

In praise of liberal arts education and local newspapers – why bankers need to study St. Augustine.

What do students of the College of Santa Fe, Sam “the sham newspaper man” Zell and America’s bankers have in common? They are all endangered species. As the economy continues to contract, let’s look at why it is important to the arts, humanities and future businesses that we promote productive risk taking by young people.

National banks, like chain restaurants, sprouted quickly but now are frozen by fear. They are not lending because they don’t care what might work in the future, they only are allowed to fund what has succeeded in the past. Students who want to explore their creativity are losing venues for much more than vocational training. If our society’s nurturing of intellectual curiosity, openness and cross discipline investigation gets relegated to private Internet lines instead of public forums like newspapers which can be read and debated in cafes and classrooms, we all will end up poorer.

There is a strong similarity between reading a hard copy newspaper, getting a broad based education and starting a business: they all require the ability to structure one’s time, a willingness to take on unforeseen challenges and a desire to expand one’s horizons. I recently visited my two daughters in NYC, who are grappling with these issues, and was struck by the similarity between what both they and our economy need to get going- self confidence, a willingness to make and learn from mistakes and discipline to implement a program based on sustained effort. This is one definition of creativity – both economic and personal.

If readers can’t thumb through a physical paper but only access subjects that they specifically search the Internet for, they are unlikely to discover articles that would widen their perspective. Likewise, business students who only study marketing and accounting often bring little to long range planning efforts because it is the ability to synthesize unrelated topics that leads to profitable inventions. Bankers who restrict their analysis to spreadsheets miss the all important human character elements which generally determines if a new venture is going to succeed.

As we turn our attention to the myriad of government programs that aim to forestall mortgage foreclosures, keep the car industry rolling, and reinstate consumer confidence in the economy, we need to have a basis for optimism other than a personal affinity for the nation’s Chief Executive. If you believe it is Pollyannaish to have faith in the transformative power of crisis, study the circumstances of the scientific and artistic breakthroughs of the early 20th century. Harsh military and economic realities forced people to band together and develop new systems of communication, cooperation and creative thinking.

I believe we are on the cusp of a period of similar such constructive effort. Let’s get rid of the entrenched megabank executives and their political cronies by breaking up “too big to fail” conglomerates into responsive regional players and level the playing field so we can have a new start.