



International Symposium

"Europe of the future between prosperity
and responsibility"

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Competencies for dealing with economic and political uncertainties

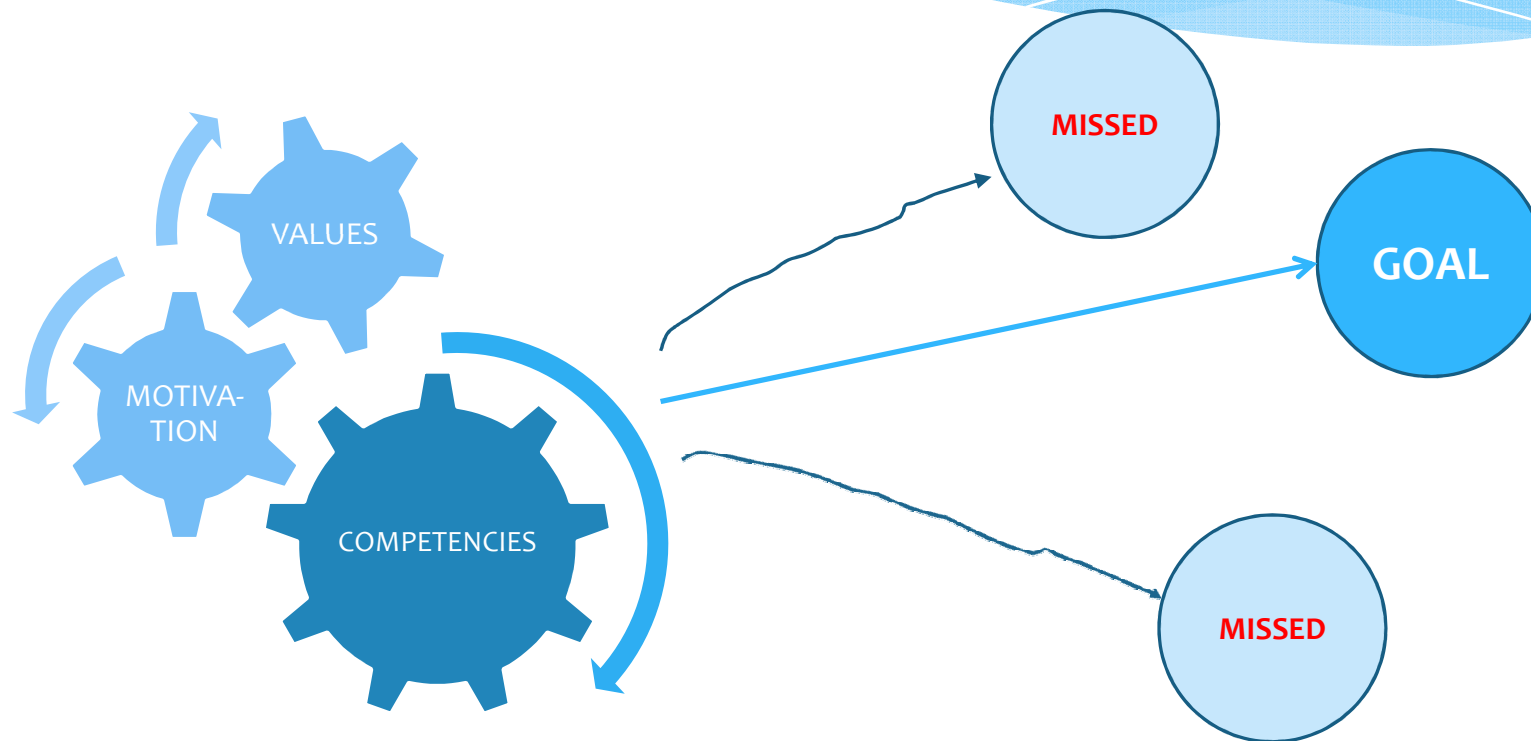
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Dealing with challenges



Dealing with challenges

Values:

- person-specific and normative
- immaterial and transferable (relatively stronger external influences: family, friends, media etc.)
- shape individual's thinking & actions (help separate good from bad)



Dealing with challenges

Competencies:

- person-specific and positive
- (basically) material and transferable (strong internal as well as external influences)
- shape individual's thinking & actions (help separate true from false)



Dealing with challenges

Motivation:

- person-specific
- depends on various factors
- pecuniary, non-pecuniary



Dealing with challenges

GOALS

- Demand specific skills
- Realization is uncertain (ex-ante)
- Bring specific implications (economic, social)

What actions shall be taken, if targets are not met?



A dilemma

What are the key values and competencies that shall drive our thinking and behavior for the future?



High-level competencies and poor values

- Employed as politicians such persons believe they can calculate and simulate everything and they believe theirs is the right model of how economy shall function. They will propose numerous and complex legislative provisions, making life harder to others and not easier.
- As businessmen they are short-sighted and narrow-minded. They seek easy money and engage in practices that bring superior immediate results, either on behalf of some other producer or causing serious externalities (ignore a broader picture of their behavior).

Such people should be prevented from taking positions that demand a high level of moral integrity and political responsibility.



Low-level competencies and poor values

- Employed as politicians such persons are easy to manipulate with by pressure groups. Due to the lack of their integrity and low values they will probably favor those pressure groups they think deserve their support; most likely by accepting bribes and other perks.
- As businessmen they are short-sighted and narrow-minded. The more people with such profile the stronger the Gordian knot of poor decisions and the larger the extent of malpractices within the economy. Such individuals give limited or no respect to externalities of their decisions (ignore a broader picture of their behavior).

Such people should be prevented from taking positions that demand a high level of responsibility and technical skills.



Low-level competencies and high-level values

- As politicians such persons are hard to manipulate by pressure groups. Their strong integrity and high values will prevent them from favoring pressure groups according to their strength. They reject all kinds of bribes and other perks.
- As businessmen they are short-sighted, but open-minded. Such individuals give relatively high respect to externalities of their decisions (care for a broader picture of their behavior, but lack the skills to take those effects into a proper consideration; are intellectually honest and will likely outsource the lacking technical skills).

Such people should take positions that demand a high level of moral stance and no or limited technical knowledge.



High-level competencies and high-level values

- As politicians such persons are hard to manipulate. Due to their strong integrity, high values and high technical skills they reject all favors to all pressure groups irrespective of their strength. They reject all kinds of bribes and other perks.
- As businessmen they think long-term and short-term and are open-minded. Such individuals give high respect to externalities of their decisions (care for a broader picture of their behavior and will take measures to properly consider those effects; they are intellectually honest and willing to outsource any skills they believe are needed).

Such people should take positions that demand a high level of moral stance and technical knowledge (or both).



Stylized facts about education in Slovenia

1. Strong emphasis on learning by heart
2. Lack of critical and independent thinking
3. Lack of challenges that would require innovative thinking, integrity and intellectual honesty
4. Drive after *fast and easy* graduation
5. Incentives to prolong with the studies
6. 50% of the population aged between 19 and 24 are students
7. Education as an escape-hatch from unemployment



Education for the future

- 1) **A moral framework** that acknowledges moral values pertaining to a responsible human being and a society that is grounded on respect for basic human rights and freedoms.
- 2) **Technical skills.** A program shall offer competitive and up-to-date knowledge from the topics it addresses.
- 3) **Strategic thinking and entrepreneurship.** The content shall cover the basics of decision-making under uncertainty, negotiating, teamwork, project management, venture capital, start-ups, and other related topics.



*“Virtue with no required talent does not create value.
But talent without virtue is dangerous.”*

Charles G. Koch

