, you reply “that I’m impressed by the comparison with an egg! I understand it clearly! I recognize the analogy not only with myself but also with my parents! Is the breaking of the shell related to Schumpeter’s creative destruction or to Hayek’s principle of trial and error?”

“Yes, the principle is related to creative destruction! I have built this idea into my own thought and action! I try to explain this to everyone with whom I work!”

“Well”, you say, “I see this discussion is a ‘wake up’ call to create greater incentives to think and get to know oneself! When I look at myself and the world of parents and friends, it is a world of straight-line solutions! It is a world of determinism! If you do this or that in a certain way, are obedient and study, you will become like your father or mother, brother or sister or some respectable member of your family! I was always told about my uncle who managed to start a good business in France! We were taught in high school about Einstein who says that everything is relative! And you gave us lectures on Chaos theory and recommended books by Stephen Hawking on Black Hole Theory! I realize that you have constantly warned us that the world is not linear, that Laplace’s equation can’t explain the world any more than the ideas of Decartes or Newton! I have read about this in one of your papers!”
“I am glad you have made the connection between the world of parents and the world of Newton! With Newton the world is a machine functioning like a machine! You have created a good analogy! Some parents and physicists will say that we simplify things too much, of course! But even the fact of that disagreement may confirm our claim that there is no perfect agreement in life or reality, that the smoothness of a linear model doesn’t exist!”

“That means”, you say, “that Einstein’s paradigm and quantum physics are a good reflection of real life! Sinclair is like Isaac Newton and Demian like Albert Einstein! Isn’t that so?”

“If we continue this way, you’ll give me a headache! Yes, the two ways of thinking are based on different models! The world of Newton is a world of order, smoothness, perfection, and causal consequences! The worlds of relativity and even more so quantum physics are related to dynamics which stir the world into chaos, uncertainty, coincidence and probability! The connection of ideas we are discussing during this conversation may help us to understand the world in which we live!”

“I am trying, professor, to connect all this to business! Your aim is probably to demonstrate that the world of business is a world of uncertainty and risk, that cause and effect do not apply to it and that is a world you must face courageously; you must dare, have energy and not just wait for someone else to do things for you! You are saying, I think, just as Hesse does, that to progress the world must emerge from a shell!”

“We are starting to agree on things so much that I think we will be able to conclude our discussion soon! We are entering a world of agreement and the certainty of mutual answers! I recall you’re mentioning your uncle, who lives in France, the one who started the business! Isn’t that so?”

“That’s right, professor, but he went to France right after completing high school! He has come back to Montenegro for only short periods of time! I very much enjoy his returns which generally happen during the summer! My family wants him to be my model!”

“It’s not a bad choice! But a model must motivate us, not just serve as an imitation! If you want to be like your model, you may unconsciously fall into the world of determinism which creates a final world for you the moment you are born! That is one of the dangerous consequences of living in a parent’s world! I don’t say that this is unacceptable, but you must decide to live that
way of your own volition! You must find yourself and get to know yourself as soon as possible, long before you begin your studies! Searching to find yourself, of course, must also be spontaneous like learning maternal language! Spontaneity is imposed by life itself! Life discovers who we really are, develops us, sharpens the energy of our thoughts, and develops ideas for business! What if you are a talented painter and someone tells you to be like your uncle, the owner of a textile factory? I see that problem in the lives of many young people who are being pushed to stay in the world of their parents, a world to which they don’t belong, or a world which doesn’t allow for their development! Our system of education, too, presses us to remain in the world of parents – except that the parent is replaced by the socialist state, a world of certainty and fair distribution! Instead of parents it’s the state that shows us what is the ‘right road’. Instead of obedience and submissiveness to the authority of father and mother, it is to state authorities! It is a world of “voluntary slavery” as Le Boetie called it in the middle of the 16th century!”

“Professor, you lived in such a world and under that system! Many have told me that life under that system was good and safe with living standards which were better than today’s! I also hear that at the Economic Faculty and from politicians! You are now speaking of that system as a kind of parental world which is at first glance a very mild critic but an essential one! I feel dizzy, professor! You are putting two worlds into my head at the same time! But now I suddenly see things in a new light! Wait a minute, professor! I hope you aren’t going to tell me that the transition we are making in Montenegro is actually like Sinclair’s moving away from his parents’ world into the real world!”

“Well, you could say that!”

“I recall, professor, that when I read Hesse’s book, I really sympathized with Sinclair and his troubles! I recall his naïve lying, which he did when he was showing off, about his stealing an apple and how the boy who was blackmailing him gave him nightmares! Then I recall all that discussion with Demian and Sinclair’s gradual understanding of the real world! Poor Sinclair! So maybe we will have the same sort of transitional troubles as Montenegro moves from one world to another! Professor, I now see more clearly that transition is in one’s head! It’s a change of thinking on the part of each individual in the same way that happened to Sinclair! Well, professor, that sort of transition takes time! It is not as simple as it is in books where you can easily
privatize, liberalize, write laws, punish those who don’t obey and maybe shoot one or two people and it’s done!"

“You just opened Pandora’s box! I think we should agree not to pursue your thoughts about transition now, but reserve them for further discussion! I’ll just add two comments about our former system in Montenegro!”

“First, the most radical critics of the old system are not aware that they are still living in the same system which they would have liked to have organized along lines with their own preferences! They would have liked to construct what in their view was an orderly, appropriate world! Radical people always want to make others happy, which for all practical purposes means that they want to control other people (whether consciously or unconsciously is irrelevant)! Never forget this!”

“Second, it’s true that many elements of our living standards were at a relatively high level under the old system! Nevertheless, I want to raise two important questions for further discussion! To begin with where did the money for development and high living standards come from under the old system? Next, why did so many people emigrate from Montenegro? I still think that the main problem with the old system was its failure to make room for individual creativity! And those who downplayed the role of the individual in society were the very ones evaluating the work of individuals; equality was suffocating freedom! That means that the old system didn’t have the inner energy it needed to sustain itself!”

“My uncle says the same thing”, you reply! “He left Montenegro because he wanted to start his own business, which wasn’t possible to do here! It was very hard for him after he left to adapt to a new way of life, work and thought! He has always been different from other Montenegrins! From the time of my childhood I remember that his whole approach was different than his families!”

“By going to France he replaced his old way of life with another! To put it in a modern frame of reference he made a transition! But first the transition happened in his head! As a result he was able to go into business! What has been recently happening in Montenegro is the same thing that happened to your uncle when he went to France!”

“I try to imagine”, you continue, “what would have happened if I had done the same thing! To leave Montenegro without being able to speak another
language and with no more than the 100 francs my aunt gave him! He was lucky! Some of our relatives who were living in France got him a job there as a cleaning man in a factory the minute he arrived! After that he worked as a car washer at a gas station where he earned enough money to pay for French lessons and get a driver’s license! I think I could have done it, too, but I wonder if my parents could have accepted the idea that their son had become a blue-collar worker in such a low level job! It would have shocked them!”

“Have you ever though about how your grandfather must have felt when his son, your uncle, whom he had sent to school in Montenegro to become an engineer, left the country?”

“I’ve never really thought about it, professor! I just don’t know! I know my grandfather often says: “As long as I have my ‘French child’ we will be wealthy!” And gradually I came to believe that my grandfather was happy his son had left Montenegro! I wonder what would have happened if he had stayed! Would he have become just another failure?”

“It’s hard to tell! Maybe he would have failed just as you’re suggesting! But perhaps he would have achieved something anyway! In any case it would have been less than what he achieved abroad!”

“Fine, professor”, you say! “If you think he would have achieved something in Montenegro, why do you approve of his leaving? He left his home, parents, friends and the world where he had been born and lived for 20 years! Even if he had achieved less here, he would have faced fewer difficulties living with his own people!”

“To be honest I am only certain he would have achieved less! Whether he would have suffered less by staying here I can’t say with any certainty! Living in a system which does not encourage creativity or acting on one’s own inner conviction and where success is seen as a sin is much harder than beginning a new life without knowledge of French and facing physical fatigue! Psychological fatigue is much more exhausting than physical! And it is the psychological side of oneself which is important for creativity and business!”

“We are creating a psychological self in this period of national transition, aren’t we? New Montenegrin institutions should create a psychological ambience that not only encourages young people to stay in Montenegro but also creates good business conditions! But in doing so we have to experience personally all the difficulties!”
“I agree it’s difficult! The process will take many generations! Saying that young people going abroad are not ‘patriots’ is hypocritical and foolish! We should invest in all of them from the time they begin kindergarten and continue to invest in them right on through the time they retire! And we should be constantly urging them to work harder! Unfortunately many of the participants in our national transition act like new students! They come to me and say: “Give me my diploma so I’ll be sure to complete my studies after which you can ask me to meet European standards in my work! Give me a European salary and I will work like a European!”.”

“Well”, you note, “you get what you pay for!”

“No! In a system where you earn money first you see what you can buy and then you pay depending on whether you like it or not!”

“Does this mean”, you ask, “that you’re urging us to leave for the West?”

“Why not the East? They are already ahead of us there! What I’m trying to do is prepare you for the market! There is no local market today, only a global one! I want you to be ready to play in this larger market! Where you work is up to you! I am a professor and my job is to help you as students to obtain relevant knowledge and skills and above all to train you in a way of thinking that is acceptable in a global market! That’s my kind of patriotism, not persuading you to work in one place or another!”

“But we are tied to our homes and families! Someone has to preserve our traditions and properties! When I asked my father if he would sell his village property to give me money for my postgraduate studies in Europe or America, he wanted to kill me: “To sell my patrimony so you can see the world a bit? A university diploma from Montenegro is good enough!”.”

“Your father is right but not for the right reasons although emotional ties to home and land are real and make a difference! But for goodness sakes why don’t you try to succeed on your own! Why not take on the challenges, not for your father’s sake but your own! When we talked about Sinclair, you knew everything about him, described him perfectly, made good comparisons, mentioned Newton, Einstein and lord knows whom else! You pulled back the mental drapes across your mind and even started to believe that you were like Demian and your uncle! But even after all that you are still being little Sinclair living in his parents’ world! Why are we wasting our time on this discussion?”
“Well, professor”, you reply! “I shouldn’t be blamed! It’s my parents who are guilty of not wanting to make me independent! They were the ones who didn’t prepare me for life! At school and at the Economic Faculty everyone has been telling me to be a good and obedient child! Now you’re suddenly angry at me and almost tearing me apart!”

“I would beat you, but I’m too angry to do so’, as the wise Socrates once said! Regardless of how angry I am with you I still believe you have the courage to dare! I feel it’s in your blood! You also talk to me in a friendly way like an equal! Your eyes often shine, too! But you still have the tendency to look more to the past than the future! And some of your thinking is typical of some of our worst tendencies in Montenegro! First, you know everything! You fascinate me with your eloquence! You are vibrant with health and energy! You seem like a real person! You give the impression that you could become the president of a country even larger than Montenegro or the manager of Coca Cola or Hellenic Petroleum! After all, you have no problem asking your father for money! But at times you show a fear of accepting the blame and at others a lack of personal dignity! Second, you continue to put the blame on others – the state, your parents, and professors! They are guilty, you claim! That’s the way to become popular in Montenegro – criticize everything and everyone, create an alibi for cowardly people and help them to rationalize their failures! There lies the explanation of why the unsuccessful love demagogues and why they hate creative and successful people!”

“Is that true only in Montenegro?” you ask!

“No! It’s more or less the same everywhere! But the difference is that the systems in developed countries are turned more toward promoting success and protecting those who are successful! They emphasize life instead of death! A real transition involves a process that changes a system that protects the idle and cowardly and offends personal dignity to one which encourages men to be themselves and grow! Those are the mental changes which must take place in people’s heads!”

“Well”, you say! “That’s normal! Doesn’t everyone want to be an individual, to be free and creative and to make decisions for himself? What’s so hard or strange about that?”

“Just as I had begun to believe that I had made you think a little about asking your father for money and blaming others you are now asking me if it isn’t normal for people to be free and individualistic! What’s the problem, you’re
now asking me! The real problem is that you don’t see the problem! And what is the problem? The problem is also not seen by hundreds of those ‘copy-paste experts’ who offer solutions for transition based on experience in other countries! Can’t you feel the problem deep down inside? But you know it all! Everything is easy in your view! Yet at the same time you are still saying that someone else is responsible for your problems and that others should be giving you money! And you claim that you have dignity, freedom and individuality! You want to be part of the crowd! The warmth of the mass mind is too great a temptation for you!”

“Please, don’t”, you say! “I am against masses and crowds! I heard enough when you were talking about Le Bon’s understanding of crowds! No! I vote for free men!”

“It’s a rather religious approach! I’m for one religion and you are for another! What you should be for instead is the free and independent self! You should be yourself! You should do something to become free and independent, not just preach! The goal should not just be to give others the impression of how smart, educated and eloquent you are but to let everyone know from your acts and deeds that you are on the road to being your own person! Don’t preach to others that they should be free but work on yourself! As Sinclair says after he had grown up a bit: “I realize today that nothing in the world is more distasteful to a man than to take a path that leads to himself!” Erich From calls this an ‘escape from freedom’ meaning an escape from ourselves! If you release birds and animals that have been locked up in cages for a long time, they will automatically return to them (the ‘cage syndrome’)! You are the evidence of this! You demand things from others but blame others! Why don’t you throw out your chest and take responsibility for yourself!”

“There are two things, professor”, you say! “If someone had told me I would accept your criticism so peacefully, I think I would have shouted at and fought him! But in the context of this discussion I think you’re right! Indeed most students have to leave their studies for the real world! Some of my fellow students have already done so and from this time on I’ll respect them more! Also, I have felt from the beginning of this discussion that you have wanted to help me move forward and become more independent! You demand more from me than anyone else! But I am also tolerant about differences of opinion!”
“I’m encouraged to hear you say that! You are reacting more like someone on the road to becoming himself! That is a road full of challenges but also a road to success in life and business! Success in itself is something which I believe develops democracy and not only because success has a hundred fathers and failure is an orphan! I have always thought that a nation’s bravest citizens are the very ones who start new companies and industries, thereby creating jobs for hundreds or thousands of people and giving them the means to support themselves and their families decently and securely! There is no democracy in a country of unsuccessful people! Business and business development are key ingredients of democracy!”

“I finally have the chance to pose a question I have been meaning to ask since the beginning of our conversation”, you say! “Is your support of business and the economy generally oriented toward material values and way from such spiritual things as poetry, fine arts and music? This came to me when we had our discussion about Maslow and the hierarchy of needs and self-actualization! Economists in both western and eastern countries are usually materialists! To me it looks as though your economic paradigm consists only of lower, material needs! If this is so, then where do the higher motivations, which Maslow writes about, come from? If business and the economy involve lower levels of motivation, how can you expect young people not to be disappointed? After all, young people are idealists!”

“That’s a good change of subject! Perhaps it comes from thinking that you don’t want to be involved in some low sort of activity like business! Isn’t that so?”

“That wasn’t my actual thought”, you say, “but it’s worthwhile considering! My colleagues and friends keep asking me why an excellent student like me, with all sorts of awards still decided to study economics and business rather than medicine, psychology or engineering!”

“I’m afraid we are beginning to enter a new realm of discussion! Could you stop for a moment and ask yourself what we are talking about before we go any further! What are our agreements, disagreements and conclusions so far? Are we talking about business and the economy? That’s how we began but where are we now?”

“I have to admit”, you reply, “that I was a little carried away! I hadn’t noticed that we were no longer talking about the rules and imperatives of business! I initially thought our discussion would be like a book explaining
business in ten easy lessons! But it’s been nothing like reading and acquiring knowledge about the market in order to earn money by day so that you can spend it at night! I allow myself this little joke for which I apologize! I think you have communicated more important messages about business through your stories about business life styles and thinking than narrow discussions of business principles? Am I right?”

“We’re on the same wavelength! Only life will show whether I’m right in what I’m teaching! If the market agrees, then I’m right! If not, something needs to be changed! That’s the logic of the market, the value of one’s work! The value is what someone is willing to pay for it! If no one buys our product, we have failed! “Thank you, gentlemen, come some other time”, the consumer will say or the buyer or the client or other students or whoever the market is! I honestly didn’t know at the beginning of our conversation how far it would go! I have inserted many small pieces of knowledge and experience into my subconscious over the years! Since my childhood I have been attracted to unusual situations where logic and reality don’t go hand in hand! Accidental and unimportant things also fascinated me! I realized long ago that the only things that matter are things which most people think are irrelevant! We need to open up that other world, a world with which very few people bother! I am always surprised how often people accept things without question and how even serious men will explain things without going into them deeply! I’m fascinated with comparing the harmony and simplicity of nature with explanations of it! I have gone through life reflecting about these things! I have noticed that the successful men I have met (I didn’t say rich ones) have a slightly different view of the world! I don’t mean their philosophical views, their idealism, materialism or way they govern or manage things but their relationship with others – how they greet people, how they express their ordinary thoughts, their openness and breadth, their lack of slavishness to formal systems, their love of nature, painting, poetry and music!”

“Do these men always occupy positions as company directors, bosses, professors, ambassadors and presidents of states?” - you ask! “Are they people the young look up to as though they were gods or angels?”

“My blood pressure has just gone up! I feel frustrated! We shouldn’t continue! The conversation will become too vague! But I do have a couple of comments! First, no one should be treated as a god in this world! You are your own god! Second, don’t forget that there are devils as well as angels and it is not easy to differentiate them the way that’s done in fairy tales! There are no
pure angels and no pure devils! Each man has both an angelic side and dark side! It’s important to observe and define which side is which when you talk to someone! There will be fewer surprises that way! And when you’re listening to someone on TV, the newspapers or people in power who are trying to dazzle you with their views, always ask the question – how would he or she behave if they didn’t have that power, if they didn’t have glamour, official cars, secretary and all those perks? People with real quality continue to demonstrate quality after they no longer hold positions of power! But I have also met many men whom I term ‘wet chickens’ - malicious men without dignity! What happens in organizations where there a hierarchy like armies, political parties, state owned companies and universities – those organizations where rigid criteria and lack of a dynamic promotional process predominate over market criteria such as creativity and good results! In hierarchies men tend to advance up to the level of their incapacity! Therefore, don’t be surprised to find large numbers of incompetent people at all levels of hierarchical organizations including those at the top of the pyramid! Before you make someone your god, which I strongly advise you not to do, observe him and test him very closely! For instance, what topic does he want to discuss during your leisure hours together! What is his flow of thoughts, the connections between them, his tone of voice, his level of culture, his behavior as well as the first impressions he makes on you? Now, let’s return to the question of successful and creative people!”

“I would like you to explain more clearly to me”, you say, “your view on the impact of hierarchy and human qualities! Is it possible that hierarchies are less efficient than shallow, flat organizations? Is the clash of principle between hierarchical promotion and freedom of choice in flat organizations reflected in the quality of people they attract? Is a flat organization better for the development of people than a hierarchy? I have the feeling that freedom of choice pushes us toward greater personal development!”

“We can’t go on this way! We are confusing things! What you said is a good way of connecting things! You have a good feeling for interdependence and comparisons! That’s a first step toward demonstrating that you are leaving the beaten path trod by your parents and ready to learn from life and to let life, not your father, mother or teacher determine what you ought to think! You should keep in mind that hierarchical systems (systems of cause of effect) are generally directed to a single aim, some tangible material goal! This view will probably annoy some organizational theoreticians!”
“That’s no problem”, you say! “Perhaps I’ll talk to some of them, too, to get their own point of view! I’m not an easy person to deal with, am I?”

“You are an able and challenging conversationalist but not always pleasant! I find these discussions a good way to clarify my thinking! Being agreeable is not a characteristic of people who take action! Speaking of successful people, you can see them in a wide range of activities although there are not many of them! A successful man is one who is the best or one of the best in his job! You can meet cleaning women, security guards and young assistants at the Economic Faculty who are successful! You can find them in business, management, politics, poetry, art, and music and you can find them among students! Success does not represent some final condition! It must be proven daily! But only those who manage to know themselves and are ready to compete with themselves fully understand this! I read this recently in an interview with a great and highly celebrated water polo player, Igor Milanovic who said: “As long as you are better today than you were yesterday and better tomorrow than today you will always be successful!”.”

“Is it a purpose of this conversation to call attention to the need to compete every day?” you ask!

“Not to call attention to it, but to initiate, awaken, and develop a competitive instinct in those who accept this way of thinking! This is far from a universal formula! It is only a fractal from the universe of success! I have already suggested that successful people see and think about the world in a different way than others! Friends of mine from my elementary and high school days and at the Economic Faculty who were different, had different opinions, have for the most part become successful! To be honest, most of them haven’t achieved their full capabilities! I haven’t looked into this systematically but I have been able to observe these men as I have talked to them! Regardless of how much the hardships of life have exhausted them, making many of them cynical and malicious, I have still been able to find grains of potential in them which still have not been realized! I have often wondered how I managed to be more successful than they, at least in terms of formal position (the real position, of course, is measured by the market)! I have wondered how other colleagues have been more successful than they! What’s the secret — luck, connections, politics, and family? Perhaps it’s been a combination of all these things! Whatever the case may be, my explanation is the energy each of them has displayed after getting his university diploma! I don’t mean the quantity of knowledge acquired in a scholarly sense! I don’t
mean intelligence either! It’s been more a matter of how well each of them came to know himself, understood himself and had a strong insight about activities where he could express himself! This happened only to those who saw life as a struggle, who had the ability to learn (sometimes by the hearth), and to absorb what they had read! It happened to those who had to earn a living, who suffered, who had to mow the grass or chop wood to pay for their education, the ones who spent their own money in coffee shops and not someone else’s, who had fun and who traveled! But what happened to those who were successful happened because they made decisions, personal decisions! Those who made decisions tended to go forward; those who were indecisive fell behind! Living intensively forces you to make decisions! The discussion of business must aim not a teaching people but waking up their thinking, turning them inward toward understanding themselves and making them analyze their failures!”

“But discussion should also prompt them to analyze their successes, too! Isn’t that so?” - you ask!

“Not entirely! The reason is that success doesn’t lie within us alone as individuals! You can’t achieve anything without cooperation with others! You can easily fail, of course, without anyone’s help! If you don’t want to learn to speak English, that’s your own decision and your own road to failure! No one can learn English for you! There is no pill that helps you to speak English! You can lead a horse to water but you can’t make him drink, as a famous proverb says!”

“You always seem to twist things from the common way of thinking”, you respond!

“Everyone is proud of themselves when they have succeeded but prone to blame others when they have failed! When my team was losing matches or tournaments, it was always a judge, trainer, the lights, the spectators, or something else that was a fault! Never ourselves. If the judge is always guilty, then you have probably never won a tournament!”

“That’s right”, you reply, “although we weren’t a bad team!”

“You were always playing against somebody, but you never faced yourselves! Dejan Savicevic told me that Capelo was a great expert in analyzing matches! What he was searching for was mistakes in order to correct them!
That’s the reason Capelo won so many trophies! The same principle applies to all of us! Analyze failure in yourself!”

“Does this mean”, you ask, “that success shouldn’t be analyzed?”

“Certainly it should be! One thing to remember is that we should never allow success to go to our heads, to give us the impression that we are supermen or geniuses. If that happens, we’ll become like a balloon full of helium, which leaves the ground and then gets smaller the higher it rises. There is nothing more destructive than exaggerating one’s own importance. Those who are incapable of recognizing the contribution of others to their own success will not survive long and they will never reach their full potential. An extreme example is a quick success; it comes quickly and dies quickly! Managing one’s success is a special skill!”

“Do you mean managing success so that it lasts? In a market economy doesn’t that mean constantly providing some new product or service to win new markets? At the same time doesn’t long-term success give the impression that a person or company has a monopoly?”

“The best people always have a monopoly! It’s inevitable! The problem is to know who’s the best. How do we find out? Is it by elections, distribution, creation, politics or the market? If, for example, you think Njegos has a monopoly in Montenegrin poetry, then it’s easy to knock him off the throne, isn’t it? All you have to do is write a better book than “The Torch of Microcosmos” or “The Mountain Wreath”.

“Easy, isn’t it? You might say it was easy for Njegos to write such books because he had the Turks to fight for inspiration. Where men demonstrate their superiority through the quality of their poetry, art, products, intellectual or consulting services, each of them has proven himself by his value to readers, buyers, or consumers. No one has a monopoly but the best! But even the best have a very fragile monopoly and can lose it in a minute!”

“I conclude from what you have just said that you see business as a separate compartment of life”, you say, “just like poetry!”

“Poetry is the music of the soul!”

“I agree with you, professor! That means the elements of business or economics (I won’t differentiate between them at this point) are present in every sphere of creative activity. Now I understand more clearly why they sometimes say that musicians, writers, artists, athletes, physicians and
biologists have done good business. This must mean that economics is applicable not only to companies but all these fields. Does that mean that economics governs the world, that we live in a materialistic civilization where the material has finally gained ascendancy over the spiritual? In asking this I am returning to our previous discussion about motivating young people who are full of ideals and close to what is spiritual. Or should we be content to remain at the lower level of Maslow’s hierarchy of needs on the supposition that higher levels of motivation aren’t accessible to us – at least not to those of us who are studying economics?”

“There are no such things as separate worlds of economics and business, music, sports, poetry and politics! They are all connected! Consequently our knowledge is most complete when it is seen as being interrelated! If this is true, then how can we talk about specialization in economics and business?”

“Economics and business are democratic and open to everyone! They are human in the sense that the economy tends to reward the most capable, progressive people. It is their creative aspects that put both business and economics on the higher levels of mankind’s needs!”

“Yes”, you reply, “but satisfaction of thirst, hunger, and the need for apparel are lower level materialistic needs.”

“Don’t tell me that you can’t find low-level products in poetry, art or music which are all defined as spiritual. Isn’t it also true that we have terrible movies?”

“You’re saying then, professor, that there is no area of human activity which is a priori greater than any other in a system of values and hierarchy of needs and that there are no divisions or barriers between areas of activity! There are no such things as separate worlds of economics and business, music, sports, poetry and politics! They are all connected! Consequently our knowledge is most complete when it is seen as being interrelated! If this is true, then how can we talk about specialization in economics and business?”

“There is no real specialization in economics unless you have read Dostoievsky several times, for example! I mention him solely to illustrate an idea! If you want to understand people’s behavior in economics, you have to enter their souls! But how can you do that without poetry? You are making a great mistake if you think that the economy is just mathematics, which, by the way, has its own poetic quality, a poetry with much more harmony (at least in economics) than life itself which shows very little harmony! The harmony of mathematics in economics is evident in Engel’s curve and other concepts! But these are only the tools of economics! How you apply them will depend on your knowledge of poetry or art or technology!”
“Or politics!” - you say!

“Politics doesn’t belong to this discussion so please don’t introduce it here! We’ll talk about politics some time later! When you see that everyone in some field of activity, like politics, has become an expert, avoid it!”

“Don’t tell me politics aren’t important”, you say!

“I have the feeling that if you and I started to talk about politics we’d begin to fight! We should return to our original subject!”

“No, professor, I want to cross swords with you! Why not? We are young people, well informed and we also have political views of our own! These are different times!”

“You may have political judgments but don’t let them undermine your creativity! My advice to all who want to live a creative and successful life is not to enter politics before the age of 30! Before then try out life a bit and invest in knowledge! Get to know yourself! Start a professional career! And then, whoever goes into politics without knowing himself, ends up in trouble! Of course there are some creative people in politics although far fewer than in other areas of human activity! A creator in politics is often seen as a statesman, a man of vision! But I haven’t met a lot of them! Let’s go back to the question of specialization in economics! I have already mentioned Sartre who said that a writer must live in several different worlds in order to be successful, the same is true of economists and businessmen!”

“Although you’re quite convincing, professor, many things are still unclear to me!”

“That’s true for me, too!”

“I understand the idea that the larger the circumference of a circle of knowledge (which is always limited) the larger the area of the unknown which it touches! My circle is small – at least for the time being! But Hayek says that the amount of knowledge is always the same! What’s unclear to me is related to your explanation of higher motivation in economics and business! Here I’d like to confront the snobbishness of the nouveau riche since most of them became rich by taking as much as they could illegally! Now I’ve trapped you! Now you can’t escape!”

“There’s always a way to escape! But I’ll do my best to answer the question as rapidly as possible since we’re now getting into a possibly endless subject!”
“Each time I pose a difficult question, professor, you always say I’m opening up new areas which we have no time to discuss! Are they really new or are you just trying to defend yourself?”

“Well, both are true! The most important thing is to understand that these matters of the black economy and nouveau riche widen the scope of business and business widens them! It’s like some piece of fabric into which different strands are woven!”

“Yes”, you say, “but Montenegro is small and when the nouveau riche take everything for themselves that doesn’t leave much for others!”

“That’s right, but fractal analysis solves this! The limited unlimited! I have been more and more attracted to topics like these and I have been reading and thinking a lot about ‘illogical’ things! You should explore chaos theory!”

“To be honest”, you say, “Business here in Montenegro resembles chaos!”

“Business is always chaotic, a sort of orderly mess! But let’s go back to snobbishness! Let’s approach the question using categories known in literature and art!”

“Literature and art once again!” - you exclaim!

“Well, it seems to me that you can understand reality, including business, very clearly with the help of literature and art! I’ve actually learned a lot about economics from musicians, writers and athletes! Their views on daily economic problems they have had to confront provide a new perspective based on different approaches and intellectual viewpoints! But to create an integrated system with these fields we must establish an intellectual bridge between them!”

“You are saying, professor, that only then we can understand what they have to teach us! I agree! In thinking about my own friends, all of them are in economics! But let’s go back to the topic you were going to talk about – realism and snobbery! This means that the nouveau riche are actually country bumpkins!”

“As I’ve already told you, snobbery is quite a wide spread phenomenon! I have read a great deal about it! I have learned enough to recognize different forms of creativity! I have found one form in the work of Professor Momir Nikic of Belgrade who was a Serb liberal in the 1970s! Professor Nikic helped to classify and systematize many things that were rolling around in my head!
There are four movements in literature: realism, modernism, postmodernism and crealism! In the context of our discussion this classification might offer a solution to the question of how different people see the world! It’s an attempt to enter the brain which is an invisible mental network: I enter your brain and you enter mine!”

“Is it easier that way to discover men’s motives, interests and behavior?” - you ask! “When we say, for instance that someone is realistic, then we know this word represents a cluster of certain characteristics! Or when we say someone is a snob! Or when we say that Marko is a creative person! Are these people prototypes we might also find in literature and psychology?”

“I don’t know! Undoubtedly great literature has psychological aspects! Is Dostoievsky a psychologist, an economist or writer? Realism sees the world as things that already exist where results are not produced by people and where our behavior is based on what the world is and who we are! We can’t change the world which is ruled by cause and effect, by a mechanism that makes it possible to determine in advance the course and outcome of our behavior! For those who see the world this way the social structure consists of bricks and blocks; to change society you must replace them! People are merely the means by which development occurs!”

“It reminds me”, you reply, “of constructivism, conscious arranging and determinism! I find it a rather technological approach! It’s similar to Newton’s law of mechanics!”

“It’s very similar to Newton! One thinks of the realistic man as the sort of man who is connected to industrial towns (“towns of steel and coal”) and corporate conglomerates! The ‘earth state’ replaces the ‘god state’! Industrialization transforms men from farmers and herders into operators of machines, nationalism replaces the walled city of feudalism with the nation state, and urbanization creates a whole new class of citizen! That’s how institutions are destroyed and new ones created! That’s the transition from feudalism to capitalism! Transition, of course, is a process that has taken place throughout history; it’s not just something happening today! The problem with realists is that they have no feeling and lack the patience for transition! They want everything now! Change must be sudden! Everything is black or white! And everything is mechanized! The dynamics of change occur either through evolution (Darwinism) or by revolution (socialism and Marxism)”
"Are you now talking about the roots of realism? How did it appear as a movement and as an approach to life?" - you ask!

"Yes! It’s still an ongoing process in today’s world! We are still in transition and we are still being asked to be realistic! The emphasis is on facts, data, and events! A concept is not a concept, image or abstraction! Realists see concepts as irrelevant theory! Realism is close to Platonism, didactics (the instruction of educators), reform (fixing society) and pragmatism! Realism rejects spontaneity and uncertainty completely! For realists everything is certain since causes for everything can be identified! The tangible is all! There is no invisible world! A realist is an eyewitness! He has two worlds – the world as it is and the world as it should be! Therefore, in a process of transition the realist talks at the beginning of the process about final outcomes as though life were a series of math problems with assignments handed out at the beginning and solutions at the end! The realist, of course, thinks he knows all the solutions although he has never experienced them himself! This is a very dangerous approach from the standpoint of national development!"

"I realize", you reply, “that you like to define the types of people participating in transition in terms of different literary approaches! You have defined transitions as shifts from the institutions of feudalism to those of capitalism! It’s amazing how many different topics are opened up by our discussion! For instance, is it possible that a transition can be a return? Can we actually go back to a station from which we have departed? Do you think we can do that in our minds?”

“This brings us to modernism! In modernism there is a complete shift from external reality toward the inner self and subjective reality! Everything passes through the intellectual filter of impression and expression! The soul is the focus! Instead of monism, we have pluralism! Instead of objective logic we have subjective logic! Modernism is a meeting within ourselves! What has happened is not a series of external events as in realism but an inner experience! Motivation is influenced by inner psychology! Life is a flow! Human nature is not fixed as realists see it but subject to change!"

“Do you mean that modernism sees men, their motives and actions as being a key component of realism?” - you ask! Wouldn’t this mean that when we talk about spontaneity, we are entering the arena of modernism?”

“I can’t really agree with that! It’s important to note that when a man becomes authentic, meaning that he experiences reality subjectively, not just
observing it as an outside event, he becomes a different man! I believe that a strong case can be made that spontaneity comes out of the internal experience of men and that there is no spontaneity in those who only observe events! The modernist sees the world as a flow where the realist sees it as divisions and blocks and is obsessed with final outcomes determined in advance! In spite of this modernists still lack creativity!”

“Is modernism close to snobbery?” - you ask!

“I don’t think so! Snobbery is closer to postmodernism! Postmodernism doesn’t have either an object as in realism or subject as in modernism! The world is like smoke hanging over something which doesn’t exist! It is a world where illusion and glamour rule! People live as though they were on stage! Everything is acting and spectacle! People are subject to manipulation and draw life from the media, newspapers and TV! It is a society of the manipulator and the manipulated! People get what I call a dialysis experience from books and mass media and this creates drawing room dissidents who form weak opinions based on second hand observation! It is a world of illusion based on status symbols and imitation of idols! People are submissive to these idols! Those who live in such a world are disengaged from it! Both postmodernism and snobbery flourish in times of consumerism and equality where people are always racing to buy what is fashionable and the products which their idols buy! Postmodernism creates crowds and masses! There is no individualism! It’s a world based on nonsense!”

“Are there post modernistic men in public life”, you ask, “or do they belong only to the ‘elite’, professor?”

“Yes, you can find them in public life among politicians, writers, musicians, artists and others! Postmodernists lobby at every level of society! Postmodernist missionaries and pressure groups are constantly trying to influence public opinion through the media! They nourish the cult of self-promotion and celebrity by praising and recommending! Postmodernists know everything and think that only they are right! Everyone else is worthless! But they believe in one thing rather than another only for as long as they are promoting it! They are constantly calling for more morality, honesty, love of justice, equality and other qualities that they themselves lack personally! They are constantly creating smokescreens around themselves with ‘strong comments’, accusations of others, and call for justice! It is never clear whether
these smokescreens are being used to call attention to themselves or to hide something they are doing!”

“Our present reality clearly demonstrates how drawing room dissidents with their claims that they were tortured by the regime during the recent war were simply making false claims for their own personal advantage! Once these champions of tolerance and multiculturalism are enthroned they show their other face (primitivism, dictatorship and uncultivated selfishness)! Such men are nothing more than promoters of consumption and distribution, nor real creators! How many ‘great’ writers, artists, actors and experts who have entered politics supposedly to fight for their goals proved that there is a huge gap between words and deeds! The public has been disappointed over and over again!”

“I have been thinking”, you reply, “about what you have just been describing in the context of Maslow’s hierarchy of needs and his five levels! Where does one place these schools of thought and types of people? Is realism possibly on the second level (protection from the outer world), modernism on the third (preservation of the self) and postmodernism on the fourth?”

“I’m not sure that’s completely right! Nevertheless, these classifications make sense in helping one to understand people! If you describe someone as a realist, then you can place him where he belongs in the hierarchy! The same is true of other characteristics! Don’t forget, though, that you will not get to know someone until you know yourself!”

“If my comparison between approaches and ‘needs’ is correct, then where in the hierarchy should we place the so called need to create?” - you ask!

“It belongs to the approach which is often referred to today as crealism, a concept which visualizes man, a natural creature, as a creator of nature! It is here that I come to see business as entrepreneurship, as creativity! In crealism an artist is a creator of something unique! Crealism is an understanding of the world as a correlation of object and subject, a constant coming together of the objective world outside us with the subject world within us! Crealism holds that the reality we create both from inside and outside through constant interaction of subject and object is a creation of our own new world open to changes and limited only by our ‘creative potential’ as Professor Nikic calls it!”

“If I understand this correctly, professor, crealism is a theory of creativity, about understanding men as human beings!”
“I understand it in that sense, too! Man and his activity are at the center! Human beings are not created by anyone else! The expression of human existence is culture, culture seen in its widest sense of tradition, customs, morals, religion and social norms!”

“Does that mean that God hasn’t created man?” - you ask!

“Creationism holds that God created man! Crealism says man created God after which God was able to influence man! Crealism switches the equation! Man isn’t an expression of God’s image; everything originally attributed to God actually belongs to man – freedom, power and the ability to create!”

“Do you agree with crealism’s view”, you ask, “that creation is related to man’s inner being and freedom rather than an external force called God?”

“Yes, I do! I completely agree with it and it is central to my thinking and way of doing things!”

“Does that mean, professor, that you make a distinction between thinking and doing?”

“Certainly! You and I are constantly taking action, based on observing the world around us from the standpoint of our personal interests! That’s a world in which we must survive! To survive we must create emotional and rational motivations! Consequently our way of thinking results from the interactions of our inputs and outputs, comparing both with the expectations we have about given systems or sets of circumstances! I have somehow made this more complicated than it should be! What I want to say here is that action is a positive approach to the world which influences our interests, motives, consciousness and expectations! Action is a ‘natural base’ for our thoughts and deeds!”

“In your opinion, then, professor, doing is not the same thing as creating!”

“Not in my view! Each of us creates primarily as a cultural being! We have to realize that this is a world which man made, not God! If you go back to realism, modernism and postmodernism, you’ll see that you live in ‘someone else’s world’ even when the world is in us!”

“In making these distinctions”, you ask, “are you trying to explain some of the views you have offered since we began our discussion? It sounds that way! At the beginning you talked a lot about culture, about certain cultural tendencies in Montenegro! Culture is the world men create and live in! My
thoughts are flowing smoothly now, professor! If we have created the world around us, then we can also change it! If the world was made by God (someone else), then change doesn’t depend on us and we are helpless!”

“In theory you’re right! Nonetheless, these changes must be based on the same principles which created the world! And the changes must be creative just as they are with artists who are constantly searching their heritage and environment as the starting point and then searching themselves (their own potentiality) to create new forms in order to rule and overcome what already exists!”

“Life is an endless search! Isn’t that so, professor?”

“It is if you see your life as an opportunity to create! But if you remain asleep, then there can be no search (except in your dreams)! Human existence in itself means nothing! A creator is an explorer! The tangible world does not correspond to its essence! In other words nothing around us is what it appears to be! The only way to be genuine is to use your own internal and external experiences! Only then, we can understand other people and the facts and sources of information we employ! Great writers find the world outside them within them! The ones who dig farthest into themselves dig deepest into reality! A creative person has both, an identity (similarity with others, his forebears and his environment) and an authenticity (a difference from other men)! If he is to maintain his integrity, he must possess this versatility!”

“Does that mean”, you ask, “that experience is the most important source of creativity? By that I mean lived experienced! Is it related to age?”

“Experience doesn’t come simply by living longer! It comes from intensive living! The process begins in the mother’s womb! We already have experience the day we are born! Hasn’t that been demonstrated in the case of twins?”

“Does that mean that we students have experience?” - you ask!

“Keeping in mind the fact that you have not lived long, you have still had enough time to acquire it! How much you have acquired depends on how you have lived your lives so far! It depends on how much of the external world you discover in yourselves! I remember a story about Nikola Tesla,” which claimed

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17 Nikola Tesla - a great inventor and a mechanical and electrical engineer. He is best known for many revolutionary contributions in the field of electricity and magnetism in the late 19th and early 20th centuries.
that his theories and discoveries were all made during his childhood when he was guarding cattle and experiencing thunder and lightning!”

“The importance of childhood!” - you exclaim! “Freud wrote about it, too!”

“Certainly! The main concern of realism is creation! The key principles are skepticism (doubt), change and freedom! All of them are connected to having an active attitude toward the world and ourselves! The man who creates knows that there is no life without creating and that without creating there is no new life! Both you and I, if we are real creators, creators of something new, must have personal experience (the experience of searching and understanding, and interaction with the environment)! We need to create in order to acquire new life experiences! Creation out of one’s own head without experience is simply foolishness!”

“Is this related only to masterpieces, great literature and epic literature”, you ask, “or does it also apply to every day living?”

“Creativity should also be an approach to daily living! In my view it is a kind of commitment! It’s part of a man’s mental make up! If you’ve convinced yourself that you’re just an ordinary mortal (meaning that you’re just like everyone else), then you’re not a creator (meaning different from others)! If you don’t have a desire to create something, to imbue your work with your own knowledge and point of view, then you are very far from being creative!”

“If I want to start a business, then, I must be a creator”, you say! “If I buy a kiosk and organize a business, then according to you, that’s an act of creating!”

“Certainly! The need to have children is at the fifth level of need in Maslow’s hierarchy of needs! As this area of creativity expanded in the modern world, as I have mentioned before, a competition arose between different kinds of creative needs resulting in a decrease in the number of children! People decided to work and create more and therefore to have fewer children! In my view this will have serious, long-term consequences on civilization! But we will talk about that some other time! The fulfillment of the desire to have children is one of the key elements of man’s need for self-actualization!”

“I understood your message, professor, to be one that we students should understand creativity, not as some epochal discovery or invention, but as a daily fulfillment of ourselves through interaction with the world both inside and outside ourselves, so that in this interaction some new world is created! You are not talking about waiting to do something until we ‘grow up’,
complete our studies or until better times come but to start now, to meet the challenges of life, to abandon inertia and living from exam to exam, from one coffee shop to another, from one night to the next! We should understand that nothing comes by itself! We should observe life, not as something on the horizon but as something which is in our hands now! I admit it makes me dizzy! Many things, thoughts, claims have been made during our dialogue! They all seem fragmented, chaotic and without the usual academic methodology! I don’t know if I remember it all! Somehow my thoughts seem to be broken, or perhaps I should say, that the mold I have been creating in my head all these years has been broken! I feel as though my thoughts had been shipwrecked! Doubts! Dilemmas! I feel I almost don’t understand anything! Still, I feel that you have moved me away from my old way of thinking! But where am I now? I don’t know!”

“I hope you move toward a bright future and not back to the world of your parents! A man who has moved always goes forward toward his life and toward understanding himself! Only those who explore life learn, not those who simply passively accept what comes! Only those learn who build their lives in their own world and not just live in some else’s! Only those learn who don’t waste life demolishing an old house to build one on the same site but build a new one next to it! Only those learn who have discovered that history (the evolution of social life) is not something that is past but remains inside us and that we create as men and women who are cultural beings! By creating men change their culture! Nothing is fixed; culture is not static! Changing the world around us and in us is possible only by constantly creating! And not by action only! My message is this: endless searching instead of endless waiting!”

“Professor”, I have an idea for business, for my business career! It’s a great idea! What do you think about...!”?

“I have reached my goal! You have got an idea for business in the friction of our ideas during this discussion! That is what I wanted!”

“It seems you’ve managed”, you reply! “Really, professor, how did the Petrovics become the rulers of Montenegro? Are you still content with the same explanation?”

“You still have doubts? Then I’ve succeeded! I have managed to move you!”

“I don’t know what you’ve thought of me, professor, during our discussion but I do know you’ve moved me! My thoughts are not what they were before
this conversation! I thank you for this discussion since I recognize one should be grateful to their mentors and not forget them! I have just one small personal question for which I apologize! Are you an ‘ordinary’ mortal?”

“As soon as I realized that I had moved you, I lost my halo! Perhaps I am just an unusual mortal who wants to enlarge the society of unusual mortals! There are many young people who belong to that society! And many more are hidden under the ashes of inertia and prejudice! This discussion has created a mental storm in your head which has removed some of the ash!”

“That’s right, professor, but please listen to me! I would like to present an idea to do! I feel it will fill me with creativity! It already moves me...!”

“Better to be on your own with this idea for a little time first and then we’ll talk about it! Let it roll around for a little in your head! Once you begin to feel a real passion about not losing this idea, come to see me and we’ll continue our conversation!”

Epilogue I - How to Get A Business Idea

“Professor, I have been told that you have talked with some of our students and given them ideas about what they should do with their lives! Some have already started good businesses and some are successful, entrepreneurial managers already! They are doing well! Can I talk to you about this, too?”

“Certainly! Sit down! We’ll discuss just what I discussed with them!”

“Will it take long? I have some other things to do today!”

“It won’t take long! Only ten hours a day for the next four years of study and then the rest of your life!”

“Well, this isn’t normal! I beg your pardon! I apologize! To talk to you for four years in one day? Out of the question! Can’t you just whisper the answer in my ear? My brain is like a computer! It absorbs information quickly! I also have good connections! And I have a little money! My dad has plenty of money, too! Professor, can’t it be done fast? I am determined to have a good business career! It’s just that I don’t have a damned idea! What should I do? Which job should I pick?”

...
“I don’t care, professor. I’m just a simple person like everyone else and we’ll see what happens! At the very least I’ll have the same life as all the others!”

Epilogue II – How to Achieve a Successful Business Career

“Are you the secretary of the chairman of this company?”

“Yes, may I help you?”

“Could you tell the chairman I’m here! Tell him that we know each other from school! We used to hang around together! I remember when we used to race our cars! It was quite unequal! He drove a rented old Yugo and I drove my Renault 4 and sometimes even my Mercedes!”

“I’m sorry! He’s busy right now! He asked me what you want!”

“I need a job! I’m in trouble! I stayed at school a bit longer than usual! I have only one exam left, but I have to quit studying! So I thought maybe he could help me!”

“We do advertise new job vacancies from time to time! Why don’t you wait until then and then apply! It was a pleasure to meet you! Goodbye!”

* * *

“I feel dizzy as though I had fallen through the floor of the elevator! Or, perhaps it’s because my life has fallen through! Where was my mistake? Why do I keep making mistakes? Oh, my God, I am really nothing but an ordinary person! No! From tomorrow on I’ll begin to work seriously! Perhaps I should talk to the professor! Yes! Someone once said that it’s never to later to start a new life even up until the day you die!”

* * *

“Look! The men entering the elevator were my classmates at university! Who would have thought they would become so successful after being such small, confused students? My God! How much they looked like peasants when I knew them! Should I say hello? No! Maybe some other time! Anyway, they are already in the elevator going up! They are probably going to see the President! I’m sure he’ll see them! Oh, my God, how things have changed!”
Who were they and who was I when we were students! I’m getting dizzy again! Everything is turning round and round...Oh!”

* * *

“The wheel of Fortune
Turns round incessantly,
Who is today uppermost,
Tomorrow shall be the worst!
Who today is detested
Tomorrow shall be favored!”

Ivan Gundulic

* * *

“That’s how life goes! Life is a friend to some and cruel to others! Some manage their own lives! Some let the uncontrolled elements of life carry them along! The choice is ours, of each of us individually. Freedom of choice!”
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Afterthought – An Unintended Dialogue

I did not intend to write a book like this one! At first, the idea was to write something much simpler – to write one that would popularize business philosophy among young people! But in the process of working on national reform, reading the literature of modern economic transition and eventually studying historical transitions such as Humanism, the Renaissance, and those of Ancient Greece and Rome, and working with students, I found myself asking questions to which everyone except me seemed to have answers!

For instance, why are Montenegrins so inert? Why do they think so uniformly? Why do so many of them fail to recognize reality? Why is there so much public prejudice? Why are people who are recognized as being part of as an elite class creating obstacles to change? Why is transition so much harder than we expected? Is it enough for those in charge of transition to understand transitional rules that are generally applied in other countries or do they also need to develop their own set of guidelines? Are men the key source of transition? If they are, then how should one motivate them? I asked myself many other questions, too! For example, does a man know what he is talking about? Where is the gap between words and thoughts, words and deeds? Why do certain people boast although they have achieved so little? Why do some people like this sort of boasting? Why do negative people attract so much attention and respect?

The key thrust of my thoughts has been based on my experience with young people – their lack of creativity! They are prone to inertia and imitation rather than searching for new ideas and asking themselves questions such as ‘Why has this thing occurred?’ or ‘Where did this thing come from?’ If we can’t recognize the idea that there is creativity in others, we can’t have creative ideas ourselves! How do we move our lives forward in Montenegro without innovation, creativity and new business? With few exceptions no one notices pays attention to these things! This is particularly true if they are done by Montenegrins! Everything is seen a static! Everything stays as it is! Everything is laid down as a given! “I can’t do anything to change things just is the general reaction! “Wait”, people say, “it’s not time for that! Wait! Someone else should do it!”.

I have to admit that the logic of the superior and eloquent people and their rhetorical belief that nothing can be done here in Montenegro has often
thrown me off my customary mental balance! Beyond that the indifference to what has been achieved by me and others, however modest it may have been, and the supremacy of imprisoned minds and empty character in their attitude toward each new initiative and attempt to make changes has depressed me from time to time! It’s probable that the resistance to national reform, which has weighed on me for the twenty years I have been actively involved in it, would have broken me except for the strength I have derived from my relations with young people, most of them students! Having worked with young people - students and co-workers at the University, in government and business, both in and outside Montenegro - I believe that their intellectual capabilities are far above what they have been allowed to show and wish to show! Where does the gap come from?

The answer, which has been offered, has been the same for decades: the system is to blame! We continue to build new systems and new processes associated with reform, but the situation continues and the gap remains! These young people enter life with great enthusiasm and knowledge, but they soon start to imitate old ways of behavior! I no longer accept the idea that it’s sufficient to change the system, laws and regulations! At the same time I have come to understand that an increase in knowledge does not of itself bring about change because even those who have acquired this knowledge don’t seem to apply it! To explain this problem the answer usually supplied is: “The system doesn’t allow it! Politics don’t make it possible!” Well, why don’t they? Have you really asked? Have you really tried? Have you really dared? Enough of drawing-room dissidence! Enough of self-righteousness!

That is why I initiated the discussion with the student in this book! I wanted to find out what a student thought and how he would react to my opinions! I have tried to face two worlds by producing a friction of ideas and viewpoints! One of these worlds is a world which is static where nothing can be changed; the other is a world where anything can be changed if we want to do so! The first of these worlds is the world of the tangible, the know-it-all, the suspicious, the obedient and the crowd! The second is a world of essences, creativity, free men and individuals! I have compared these two worlds through Business as paradigm of the transition we are currently experiencing!

The conversation with the student was created over a period of 50 days of total solitude and concentration! Many of the facts and quotations, which I had collected, collated and boiled down for decades, flowed into the dialogue! I was amazed when I found in the index compiled at the end of this book over
one hundred names I had used spontaneously and unintentionally in my conversation with the student! At any given moment I found that my thoughts were focused on one of these individuals! I wrote more the way I imagined a writer would write who was entering into deep levels of the mind rather than as an economist! I have never felt as tired as I did after I completed the book! It has been half a year since I finished and I still fail to find a renewed sense of freshness when I write!

During my dialogue with the student I have tried to penetrate the mental shell created by our culture, customs, morals, beliefs and attitudes! I have tried to create at least a small rupture in that shell so that the student can break away from his routine world, a world without opportunity or hope, so that he can feel that another one is possible in and around him! This is a world of creativity and fulfillment which too many of us unfortunately fail to recognize either in others and ourselves! It is a world of freedom, a world of wider possibilities!

I am happy I have succeeded! As the dialogue indicates, the student with whom I held my discussions eventually discovered a business idea and had a success! And a second student (who appears in the epilogue) who had continued his studies at school longer than was usual, decided to talk to me! Both of them woke up! There were plenty of times during my conversation with the first student when I though my discussion with him would be a failure! Perhaps readers will be surprised to hear me say that I am pleased the results were positive! An unintended result!

“Well”, you may say, “you were the one who predetermined this result since you were the one who wrote the book! It might be argued that you fabricated the whole thing!” Perhaps so! But I don’t know how to invent unlikely outcomes! The result was quite unintentional and spontaneous! When I read the book over, I have only one question – who actually wrote it? That’s not easy to answer! In any case I thank all of you for helping me both before I was born and during my entire lifetime up to the time of its publication! I will be inspired to continue this conversation if only one more student or reader is moved by it and dares to change!
The psycho-philosophy of Business

The Author

Veselin Vukotic, Prof., is the founder of the private university – UDG (University of Donja Gorica) in Montenegro and Dean of the UDG’s Faculty for International Economics, Finance and Business. Before that, he was professor of the state university – Faculty of Economics. Furthermore, he is the President of the Institute for Strategic Studies and Prognoses, senior fellow of the Institute of Social Sciences and the former Minister for privatization in the last government of SFry.

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