

Feature

The Eduardo Marty Interview:

Entrepreneurship in Argentina

Eduardo Marty is the Founder of Junior Achievement Argentina, an educational outreach program. Students in JA are taught how to prepare a business plan and raise funds. Approximately 50,000 students per year across Argentina participate. Marty has held academic posts as professor at the University Francisco Marroquín, Guatemala, and the University of Buenos Aires, and he was the host of Buenos Aires's major television talk show Boom—Politics and Economics. We met with Mr. Marty in Buenos Aires to talk about his business education programs for young people and the state of entrepreneurship in South America.

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Kaizen: Where did you grow up in Argentina?

Marty: In Buenos Aires. I went to elementary and high school here and the University too.

Kaizen: Before university, what was your education like?

Marty: I went to school called National Buenos Aires. That's the oldest high school in Buenos Aires, created in 1770. It's a public school but a very prestigious one. To enter, you need to pass a very tough test. From five students submitting and applying—they accept just one.

The Jewish community attends that school a lot. It is a very intellectual community here in Buenos Aires. They like to discuss; they like to argue; they like to read a lot. Those kids really influenced me a lot.

Some of them were leftists and the school was infiltrated by the Left. Most of our later guerilla fighters were intellectually fitted by that high school and they all became Communists or Marxists. Three of my companions were killed during those years by the military because they joined the guerrillas. Just to give you a sense of the climate—it was full of people discussing and arguing, and the professors really motivated you a lot. The fight for ideas were taken

seriously. You felt that you were in the middle of something important.

Kaizen: Aside from the politics, did you feel like you got a good education in other areas?

Marty: Well, my parents both were teachers. My father had books in the house by those who were famous men in Argentina.

My mom's father was French. She raised us to listen to concerts. She was a very sensible woman—she loved to read self-help, how do you call those books?

Kaizen: Yes, self-help books.

Marty: I discovered them through her. I discovered Stephen Covey and all those guys—impossible is nothing—invent—creativity. All those values.

Kaizen: This was when you were a teenager?

Marty: Right. Hollywood also helped. You go to the movies and you want to be the hero. I think I always had that feeling in my mind: the idea that you are Atlas and you put the world on your shoulders, right? In that way I always felt the responsibility of doing something for noble purposes. You do what you can with that kind of rebel feeling. You

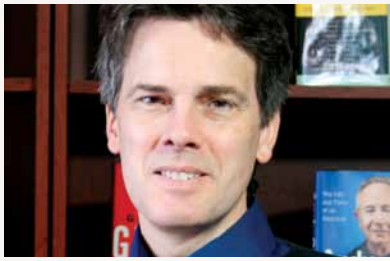
CONTINUED ON PAGE 2

KAIZEN

Continuous
Improvement

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From the Executive Director



A recent Harris poll shows historically high levels of entrepreneurial aspiration among young people:

“40 percent of youth ages eight to 24 would like to start a business at some future point, or already have done so. Additionally, young people are overwhelmingly optimistic about the possibility of owning their own business. Seventy-five percent of the eight- to 12-year-olds, 62 percent of the 13- to 17-year-olds and 62 percent of the

18- to 24-year-olds agree that they can successfully start their own businesses if they work hard.”

Our feature interview is with education entrepreneur **Eduardo Marty**—who has started Junior Achievement programs in Argentina and several other South American countries. Argentina currently ranks poorly in economic freedom indexes, but it has outstanding natural resources and a diverse, energetic population. I met with Mr. Marty to discuss his success with teaching young people the principles of wealth creation and entrepreneurship.

In this issue we also highlight a guest lecture by **Professor Nimish Adhia** on India’s new prosperity and Bollywood film, the very popular **High School Business Day**, and the excellent work of three students in the Introduction to Philosophy course—**Kathleen Simmert**, **Amelia Francesco**, and **Nathaniel Branch**.

As we begin our fifth year of operations at the Center, I invite you to visit us on the second floor of Burpee—or online at www.EthicsandEntrepreneurship.org.

Stephen Hicks, Ph.D.

Guest Speaker



Dr. Nimish Adhia

Professor Nimish Adhia of Beloit College gave a talk on “Bourgeois Virtues in Indian Films: How Bollywood Heralded India’s Economic Liberalization.” Dr. Adhia argued that India’s recent economic growth was caused by a change in the ethical evaluation of wealth, a change that was reflected in and encouraged by Bollywood films. He presented the results from his film content analysis of the most popular Indian movie each

year since 1955, showing that the characters of rich merchants have gone from being villainized to being valorized. A brief video interview with Professor Adhia is available at the CEE website.

More information about CEE and Rockford College



Kaizen is published by the Center for Ethics and Entrepreneurship at Rockford College. Founded in 1847, Rockford College is a four-year, independent, coeducational institution offering undergraduate and graduate degrees in traditional liberal arts and professional fields. One of 81 colleges nationwide designated as a “College with a Conscience” by the

Princeton Review, Rockford College is also among 76 U.S. colleges and universities selected by the Carnegie Foundation for the Advancement of Teaching for inclusion in a “Community Engagement” college classification. Rockford College is one of 11 colleges in Illinois and 280 in the country with a Phi Beta Kappa chapter, the oldest and most prestigious academic honors society, and in 2007 was named a “College of Distinction.” Please visit us online at www.Rockford.edu.

MARTY, CONTINUED

don’t want to hear that things are unjust, improper. You feel rebellion against that.

Kaizen: As a young man, did you have an interest in business, economics, and entrepreneurship, or did that come later?

Marty: I always felt interested in politics. When you live in a society where you have a dictatorship, like Peron, who was persecuting people—that kind of fascist leader—and you have a commissariat in every corner denouncing the neighbors who would listen to the opposition and would put you into prison—and who is forcing you to become a member of the union if you don’t accept it—that is a Peronist union—they put you into prison—you develop a strong sense of rebellion against that.

I saw my father in danger because of that, because he was in the middle of the opposition. Peron burned the churches. I was very young, but I knew that through my grandparents and my father and what I saw.

The feeling in Argentina was that we had a good country and because of bad ideas and bad influences and bad politicians—we destroyed the country. So, as you can see in Buenos Aires now, you have remnants all around of the great country this country was.

Kaizen: Yes, unfortunately.

Marty: I came under the influence of one cousin who kept telling me, ‘Eduardo, you cannot just pay attention to philosophy and you cannot pay attention to those issues—history—that you like. You need to eat. And in order to eat, you need to be practical. Why not follow a career like public accountant?’

I listened to him and said, ‘Okay. Okay. I don’t feel very enthusiastic about it.’ I just followed it.

Any humanities class I was in at University, I was arguing with the professors, most of them Marxists or Fascists or whatever. I liked those classes.

But I was suffering in the tax classes, and I was asking the tax professor, ‘Why taxes? Give me the justification for income tax. Why?’ He would say just don’t ask that question; learn how to—how do you say that in English?—how to fill up the forms, you know, to calculate the tax.

Kaizen: Just take the system as it is and fill in the blanks. So first you went to University in Buenos Aires to get your Certified Public Accounting degree?

Marty: Yes, that is what I am. But at the same time I was learning I needed to have

arguments. I discovered those arguments through the Center for Studies on Liberty and Alberto Benegas Lynch, who was sent to the United States as ambassador, where he met Leonard Read. Do you know who Leonard Read was?

Kaizen: Foundation for Economic Education?

Marty: Right. They become friends. And through Leonard Read, Alberto met with Ludwig von Mises and Friedrich Hayek and Hans Sennholz. He invited them to come to Buenos Aires. I went to their lectures, so I met Hayek; I met Milton Friedman; I met James Buchanan; I met Hans Sennholz. My connection to them gave me arguments to fight with at my high school and my university. After one big fight at the University, I was in a big debate and was defending their views against the Marxists and the Peronists.

Kaizen: In formal debate?

Marty: Yeah. So I became a kind of a leader at my University—a strange man who was saying strange things. Middle class kids from University were saying, ‘Well, I like those arguments.’

But it was a dangerous time because the guerillas were assassinating people and bombing, and the military were fascist. So it was a fight—a battle between people with fascist ideas—the military—against communists who wanted to enslave the country. So you were in the middle of that battle just looking at them saying, ‘What can I do here?’

During the discussions at the University I become pretty popular. One day Leonard Read sent me a letter inviting me to visit FEE.

I was sent to Foundation for Economic Education by the man who recommended me to Read, who gave me a scholarship. I paid my ticket, by the way. But I had one free week in New York—my first trip to the States.

Kaizen: What year is this now? To keep the timeline.

Marty: 1973, 1974. I went there, I learned—I didn’t understand too much. My English was very poor. In my high school we learned French and Latin, but we didn’t learn English.

I went to the USA and brought back a lot of books. I tried to read them, but I couldn’t. Most of my successful ideas were through translations; but we didn’t have too many.

Kaizen: You’re back at home in Buenos Aires now?

Marty: Yes. One day I went to a conference

delivered by Hans Sennholz. He offered ten scholarships. He said, ‘I’m going to educate ten Argentineans in Austrian economics and they will be the ones changing the country.’ Because I was one of the students going to the lectures I was offered a scholarship. Alex Chafuen was the second one. So we were three liberal guys in the whole of Buenos Aires. We call ourselves the Three Musketeers. The third was Juan Cachanosky, a very good economist. You heard of him?

Kaizen: Yes, definitely.

Marty: I went to New York City because of that invitation.

Kaizen: That also led you to attend college at Grove City College, a liberal arts college in Pennsylvania. How was your experience there?

Marty: Oh, it was amazing because, first of all, my English was very poor at the time. I remember Sennholz picking me up at the airport and telling me, ‘Ed, you are very shy. You don’t speak too much.’ I didn’t speak too much because I didn’t know how to speak.

When you live in a society where you have a dictatorship, you develop a strong sense of rebellion against that.

On a test in the history of economic thought, I answered the questions in Spanish. My professor showed the answers to Sennholz, and Sennholz came to me and said, ‘Eduardo, you lied to me. You said that you spoke English. And that’s why we didn’t ask

you to fill up your scholarship guide. We don’t tolerate these things. Unless you speak English in the next two months, and I’m able to test you, you will go back home.’

He was tough but sweet man. He forced me to take lessons with a beautiful blonde girl, very patient, who was just spending time with me, teaching me. And I was learning English and flirting with the lady at the same time. It was fun, you see. I improved my vocabulary a lot. So I finally was on the presidential scholars list with all A’s. And I wrote several essays that won some distinctions there. I had a good time.

But everything was strange. Grove City is 22 degrees below zero centigrade in winter. You have the Amish in the middle of town.

I remember the most important feeling I had there was that you had to choose. Like, you went to the supermarket. In Argentina you can choose from three products. In Grove City you have 1,000. And you said to yourself, ‘Okay, somebody tell me what to choose.’

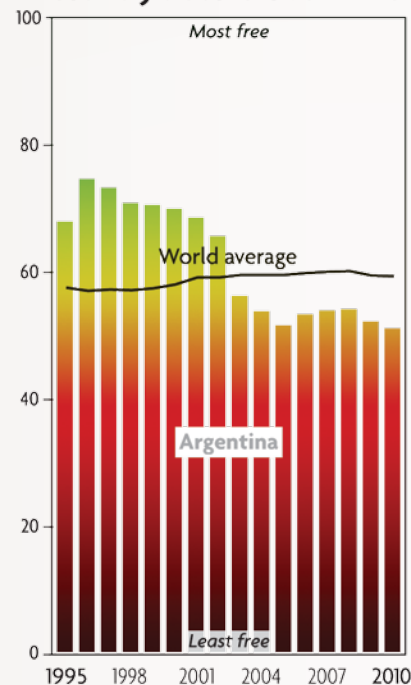
On the first day I remember going to different

Argentina’s Economy

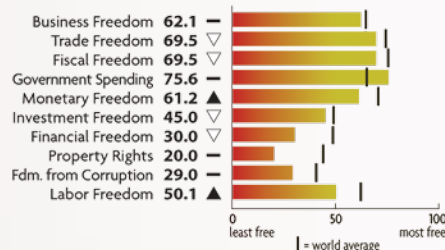
Economic Freedom Score



Country’s Score Over Time



ARGENTINA’S TEN ECONOMIC FREEDOMS



Quick Facts

Population: 39.9 million

GDP (PPP): \$571.5 billion

7.0% growth in 2008

8.3% 5-year compound annual growth

\$14,333 per capita

Unemployment: 7.9%

Inflation (CPI): 8.6%

FDI Inflow: \$8.9 billion

2008 data unless otherwise noted

Data compiled as of September 2009

Source:
<http://www.heritage.org/index/Country/Argentina>

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Student Essay Contest Winners

Students in the Introduction to Philosophy course wrote an essay on the virtue of integrity. Having read Plato's *Apology* and *Crito*, Galileo's *Letter to the Grand Duchess Christina*, and Rand's *The Fountainhead*, they responded to this question:

"Socrates was executed for refusing to compromise his philosophical quest. Galileo was forced to recant his scientific hypothesis. Roark achieved his artistic goals only after a long struggle. Reflecting upon their cases, address this question: 'Is integrity practical?'"

The essays were judged on their accuracy and depth of interpretation as well as their independence of thought. Cash prizes were awarded for first place and two honorable mentions. Congratulations to our winners!

First Prize



Kathleen Simmert

Honorable Mention



Nathaniel Branch

Honorable Mention



Amelia Francesco

MARTY, CONTINUED

classes: 'You want to become a chess player? You want to do parachuting? You want to be member of the Outing Club? You want to be part of the economics group?' And I signed up for everything; I wanted everything.

Here in Argentina you feel you have to fight to get what you want. They put obstacles in your way. And they make you feel guilty for just being ambitious. But in Grove City you had all of those people offering you things—I saw a society full of opportunities, full of nice people, not aggressive people.

Kaizen: Had you already committed to studying economics when you went to Grove City or was it a choice you made when you were there?

Marty: I had just gotten my degree here in Buenos Aires. It took me five years. I had the draft in Argentina and I missed one year because of the draft.

Kaizen: The military draft?

Marty: Military draft. One year. And you couldn't do any other thing. And I took a year traveling through Europe with my *mochilla*.

Kaizen: Your backpack?

Marty: Yes. And another year I just read. I studied French and skied around—I love skiing. I didn't like my career. I finally got my degree when I was 25. Then I went for one year to Grove City.

Sennholz was also recommending us to Israel

Kirzner at New York University to follow a Ph.D. program—another four years—or just to stay with him one more year and to write your thesis and to discuss with him and get a Ph.D. degree from International University. Alex Chafuen got his degree there. The other "musketeer," Juan Cachanosky, got his degree there. I didn't.

Kaizen: So you returned to Buenos Aires at this point in your mid-twenties?

Marty: I was twenty-six, twenty-seven. I returned and was hired to work for the University of Buenos Aires to teach for the Superior School of Economics and Business Administration. It's a master's degree. Despite the fact that I was a public accountant and had a Bachelor of Arts degree in Economics, I was hired to teach master's degree students.

Kaizen: Well, that's a tribute to you. It says a lot about you.

Marty: Yeah. I taught at the University of Buenos Aires for ten years teaching the fundamentals of economics, principles of economics, and political economy.

Kaizen: You've also been a professor at universities in Guatemala and El Salvador?

Marty: Yes. I next went to El Salvador giving lectures there in the middle of the guerilla war. It was fun. Later I accepted an invitation to Guatemala, where we had a hero there, Manuel Ayau, who recently died.

Kaizen: Yes, just this past summer.

Marty: Great man, great man. Very influential

to all of us. We saw through him what you can do when you are committed. He was an example for all of us.

But I had applied for a scholarship to go to Washington, to Virginia, to work for the Institute for Humane Studies to learn how to develop a non-profit organization.

The president was John Blondell an Englishman—he was doing very good fundraising. He taught me the first lesson you need to learn if you want to sell.

If you go to a selling interview, what is the most important thing you have to do? You answer the question.

Kaizen: You want me to answer the question? (laughs)

Marty: Yeah.

Kaizen: Well, you have to believe in your product or service.

Marty: It's not enough.

Kaizen: And show them that it connects to their values.

Marty: That's 30% of the selling.

Kaizen: That's only 30%? Okay. This is why I'm a philosophy professor and not in sales.

Marty: What you need to do—you need to listen. You need to try to create a connection with listening—people pay to be listened to. Why am I so happy here? Because I'm speaking of myself. I feel flattered. When you go to a selling interview, if you ask curious questions—the type of questions that make the other people feel that you care and it's interesting to you—that person loves it. And they speak a lot.

Kaizen: Okay.

Marty: That's the most important trick.

In the beginning, I was just going to the interviews, saying, 'Okay, my name is Eduardo Marty, Junior Achievement, this is the fastest growing not-for-profit organization in the world. It was created in ...' —the poor guy got bored as hell.

After a while I discovered the importance of asking questions. 'Who are you?' 'Where were you when you were 17?' 'How did you develop your career?' and 'Are you missing so much time with your family because you're investing so much time with your firm?' 'What's your favorite sport?' 'How did you build this company?' I learned the tricks and I do it pretty well. In this country we raised two million dollars for Junior Achievement Argentina without any tax deductions. It is a cost for the firms to give you money.

Kaizen: You had come across Junior Achievement in El Salvador?

Marty: I was hired to give lectures in El Salvador. The class was in a Sheraton hotel in San Salvador. And you saw the helicopters bombing and you were teaching and you heard bombs—*voom!* And you stopped teaching and said, ‘What the hell is this?’ And they said, ‘Don’t worry, this is the six o’clock run.’ Another one would come in one hour. It was pretty dangerous.

Kaizen: Oh my goodness.

Marty: But I discovered a small group of students in El Salvador who were very entrepreneurial and very funny. I said to myself: ‘Very well organized kids, 17 years old selling goods with such enthusiasm.’ I asked them, ‘How did you learn this? Who’s telling you what to do?’ They told us they were part of Junior Achievement.

So when I went to the States at I.H.S., I started to research Junior Achievement. And John Blondell and Marty Zupan told me, ‘If you are interested in Junior Achievement and learning how to build a non-for-profit, why are you going to a think-tank? Or are you going to organize Junior Achievement in Argentina?’ That was a tough decision.

Kaizen: So that’s when you to decided to start Junior Achievement when you came back to Buenos Aires?

Marty: I went to a couple of board meetings at Junior Achievement in Fairfax, Virginia. I saw a man, I think he was the president of Arco. I was in the middle of a board meeting trying to learn what they were doing and he said, ‘Sorry guys, I have to leave, I have to give a class.’ You had a man running a \$4 billion company with 2,000 employees leaving a board meeting and going to teach a class for Salvadoran immigrants. It was so crazy for me: a wealthy businessman going to school to teach.

So I asked him if I could go with him to the class and I saw him teaching a Junior Achievement company class. I asked him, ‘Why are you doing this? In Argentina it would be unthinkable. A man like you just teaching a class.’

He said, ‘Because if I don’t teach these kids the process of wealth creation, they will think that I am making money at the expense of my workers, my consumers or whoever. They will believe in the exploitation Marxist theory. So I have to teach them that wealth can be created.’

And he said, ‘Do you know why you are poor in Latin America?’ I said, ‘No, why are we poor?’ ‘Because you never understood that wealth can



Mr. Marty teaching at Junior Achievement

be created. You think in terms of fixed wealth. And when somebody makes money it is at the expense of somebody else. You know why in Africa they are poor? The same reason that Bono thinks ...’—what is the name of the band with Bono?

Kaizen: U2?

Marty: ‘He’s always asking for donations for Africa. And that’s exactly the opposite you have to do, right? You need to teach principles instead of giving away money.’

Kaizen: So, active wealth creation rather than passively receiving a hand-out.

Marty: He convinced me.

Kaizen: What did it take for you actually to launch Junior Achievement in Argentina?

Marty: A lot, a lot. I contacted Junior Achievement in Colorado Springs. I went there and met a man called Sam Taylor. A man full of energy, full of passion for life.

He told me, ‘Eduardo, if you want to start Junior Achievement Argentina, what you have to do is go back there and show me that you are able to raise funds. You told me that you are being trained in fundraising. So go there and do it.’ But I said, ‘In Argentina I don’t know any businessmen. I’m more a kind of intellectual.’ ‘Just do it,’ he told me.

I went back to Argentina—that was in 1990. I started to see businessmen. And, of course, it was very tough: ‘Why should I do this?’ ‘Are you asking me for money?’ ‘I’m just paying my taxes. I’m not getting any deduction.’ ‘You want me to get involved with education. Give me one good reason why.’

So I said to them: ‘You need to invest in the framework, you need to invest in the lake where you fish. If not, one day they will take your firm as Chavez does in Venezuela where they expropriate your gains and they tax you a lot. You need to

invest in ideas and you need to invest in the new generation for them to defend freedom.’ I did well, I think. But it was very tough.

The first year I raised \$50,000, so I had to put in my own money; I didn’t get any salary for one year and a half. It took me two years to get out of the ground.

Kaizen: What kind of programs did you start, specifically?

Marty: Junior Achievement is a company where you challenge the kids to create wealth. You ask them, ‘Do you have money?’ ‘No, we don’t.’ ‘You have raw materials?’ ‘No, we don’t.’ ‘Do you have capital?’ ‘No.’ ‘What do you have? You have a mind. You need to mix your images and your work skills with the raw materials. Whatever you can get.’

The Junior Achievement company is a challenge of fifteen weeks where you ask the kids to create a product, to produce it, to market the product, to sell it and to compete. When the fifteen weeks are finished, they share the dividends among the stockholders and they write a report saying: ‘We created wealth with our minds.’

Kaizen: Nice.

Marty: When they see that—when you see a kid come in with a check from a product that they sold and they see they can get money out of their minds, that’s a fantastic transformation. That kid is not the same for the rest of his life. He gets a feeling of ‘I can do it.’

Kaizen: Right. This is all supplemental to the standard school curriculum?

Marty: Junior Achievement works in this way. You get money from the firms; you get volunteers from the firms. You also go to the Ministry of Education and you convince them of the importance of allowing your courses into the curriculum. Because Junior Achievement courses are short, you can always convince the principals to give up some time for you to

You need to try to create a connection with listening—people pay to be listened to.

High School Career Day

On December 3, 2010, Rockford College hosted High School Career Day. Multiple presenters — community business leaders and Rockford College faculty, staff, and alumni — rotated between tables to educate local high school students about various aspects of business. Students and presenters, through cases and team exercises, discussed such topics as: choosing a career path, gaining experience, and presenting oneself to employers. Students each received a gift bag from CEE filled with books and materials related to entrepreneurship and ethics.



MARTY, CONTINUED

come in with Junior Achievement courses.

It's not an easy task, especially in public schools—they resist us. The unions resist us. Unions in Argentina have destroyed the country. We have a legislation copied from the Mussolini labor laws. The unions here are ...

Kaizen: Did they literally copy the Mussolini program?

Marty: Yes, exactly. It is the same. That is why there is such unemployment in Argentina, because they are always raising the minimum wages and you have big unemployment and any unskilled worker cannot get a job.

Kaizen: How many students each year go through the Junior Achievement program?

Marty: This year we're probably at 45,000 students.

Kaizen: As you grew Junior Achievement, did being a manager and leader come naturally to you, or was that something you also had to work at?

Marty: No, no, that didn't come naturally. I'm more a kind of professor; I like to teach. I hate administrative tasks. I'm not very good building a project.

Kaizen: This is a trained accountant speaking.

Marty: Yeah, but remember that I have my training in accounting because at that time all the humanistic careers were taken by the Marxists.

Kaizen: So budgeting and administration is

not something that you enjoy doing?

Marty: No. And I do need to be a bit of a dictator, I think, in a firm. Of course you need to listen; of course you need to encourage participation, but I'm too sweet with my workers. I'm very much easy going. So they love to stay in Junior Achievement.

Right now we have sixty employees in the whole country. And with Junior Achievement just in Buenos Aires I had forty-five in 2000; now I have ten. With ten people I do more than with forty-five.

So the importance of having very low costs in your infrastructure—don't have more workers than the ones you need. And to become more efficient is something I learned in a tough way, you see. You need to protect your savings; you need not waste money; you need to lower your infrastructure. Fixed costs will kill you. Now I'm more efficient.

And the importance of hiring smart people.

Kaizen: Absolutely.

Marty: When you are new in management you try to hire people who don't threaten you with their intelligence. And you pay the costs for that. Right now I always try to hire people who are smarter than I am. I see them as more skillful. And I resist the feeling of being threatened, you see.

Kaizen: Poverty rates have been very high in Argentina since 2001. Has Junior Achievement helped in offering students a route out of poverty?

Marty: Yeah, but remember we get those kids when they are very young—sixteen or seventeen. We give them a sense of life and different options, but we are too small to have a really strong influence right at the moment. I think we do it, but remember it's still a country of more than 40 million people and our courses are short.

We have our measurement numbers, and we have what we call NEXA, Nuclear of the Ex-Achievers—they stay in touch with us.

Last month I was in a party I was invited by a former achiever, Pablo Lagoa. At one o'clock in the morning we had a cake, singing happy birthday, he just stopped and got a microphone and said, 'All of you who are here'—and there were fifty kids who passed through Junior Achievement courses—I invited you because this is a tribute to Junior Achievement and the influence of this organization. We are all millionaires, and we were inspired and we really understood the process of wealth creation and how to start our own business through Junior Achievement. So this is the importance of your courses.' I felt very rewarded by that.

Kaizen: Very nice. You've spoken about Argentine culture in general. Do you see advantages there with respect to entrepreneurship?

When you see a kid come in with a check from a product that they sold and they see they can get money out of their minds, that's a fantastic transformation.

Marty: Yeah, well Italian blood here—they are very much entrepreneurs. They like money; they like to create things.

And because we are trained in obstacles, we are very pushy. If you see Argentinians abroad, they succeed because they are very well trained in obstacles.

So I think the entrepreneurial spirit is strong.

Another thing that hurts Argentina a lot—this is a big country and it's very unpopulated; it's empty; so full of

land. But if you have property and you want to divide it and to sell parcels, you face the obstacle that the government is forcing you to invest a lot of money before doing it. You need to open roads; you need to put electricity and you need water.

Kaizen: So infrastructure?

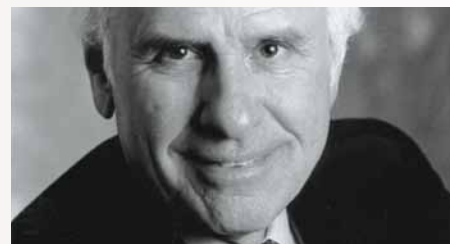
Marty: Much infrastructure is needed. Poor people don't have access to that.

On Character



“I don’t think of myself as a poor deprived ghetto girl who made good. I think of myself as somebody who from an early age knew I was responsible for myself, and I had to make good.”

—Oprah Winfrey



“The greatest reward in becoming a millionaire is not the amount of money that you earn. It is the kind of person that you have to become to become a millionaire in the first place.”

—Jim Rohn



“Those who are blessed with the most talent don’t necessarily outperform everyone else. It’s the people with follow-through who excel.”

— Mary Kay Ash



“Leaders are made, they are not born. They are made by hard effort, which is the price which all of us must pay to achieve any goal that is worthwhile.”

— Vince Lombardi

And because of inflation—we had hyper-inflation ten years ago, twenty years ago—always inflation—you cannot get a loan. And if you get a loan, it’s for one or two years. You don’t have a thirty-year mortgage loans like in the States.

Kaizen: Still on the positive side of the ledger, are entrepreneurial areas that Argentina is doing well: Telecommunications? Transportation? Banking?

Marty: Some infrastructure is good. Access to the Internet is good because you don’t have regulations. It’s a free system and it’s blooming. It’s full of smart people like in India, another feudal country with obstacles. So smart young kids enter there.

The food industry is our main asset. Argentina could supply food for 400 million people. There are competitive advantages for food in Argentina: fantastic flat surfaces and great food producing.

Kaizen: So the agricultural sector is strong.

Marty: Tourism also—the country is very pretty. You have the woods in Patagonia, the lakes are like in Canada. The ski resorts are fantastic. You can fish in our lakes feeling that you are Robinson Crusoe out there. And you have the falls in the north.

The Internet could be very, very good. It’s full of opportunities, if we allow the Argentinians to create.

Kaizen: So the three you singled out are the Internet, agriculture, and tourism.

Marty: Add to that mining. In the middle of Argentina you have the Andes, the highest mountains in America. The Chileans, probably, 30% or 40% of their exports come from the mining. And it is the same mountains. In Argentina mining is unexploited because everything under the surface belongs to the state government, and they are always putting up obstacles to mining. But there are big opportunities.

A lot of Canadian firms are here, but they are being forced to deal with the governors and to tip people, so they are always insecure. To invest in mining you have to invest a billion dollars. And if you feel that somebody can just come expropriate you, you think twice.

Kaizen: You’re on boards of Junior Achievement in several other Latin American countries. Paraguay, Chile ...

Marty: No—I started the Junior Achievements in those countries.

Kaizen: Ah, you started them too.

Marty: Yes. I went to Brazil, to Chile, Paraguay, Colombia, and Spain.

And Cuba, by the way. Sam Taylor took me to Cuba. I worked five years in Cuba. They have my pictures in the window of the immigration office in Cuba. I’m not allowed to get in anymore. Five of my JA professors in Cuba went in prison. They were released after one day, but they were taken by the police and kicked out because they were teaching entrepreneurship in Cuba. But I started Junior Achievement there: I helped to raise funds and I trained the people.

Kaizen: You seem very energetic and to make things happen: You went to a foreign country to go to college; you developed a successful academic career in several countries; you started an organization that is now national in scope. Where does all of your energy come from?

Marty: I think from my family. When you are born in a family that loves you and you get that warmth of your family—at the same time my mom was very ‘The world is yours, Ed. You can do what you want.’

I saw *Braveheart*, and I loved movies that tell you that you can do whatever you want to do. So I was raised with that spirit of ‘You can do it.’

Of course, you face the fear later when you see that life is tough, but that energizes you. I think that when you have good things to accomplish, and you know that you have your fire inside, because in your home they had that confidence in you and they loved you and they made you feel good.

Kaizen: What’s next for you? You’re still young.

Marty: I think I still have about twenty years to go. And I plan to work all my life, because I enjoy doing it. That’s something we teach our kids—the importance of mixing love for what you do with your work. You need to enjoy what you do. If not, life is very, very painful. Right?

I would like to dedicate more life to the fight for ideas now. I believe in the importance of mixing entrepreneurial activities with ideas, with art.

Kaizen: Art?

Marty: I love movies. I think that through a movie you can invigorate kids a lot. You can show, you can teach principles and good things—and create discussions.

So I would love to organize a kind of liberal arts college to get all of those clients coming from Junior Achievement high school and wanting to follow an entrepreneurial career. I would like to create the kind of school where you could come to learn how to dance, how to interpret music, to listen to conferences and to discuss with the best minds on the world.

And I love to travel. And I love sports. I would

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like to live to at least ninety-two, so let's see if I can do it. (Laughs)

Kaizen: Looking back on your twenty years with Junior Achievement, what's been the most difficult thing for you personally about making that happen?

Marty: I think it's the money issue, right? This idea of forcing people to listen to your arguments for them to give you money—I don't have that temperament. I hate to do it. But I had to learn to do it.

So the most challenging thing is convincing the businessmen about the importance of investing in the framework—in the lake. I call it the lake.

Kaizen: Nice. When you're teaching students entrepreneurship character issues—initiative, courage, resourcefulness, perseverance, coming back from failure, and so on. If you had to choose, what character trait would you say entrepreneurs most need to have?

Marty: Perseverance is a lot, but you have to have fire inside. The fact that you trust yourself.

How do you build that trust in yourself when nobody else does? "If," by Rudyard Kipling—remember that?

Kaizen: Excellent poem. I have it on my wall in my office.

Marty: How do you develop that in a person? I think that your mom can tell you that you are great, that you are smart or the best person in the world; but if you don't see that in reality, if you don't see that your decisions are taking you to good places, you don't trust them.

You need the basics coming from your family or from your friends, from a mentor, from whoever—an actor in a movie—and you need to feel that. And once you have that, you need to keep doing it and building it. Just forcing you to take decisions and to submit yourself to difficulties. The freedom to see that you can do it.



Mr. Marty in 2010

And if you abandon your career because you're lazy, or because you don't help yourself, or because of whatever—and we all do that in certain ways—you deteriorate your own self-image. And we are fighting with that all the time. It is important to persevere.

Of course, when you have to study, you need to concentrate and to focus. But it comes to your mind that you need to call a friend, want a sandwich or to take a shower—because your mind takes a lot of energy when you connect thoughts—you need to tell your brain to keep doing it, and it's not easy.

What else is important is curiosity. And to take risks. When you see a person of curiosity, asking questions, taking a risk—but persevering and feeling inside that the critics cannot hurt him too much—when you see that, I think that you will see a successful man.

This interview was conducted for Kaizen by Stephen Hicks. The full-length version will soon be posted on www.EthicsandEntrepreneurship.org.

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IN THE NEXT ISSUE:

Jack Stack on Entrepreneurship
and Open-book Management

