

PAPER NO. 3

“Main concerns, ideas for a future economy”

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How do we define success?

At the moment, our society's notion of success is largely composed of two parts: money and power. In fact, success, money and power have practically become synonymous. I believe that success the way we've defined it is no longer sustainable. It's no longer sustainable for human beings or for societies.

These are my thoughts...

In the past few years, and particularly as a response to the high unemployment brought by the most recent economic crisis, governments, universities and the media have promoted entrepreneurship as the savior of what is now called the “lost generation”, my generation. Entrepreneurship is said to be what will reform our economy, generate more jobs and the media is full of stories of young entrepreneurs who've been made extremely rich and famous in a couple of years.

To give you an example, a couple of weeks ago Whatsapp, a mobile application that lets you send each other messages for free, was bought by Facebook, a website that lets you share your life with your friends online, for \$21 billion US dollars. The two founders who owned the company almost entirely became billionaires less than 5 years after starting their company. Just to put that into perspective, American Airlines which has over 600 planes is today worth \$12 billion dollars, Harley Davidson the company that built and sold about 300 thousand motorcycles last year is only worth \$14 billion dollars. \$21 billion dollars... That sounds pretty successful doesn't it?

I have spent the last few years working closely with several entrepreneurs and among other things, understanding the dynamics of one of the first Silicon Valley entrepreneurship waves, the Hard Disk Drive industry.

For those of you who may not be familiar with this topic, Entrepreneurs are those people who decide not to take a job in a company, but start their own, and so, entrepreneurship is the action of creating a new company or organization. There have been millions of entrepreneurs in history, some created family businesses, others created NGOs or social associations, and a small minority, which is the most famous, that created million dollar companies. Because of this, the most common names that come to mind are people like Steve Jobs or Bill Gates, however entrepreneurs can also be

people like the woman who opened her own flower shop down the street, or even Father Kentenich could be considered an entrepreneur!

Silicon Valley is a region in northern California where the largest and most renowned technology companies are, such as Google, Yahoo, Apple, Facebook, etc. These companies were started by entrepreneurs. In the last 70 years, this region has seen the start of many new companies, and these have generally come in waves. Today we are in the “app wave”, companies that build a company around an application for a mobile device, before that there was the “dot com” wave where companies were built around a website. One of these waves, among the first, was the disk drive wave. During a period of 30 years, hundreds of entrepreneurs decided to start their own company in an industry which was growing very rapidly and for which there was apparently a lot of investors ready to give them money, this was the disk drive industry.

Among my work, I have spent a few years studying this industry because of the amount of detailed information there exists around it, I collected information regarding every single person who decided to start one of these companies, where they studied, where they worked before, who gave them the money to start, how long it took them to do so, what technologies they developed and how many disk drives they produced and sold, or not. What did I learn from this and why am I telling you about it here today.

I learned the names and stories of hundreds of men, sorry not a single woman in my sample, who in the course of thirty years started over 200 different companies, from which only two remain today. I learned that the most successful ones were those with previous experience in other big companies, who were well connected and most importantly, that basically the names of the same 5 or 6 people came up in each of the “most successful ones”. I’m certain that none of you have ever heard their names, but back then they were some of the most famous people in tech. I also had the chance to meet several of these entrepreneurs, now old men, they all talked excitedly about their experience and most of them a bit sadly about their failure to succeed. These men would tell me how they had failed to become millionaires, although to me they all seemed to have done pretty well.

However, in the end of our talks, when I asked them what would they have done differently if they could do it all over again, none of them mentioned anything related to work, they all talked about giving more time or focus to their families or personal life. Looking at their thoughtful eyes, it seemed to me that none of them felt they had really been very successful.

Why am I telling you this story today?

We have lived in a consumer-oriented society for decades now that is nothing new. But my generation, more than ever before, has been bombed by online media with the stories of these people who “simply” made a mobile application and became billionaires in a few years. Just like the two founders of WhatsApp.

I'm not even sure how much is a billion dollars, but every single story I see online makes me think that JUST a million is NOT really that much money. This is JUST crazy....

However, around the world, universities are pushing new courses for students to start their own technology-focused companies. Governments are allocating millions to programs that could copy the Silicon Valley "formula of success", hoping this will somehow magically fix the economy.

Now, I'm not saying that this is **entirely** a bad idea and this is not the point I'd like to make today. Yet in my mind I can only think about the contradiction of those old men wishing they would have spent more time with their families, but still unhappy they failed to become billionaires.

Young people are being constantly told online how cool it is to be an entrepreneur and although you also hear that 95% of people fail, the main message is that anyone can do it if you just try hard enough. Again I think about those old men, who I know tried hard enough and still feel they failed and still wish they had more time with their families.

An economy that serves the people means to me...

I don't have any answers today I'm too young to pretend I have any answers to anything. But I would like to raise the questions: What do you think is a successful person? When do you feel you've succeeded? How can we let people know that no matter how much money and how much power, they will still end up being one of those old men who feels they were unsuccessful in spending more time with the people they love.