

Passion, entrepreneurship, and the rebirth of local economies

by Ernesto Sirolli

Ernesto Sirolli teaches people and communities a bottom-up, responsive economic development approach called Enterprise Facilitation. At the WSU/Kellogg Holistic Management project's third annual statewide meeting in Spokane in February 1999, he gave the keynote speech from which the following has been excerpted.

When I was 21, I started to work for an Italian organization of technical development in Africa. Our organization was similar to your Peace Corps—young people going to Africa to volunteer. Everything I am doing now is because of one episode, something that happened to me, while I was working in Chirundu, a small village at the border between Zambia and Zimbabwe (at the time, Rhodesia).

We had sent five young Italian volunteers to teach local people agriculture. The village was a pristine, traditional African village of hunters and gatherers. With the wisdom of Italian technical corporations, we decided that those people would be better off if they would become farmers.

So we arrived in this beautiful part of the country, these five Italian kids, and started to clear this piece of land by the mighty Zambezi River—which in that place is a quarter mile wide. When they cleared this land with the help of the workers from the village, they discovered that this soil was like chocolate—so beautiful, so fertile. The Italians said, what's wrong with the native people? Why don't they grow something here? Are they stupid, or what? Let's teach them agriculture.

And so the first crop the Italians put in, of course, was tomatoes. They had these wonderful selected seeds from Italy, and they planted four or five acres by the river. These tomatoes grew and grew because of the soil by the river, all the water that you want, and the African sun. They grew to the size of rock melons. The Italians took pictures, and said to the Zambian workers, do you see how easy it is?

The morning they were to go and harvest the tomatoes, they got the tractor, they hitched up the trailer with all the crates. And they arrived in the field, and there was nothing left. No tomatoes, there are no plants, no green, nothing. The soil has been churned over. The Italians looked at the river, and in the river were 300 hippos, digesting tons of tomatoes!

Until that day the Italians thought that they were intelligent and the natives were stupid. That day, they turned to the native people, the Zambians. The Zambian workers said, yeah, they love it, that's why we never plant anything by the river!

When I tell this story, I always get the same reaction. People laugh. They say, how stupid the Italians were.

There is a very dark story behind what we did in Zambia—because I haven't told you what we did to get the Zambian workers to come to work for us every day.

We had a contract, which was signed between the Italian government and the Zambian government, for minimum wage of one dollar a day. The first day the Zambians came to work, we paid them a dollar. They disappeared for the rest of the week, because there is no money circulating in the community at all,

so when they got a dollar they could buy 25 kilos of corn flour. The rest they have—fish, meat, roots, vegetables from the bush. So they didn't need to come to work every day.

But we had a five-year plan. How can we implement a five-year plan if people only work on Mondays? So we had to convince the Zambians to come to work every day, even though they didn't want the money. So we Italians set up a shop on the farm, where the Zambian workers could buy, with the money, something that we enticed them to buy—starting with sunglasses, watches, and transistor radios. When the entire village had shades, and they all looked cool, including the very old people, they all had sunglasses, they all had watches, there was no need for them to come and work anymore. So in 1971, we introduced into Chirundu two consumable items—beer and whisky.

Have you heard of anything done by white people somewhere else which reminds you of this? In the name of our own plan, we have hooked a pristine village to alcohol. The situation has been deteriorating since, to the point that five years ago, I was giving a talk to people like you in Australia, and a lady in the audience raised her hand and said to me, "I just returned from Chirundu. I was a nurse there. The situation is so bad that now the village, the tribe, steals money from the children's hospital fund to drink."

I've done it myself. My agency did that in 1971. So it's no laughing matter.

I believed that we Italians were really bad in Africa. But then I discover that no—at least we fed the hippos! You should see the programs that the so-called experts have taken to Africa. It is a scandal of enormous proportion. The joke is that we went to Africa and we found them poor. When we left them, they were poor and in debt.

I understood, age 21, what kind of idiots we were. How can you make a plan in Rome, and try to implement the plan in Zambia? When we study agriculture, nobody ever tells us, watch for the hippos, because we don't have hippos in Italy! But if you think for a moment that there is a great difference between doing a plan in Zambia and implementing the plan in Chirundu, and doing a plan for rural development in Washington D.C. and implementing the plan in Washington state—you're wrong!

The reason why I am here, the reason why I befriended Don Nelson and some of you guys, is because I know what Holistic Management is trying to do. It's trying to put responsibility where responsibility can be, in fact, applied—grassroots. Let me tell you what I've done in my life.

I was so disgusted by what I saw, that when Ernest Schumacher published *Small is Beautiful: Economics as if people mattered* in 1973, I went ballistic. I said, this guy is telling us the truth about what development is! And I wanted to follow him. I wanted to look at alternative development. What can we do that makes sense?

And so I left Italy, I left my agency. Initially I went to Africa, to Stellenbosch University in Cape Province, and then I went to Australia. And I researched anything that was a caring, intelligent way of helping people help themselves. And I came up with the most radical thing. I could not find anything as radical as what I've done.

I decided that I would go in a community without bringing any ideas, any resources, and I would become available in that community to one person who has a dream—a dream for self-improvement, a dream for independence, a dream to be able to feed her family. And the only thing I would do when I found this passionate individual—I would become available to that person, one to one, for as long as it takes, for free and in total confidentiality, to help that person go from this dream to create a sustainable

livelihood. And it will take me whatever time—three months, four months, five months—for this one person.

Once I had helped this person to do what he loves doing, I would go to this person and say, help me, I need your help. And I will say to this person, as I did to my first client, Mauri, nobody knows that I exist in this community. Please help me tell the people in this community that there is somebody who for free, in confidence, and for as long as it takes, will help anybody who has an idea, a dream, to go from a dream to the sustainable enterprise.

Mauri said, “Ernesto, bring television, radio, newspapers, and I will tell the story of what you’ve done for me, I will tell the people of this small community of 10,000 people in remote rural Australia—this person has helped me like nobody has ever helped me. And I recommend that anybody who is passionate about something, anybody who has a dream, come and speak to Ernesto.”

And they came. At the end of one year I had 29 projects, including one that involved 50 farmers, another project that involved 29 farmers, another project that involved all of the fishing fleet. And people screamed at the miracle. Bureaucrats, academics, politicians could not believe, that in a depressed, remote, rural community, in one year, I would have 29 projects going, one of which was employing 50 people and had made national television news.

The politicians and the academics said to me, “this is impossible. Can you show us whether you can train somebody to do what you’ve done in this community, and can you go and do it another community. This is so incredible, we want to see if you can repeat it.” And I did. I trained my first facilitator in that community called Esperance 12 years ago. And Brian Willoughby is still there. Brian, in a community of 10,000 people, in the last 11 years, has assisted in creating 420 new businesses. None of those businesses were his ideas. We *never* take ideas to communities. We *never* motivate anybody. We *never* initiate anything.

We have a secret. The secret is that our Enterprise Facilitators are employed by a group of local people—not authorities, not city councils, not Chamber of Commerce—a group of civic leaders. You guys. All Enterprise Facilitation projects are managed by the salt of the earth, the people who care about their community. We have boards of people who help the facilitator find resources. Fifteen people, who when the facilitator comes and says, I have a Mauri and I’m looking for a space for Mauri, these fifteen people become the elders of the tribe, and say, “I have an empty space, I know of somebody, I will speak to a friend of mine.” So we have a working board of people who become absolutely passionate about their community, and they treat every single person with a dream as their son, as their daughter, as their best friend, no matter who they are.

So the first trick is that we mobilize civic leadership—the best of civic leadership. People with common sense, with heart, with passion about their communities—you guys. And then we find a facilitator. I’d rather have somebody who has been bankrupt in business than somebody with an MBA. I’m sorry, but the university system produces these lovely kids, who have absolutely no idea about life. We never employ a facilitator who is younger than 35. They haven’t got a clue. They’re children. You have to have been out there, you have to have tried starting a small business, you have to try to run your operation to see what kind of extraordinary commitment it takes. We teach you guys, when you employ a facilitator, hey, find somebody who’s been out there, somebody who knows life, somebody who can respond to the passion of the client with compassion for the client.

By the way, when I talk about passion, you look at me, and you think, “typical Italian man, romance, violin, chocolate boxes.” The word *passion* comes from the Latin *passio*, which means to suffer. When I

say I am looking for people who are passionate about their ideas, I mean people who are prepared to suffer for what they want to do. They are the only people we help. They have to believe it. If they don't believe in their ideas, forget it.

When we find people who are passionate, we have to find people who have compassion, who can commit with these people. I train the facilitators to be the paratroopers of development. These are people who are trained to be loyal to you, not to the funding agency, not to the government.

We don't give a damn about what the government policy is. If you don't fit in a government program, I'm going to work with you until I find you the money from some other source. I'm not going to say, "oh, because the government is not interested in this, we're not going to do it." The American government is still not interested in organic farming, because if they were interested, they would have passed the guidelines for the certification. Do you think that I don't work with organic farmers? Right now I'm working with 270 organic farmers together. We don't wait for somebody to say, now we allow you to save your families.

Facilitators are trained like paratroopers. We never take no for an answer. You want to do something, I find you the way. We work with people who are bankrupted, they cannot go to banks. So we find investors.

Also I train facilitators to do something that nobody does. If you only remember this, I will be very happy. There is a secret to success in business. Until you understand what I'm telling you now, you will never make it in your enterprise. To run a business successfully, to be able to feed your family, to be able to have money at the end of the year, whatever business it is, no matter how big or small, you have to be able to be in charge and in control of three things: you have to produce the product that you want to sell—product. The second thing you have to be able to take responsibility for is marketing. And the third one that is absolutely important is financial management.

I have never met a single human being in the world who is equally passionate about producing the product, marketing the product, and keeping the books. I challenge you to review the literature on entrepreneurship, and you will never find a single successful entrepreneur who did these three things. As an individual trying to run a business, you will never make it, never.

The success of enterprise is to understand that because you only tend to do well what you love, and because you only love one or two of the three things which are absolutely paramount to the success of your enterprise—until you find the person who is passionate about what you hate, and unless you find a way of getting that person in your team, you'll never make it. No business school teaches this, there is not one academic program that teaches this, there is not one established training that says that you should never do a business plan alone.

When people come to me and they bring me the business plan, I ask them who prepared it. "I did." I take the business plan and I throw it away in front of them.

If you have written the business plan, it's no good. It's wrong. Because you only do beautifully what you love. Even if you have studied four or five months on how to prepare a business plan, let me tell you what's going to happen to you as soon as you hit the field to start your business. You will revert to type, and you will only do what you love doing in the business. You will always ignore and postpone what you hate doing. Always. That is why 80 percent of all new small businesses go bankrupt. Because what small business people do not understand is that management is a technology. Management has been adopted by very large companies, by medium-sized companies. You will never find the CEO of a

company making \$2-3 million dollars doing everything: product, marketing, and financial management. But it has not been adopted by small business. You have been passed over by management understanding. Management technology is available to you.

How do we check the passion of somebody? We give them homework to do, and we never call our clients. We wait for them to call us. If they don't come back, forget it. If the person is not passionate enough to do a bit of research, to go find information, they don't mean it. So first we check the passion.

Then we say to them, these are the three boxes: product, marketing, and financial management. Who are you? Show it to me. If you could do only what you absolutely love, which of these three things will you be doing? And they always tell me: "if I could, I would only do this."

Okay, you are the product person. Now tell me, how are we going to find and compensate your marketing director and your financial manager? Haven't got a cent? Fine, let's beg for it. And we go around and we beg for somebody.

Remember, I am assisted by a board. How do we compensate a marketing person? On a commission basis. Twenty farmers together: product. One person to do marketing on a commission basis, and the old bank manager to join the company for 5 percent of the company to do financial management. That's what you do.

So our facilitators teach management to the people at the grassroots. We are management coaches. And we don't take any rubbish from our clients. Until you are prepared to do the self-assessment of what it is that you love, forget it. And we never initiate, we never motivate. We never come to your house in the morning to say, hey wake up, come and work. You are not interested in doing something for yourself? Great. It means that we have time to work with somebody else.

Right now, in your community, this very minute, there is somebody who is scribbling figures on a kitchen table. If we would learn how to help that person in your village, in your community, to go from this dream to start something which is sustainable for herself, for himself, for the family, we would start a revolution. We would start a revolution from within your community.

Don't confuse what I am saying to you—that you have to be Italian, move your hands a lot, and be passionate to do. We have found Enterprise Facilitators all over the world who have left me for dead. You think I'm good? Speak to Brian, speak to Nancy in South Dakota. We have more women facilitators than men facilitators. Speak to these people, and you will see that in fact Enterprise Facilitation is not something that is personality based. It is something that you can learn, it is something that I can teach you in your community to manage, to administer, to fund. We can find facilitators in your area who will learn to do this, and who will be able to achieve the same results we have achieved in other parts of the world.

So my hope for you is to say, I know what you've been doing with Holistic Management. You now talk to each other, you now talk to each other across cultures, across professions, you have reached out to each other. You now have wonderful people that you can call friends. This is the time to start doing something for your own people. Don't do another plan, please. How many strategic plans are you going to do? When are you going to finish thinking about what ought to happen?

I have a very modest proposal. Start helping the dreamers in your community. Everybody helping those who want to work, those who have a dream. And you will witness the same miracle that I witnessed.

*An audiotape of this speech is available from The Bookloft in Enterprise, Oregon:
541-426-3351.*