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DONOŠENJE ODLUKA ILI IRACIONALNO ISTRAJAVANJE PRIMENJENO NA EVRO

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Rezime

Većina ekonomista iz poslednje četvrtine prošlog veka usmerili su svoju pažnju na potrošače. Zaista, ekonomija je duboko zavisna od raspoloženja potrošača i odgovora proizvođača. Na oba utiču akcije države i centralne banke. Na ekonomskom frontu, sada je ključna diskusija na temu opstanka evra. Malo ekonomista je posvetilo toliko vremena proučavanju procesa donošenja odluka potrošača kao dobitnik Nobelove nagrade za ekonomiju Danijel Kaneman. On je došao do zaključka da se naš proces donošenja odluke zasniva na dva sistema, intuitivnom i analitičkom sistemu. Rad je pokušao da proširi stavove koje je doneo Kaneman vezano za ovo područje i primeni ih na diskusiju koja se vodi o evru, te je slično pomenutom autoru došao do zaključka da je potreban dugoročni uvid. U ovom slučaju ne govorimo o iracionalnom istrajavanju što je čest slučaj u istoriji čovečanstva. Dr Kaneman često podvlači da, mada možemo misliti da smo racionalni i mudri, mi to nismo. Zaključuje, posle tri decenije studiranja, da su često dobre odluke rezultat srećnog sticaja okolnosti. Treba da budemo skromni u svom uspehu. Potrebno je da priznamo svoje neznanje i ne dozvolimo da intuicija preovlada nad analizom otvorenog uma, naročito u vremenima kada smo suočeni sa izazovima za koje ne postoji iskustvo. To je upravo slučaj sa evrom.

Ključne reči: donošenje odluka, sistemi, prirodni dar, pažnja, trud, poverenje, predubeđenje, iluzija, fokus, zanemarivanje, optimizam, verovatnoća, potrošači, proizvođači, centralna banka, država, tržište, zaposlenost, evro, produktivnost, iracionalno istrajavanje, olimpijski rezultati, izbor i posledice

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DECISION MAKING OR IRRATIONAL PERSEVERANCE APPLIED TO THE EURO ISSUE

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Summary

Most economists of the last quarter of the century have focused their attention on the consumers. Indeed, the economy is deeply dependent upon the moods of the consumers and the matching answers of the producers. Both are influenced by the actions of governments and the central bank. On the economic front, a key discussion for the time being is the very existence of the Euro currency. Few economists have spent so much time studying the decision making process of consumers as Nobel Prize Winning Economist Daniel Kahneman. He came to the conclusion that our decision making process is based on two systems, the intuitive and the analytical system. In this paper we attempted to extrapolate Kahneman's views on this subject into the discussion that is going on related to the Euro, and not unlike the author came to the conclusion that a long term view is needed. In this case we are not talking about irrational perseverance as is too often the case in the history of humanity. Dr Kahneman often underlines that although we might think we are rational and smart, we are not. He concludes after three decades of study that, often good decisions are the result of a happy coincidence. We should be modest in the face of success. We should recognise our own ignorance and not let intuition taking the upper hand over analysis with an open mind, especially in times where we face challenges for which experience is absent. This is precisely the case for the Euro issue!

Key words: Decision making, systems, innate skills, attention, effort, confidence, biased, illusion, focus, neglect, optimism, probabilities, consumers, producers, central bank, government, market, employment, euro currency, productivity, irrational perseverance, Olympic results, choice and consequences

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Ovaj deo teksta zasniva se na knjizi „Misliti brzo i sporo“ Danijela Kanemana.[1]

Srećnim sticajem okolnosti prijatelj je pomenuo da bi trebalo da pročitam knjigu nobelovca ekonomiste, Danijela Kanemana o „Donošenju odluka“. Jedino žalim što ta knjiga nije bila objavljena mnogo godina ranije i što nisam ranije koristio sjajne opservacije autora, i zato želim da to podelim sa vama i studentima koji pohađaju moje kurseve.

„Ova knjiga je poduhvat intelektualnog giganta, čitljiva je, mudra i duboka. Odmah je kupite. Čitajte je polako i ponavljajte. Ona će promeniti način vašeg mišljenja, na poslu, o svetu i sopstvenom životu.“ (Ričard Teler, profesor bihevirističke nauke i ekonomije, Univerzitet u Čikagu)

Koncept

PROCES DONOŠENJA ODLUKA zasniva se na dva sistema. Prvi je intuicija, a drugi je analitički deo procesa donošenja odluka.

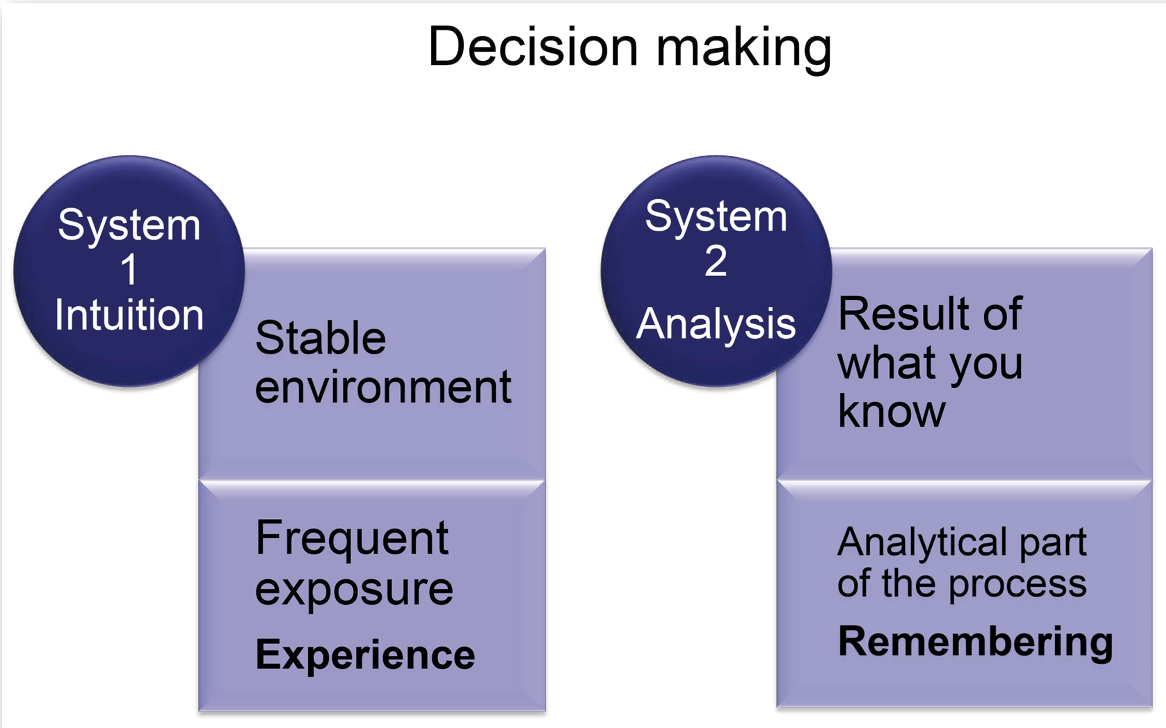
SISTEM 1 dejstvuje automatski i brzo sa malo ili nimalo truda i bez osećanja voljne kontrole. On obuhvata prirodnu obdarenost koju delimo sa drugim životinjama.

SISTEM 2 usmerava pažnju na teške mentalne aktivnosti koje je zahtevaju, uključujući kompleksna računanja. To zahteva pažnju i napor. Sistem 1 je brzo razmišljanje, a Sistem 2 je naporno i sporo razmišljanje - monitoriše sistem 1 i ostvaruje kontrolu koliko može unutar svojih ograničenih resursa. Međutim, Sistem 2 nije uzor racionalnosti. Njegova sposobnost je ograničena kao što je i znanje kome ima pristup. *Kada Sistem 1 naiđe na poteškoću, on poziva Sistem 2 da podrži detaljnije i specifično procesiranje.*

Na osnovu navedenog, podvlačimo nekoliko misli autora. Prirodno je za Sistem 1 da generiše samosvesno rasuđivanje jer pouzdanost određuje koherentnost najbolje priče koju možete da ispričate na osnovu podataka kojima raspolažete. Zato će vaša intuicija dati predviđanja koja su previše ekstremna i bićete skloni da u njih uložite suviše poverenja.

Kada ljudi veruju da je zaključak istinit, verovatno je da će pokloniti poverenje argumentima koji izgleda da ga podržavaju, čak i kada argumenti nisu solidni. Stepen obazrivog proveravanja i istraživanja karakterističan je za

[1] “Misliti brzo i sporo“, Danijel Kaneman, Allen Lane, 2011.
Daniel Kahneman (rođen 5. marta 1934. godine) je izraelsko-američki psiholog i dobitnik Nobelove nagrade za ekonomiju 2002. godine. Poznat je po svom radu o psihologiji rasuđivanja i donošenja odluka, bihevirističke ekonomije i hedonističke psihologije.



This first part of the text is based on: "Thinking fast and slow" by Daniel Kahneman.[1]

It is by a happy coincidence that a friend mentioned I should be reading the book of Nobel Prize winning economist, Daniel Kahneman on "Decision Making". My only regret is that this book was not published years ago and that I did not benefit earlier from the remarkable observations of the author, reason why I want to share this with you and the students who follow my courses.

"This book is a tour de force by an intellectual giant; it is readable, wise and deep. Buy it fast. Read it slowly and repeatedly. It will change the way you think, on the job, about the world, and in your own life." (Richard Thaler, professor of behavioural science and economics, University of Chicago)

The concept

The DECISION MAKING PROCESS is based on two systems, the first one is the intuition and the second one is the analytical part of the decision making process.

SYSTEM 1 operates automatically and quickly with little or no effort and no sense of voluntary control. It includes the innate skills we share with other animals.

SYSTEM 2 allocates attention to the effortful mental activities that demand it, including complex computations. It requires attention and effort. System 1 does the fast thinking & the effortful and slower system 2 – which does the slow thinking – monitors system 1 and maintains control as best as it can within its limited resources. However, system 2 is not a paragon of rationality. Its ability is limited and so is the knowledge to which it has access. *When system 1 runs into difficulty it calls on system 2 to support more detailed and specific processing.*

Based on above, we underline a few considerations by the author. It is natural for system 1 to generate overconfident judgements because confidence is determined by the coherence of the best story you can tell from the evidence at hand. Therefore your intuitions will deliver predictions that are too extreme and you will be inclined to put far too much faith in them.

When people believe a conclusion is true, they are also very likely to believe the

[1] "Thinking, fast and slow", Daniel Kahneman, Allen Lane, 2011
Daniel Kahneman (born March 5, 1934) is an Israeli American psychologist and winner of the 2002 Nobel Memorial Prize in Economic Sciences. He is notable for his work on the psychology of judgment and decision-making, behavioral economics and hedonic psychology.

Sistem 2, jer Sistem 1 daje utisak koji se mnogo puta pretvori u verovanja i predstavlja izvor impulsa koji često postaju vaše akcije. Dobre odluke ne uspevaju uvek zbog nedostataka motivacije a .. visoka inteligencija ne čini ljude imunim na predubeđenja! Osećaj koji čini mehanizam Sistema 1 omogućava da vidimo svet čistijim, jednostavnijim, predvidljivijim i koherentnijim nego što je u stvarnosti. Iluzija da je čovek razumeo prošlost hrani dalju iluziju da može predvideti i kontrolisati budućnost. Ove iluzije su umirujuće. One umanjuju nespokojstvo! Autor podvlači različite iluzuje kao što su veštine, osnovane pretpostavke, neznanje sopstvenog neznanja, sposobnost predviđanja...

Obratite pažnju na to da EKSPERTIZA u suštini zavisi od kvaliteta i brzine povratne informacije, kao i od dovoljno prilika da se praktikuje. Ocenjivati ekspertizu znači razmotriti da li postoji adekvatna mogućnost da se uči i u redovnom okruženju. Intuicija je ništa više i ništa manje od spoznaje. Često nismo u pravu i objektivni posmatrač će verovatno pre nas samih da otkrije naše greške. Sreća ima veliku ulogu u svakoj priči o uspehu! Pored toga, kada smo suočeni sa teškim pitanjem, često odgovaramo na lakše pitanje umesto toga, obično ne uočavajući zamenu. Ima nekoliko načina na koji izbor pojedinca odstupa od pravila racionalnosti. Fokusiramo se na ono što znamo i zanemarujemo ono što ne znamo, što čini da budemo previše sigurni u svoja uverenja.

Kod objašnjavanja prošlosti i kod predviđanja budućnosti fokusiramo se na uzročnu ulogu i veštinu i zanemarujemo ulogu sreće. Zato smo skloni iluziji kontrole. To je u osnovi koncepta da je pouzdan način da se ljudi navedu da veruju u laži često ponavljanje jer se prepoznatljivost ne razlikuje lako od istine. Diktatori i ljudi iz marketinga dobro poznaju tu činjenicu! Vrlo malo ponavljanja je dovoljno da bi se novo iskustvo osetilo kao normalno.

Pored navedenih razmatranja koja se odnose na donošenje odluka, težimo da prenaglasimo svoju sposobnost da prognoziramo budućnost, što podstiče preteranu optimističku samouverenost. Optimizam je stanje duha, često nasleđeno! Češće optimizam vodi potcenjivanju izgleda i ne podstiče ulaganje dovoljnog napora da se sazna kakvi su izgledi. „Iskustvo sugeriše da je optimizam raširen, tvrdoglav i skup!“ Kad god pravite procenu kompleksnog predmeta, dodeljujete vrednosti njegovim karakteristikama. Vrednovanje se javlja bez obzira da li ste svesni toga, to je operacija Sistema 1. Vrednosti su sigurno u korelaciji sa verovatnoćom ishoda. Što je ishod verovatniji, potrebno je da ima veću vrednost.

Primena koncepta na ekonomsku situaciju

Pogledajmo kako se mogu primeniti ove opservacije na ekonomsko okruženje u većini evropskih zemalja i konkretnije na evro zonu.

Pre nego što to uradimo, najpre da strukturiramo naše mišljenje duž linija jednog drugog nobelovca, ekonomiste Pola Samjuelsona[2], zahvaljujući kome sam naučio mnogo o ekonomiji. On je predstavio ekonomsko kolo sa četiri kruga. Bio sam slobodan da dodam dva! Jedan krug predstavlja vas i mene, potrošače čije potrebe i htenja ispunjavaju proizvođači. Jedni druge srećemo na tržištima, kao što su supermarketi i pošto nam je potreban novac, srećemo jedni druge na tržištu rada. Novac, koji se uobičajeno predstavlja kao novčana masa, to omogućava.

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2 Pol Samjuelson **(Paul Anthony Samuelson)** (15. maj 1915 - 13. decembar 2009) bio je američki ekonomista i prvi Amerikanac koji je dobio Nobelovu nagradu za ekonomiju. Švedska kraljevska akademija konstatovala je, prilikom dodeljivanje nagrade, da je on „učinio više od bilo kog drugog savremenog ekonomiste da se podigne nivo naučne analize u ekonomskoj teoriji“. Istoričar ekonomije Randal E. Parker naziva ga „ocem moderne ekonomije“, a Njujork tajms ga smatra „najistaknutijim ekonomskim teoretičarem 20 veka“.

arguments that appear to support it, even when these arguments are unsound. The extend of deliberate checking and search is a characteristic of system 2 as system 1 provides impressions that often turn into believes and is the source of impulses that often become your actions. Good decisions often fail by lack of motivation and…high intelligence does not make people immune to biases! The sense making machinery of System 1 makes us see the world as more tidy, simple, predictable, and coherent that it really is. The illusion that one has understood the past feeds the further illusion that one can predict and control the future. These illusions are comforting. They reduce the anxiety! The author underlines various illusions such as skills, educated guesses, the ignorance of one's own ignorance, forecasting ability…

Note that EXPERTISE depends essentially on the quality and speed of feedback, as well as on sufficient opportunity to practice. Evaluating expertise means considering whether there was an adequate opportunity to learn even in a regular environment. Intuition is nothing more and nothing less than recognition. We are often wrong, and an objective observer is more likely to detect our errors than we are. Luck plays a large role in every story of success! Besides, when faced with a difficult question, we often answer an easier one instead, usually without noticing the substitution. There are several ways human choices deviate from the rules of rationality. We focus on what we know and neglect what we do not know, which makes us overly confident in our beliefs.

Both in explaining the past and prediction the future, we focus on the causal role and skill and neglect the role of luck. We are therefore prone to an illusion of control. This underlines the concept that a reliable way to make people believe in falsehoods is frequent repetition because familiarity is not easily distinguished from truth. Authoritarian and marketers have always known that fact! Very little repetition is needed for a new experience to feel normal.

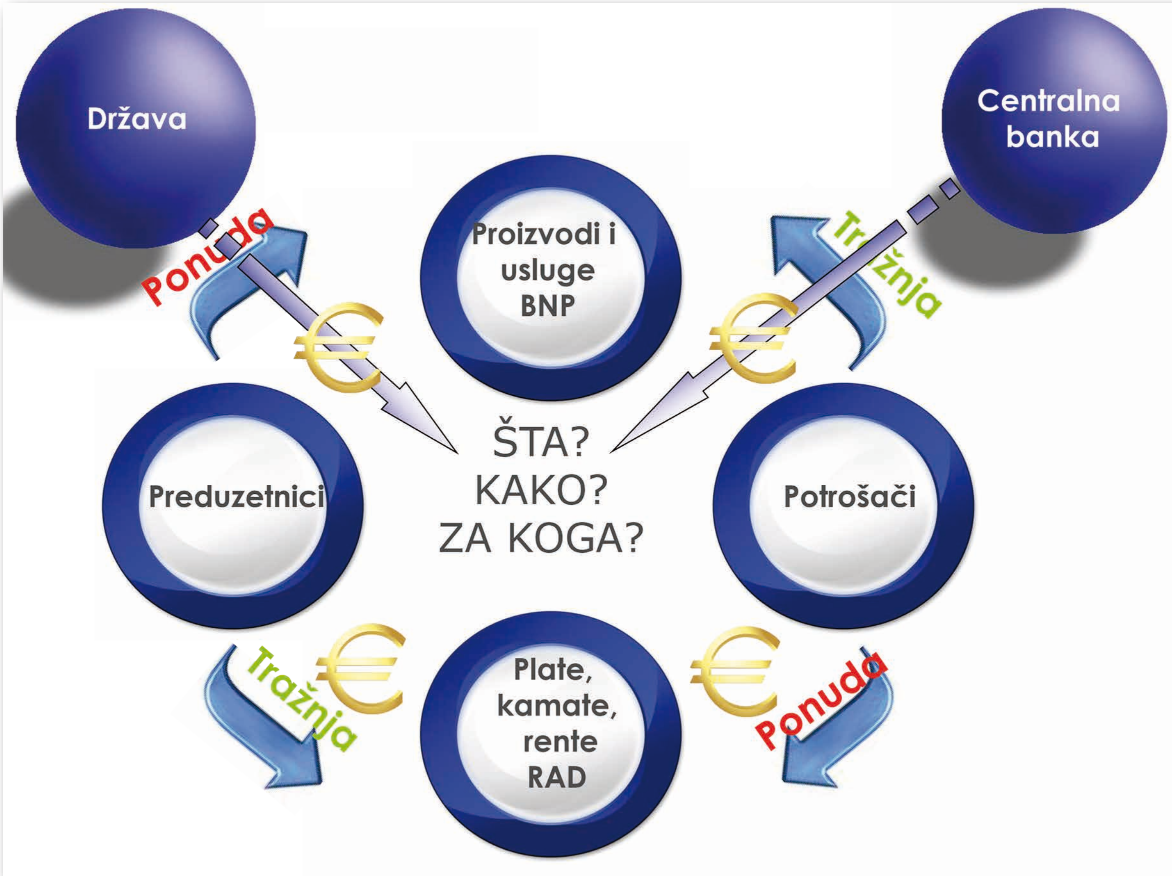
In addition to above mentioned considerations related to decision making, we tend to exaggerate our ability to forecast the future, which fosters optimistic overconfidence. Optimism is a state of mind, often inherited! More often optimism leads to underestimate the odds they face and do not invest sufficient effort to find out what the odds are. "The evidence suggests that optimism is widespread, stubborn and costly!" Whenever you form an evaluation of complex object, you assign weights to its characteristics. The weighting occurs whether or not you are aware of it; it is an operation of system 1. The weights are certainly correlated with the probabilities of the outcomes. The more probable an outcome, the more weight it should have.

Applying the concept to the economic situation

Let us see how we can use these observations to the economic environment of most European Countries and more specifically to the Euro-Zone.

Before doing so let us first structure our thinking along the lines of another Novel Prize winning economist, Paul Samuelson[2], thanks to whom I learned quite something about economics. He represented the economic circuit with four circles. I took the liberty to add two! One circle represents you and me, the consumers whose needs and wants are met by the producers. We meet each other in the markets, like the supermarkets and as we need money we meet each other in the employment market. Money, generally referred to as money supply, makes it possible.

[2] Paul Samuelson, **Paul Anthony Samuelson** (May 15, 1915 - December 13, 2009) was an American economist, and the first American to win the Nobel Memorial Prize in Economic Sciences. The Swedish Royal Academies stated, when awarding the prize, that he "has done more than any other contemporary economist to raise the level of scientific analysis in economic theory". Economic historian Randall E. Parker calls him the "Father of Modern Economics", and *The New York Times* considered him to be the "foremost academic economist of the 20th century".



Svaka ekonomija mora da rešava tri glavna pitanja:

1. „Šta da se proizvede", što često zavisi od kupovne moći potrošača.
2. „Kako da se proizvede", što zavisi od konkurencije i
3. „Za koga", što zavisi od političkih odabira.

Čuvar sistema kada je novac u pitanju je centralna banka, u evro zoni ECB, koja je nezavisna od države. Centralna banka na raspolaganju ima razne alate da uravnotežuje robu i usluge na tržištu i novac da ih kupi. Zaista, ona može da menja kratkoročne kamatne stope, štampa dodatni novac, kupuje obveznice, preporučuje različite koeficijente komercijalnim bankama i na kraju, ali ne i najmanje važno, ona može da povećava ili smanjuje obaveznu rezervu.

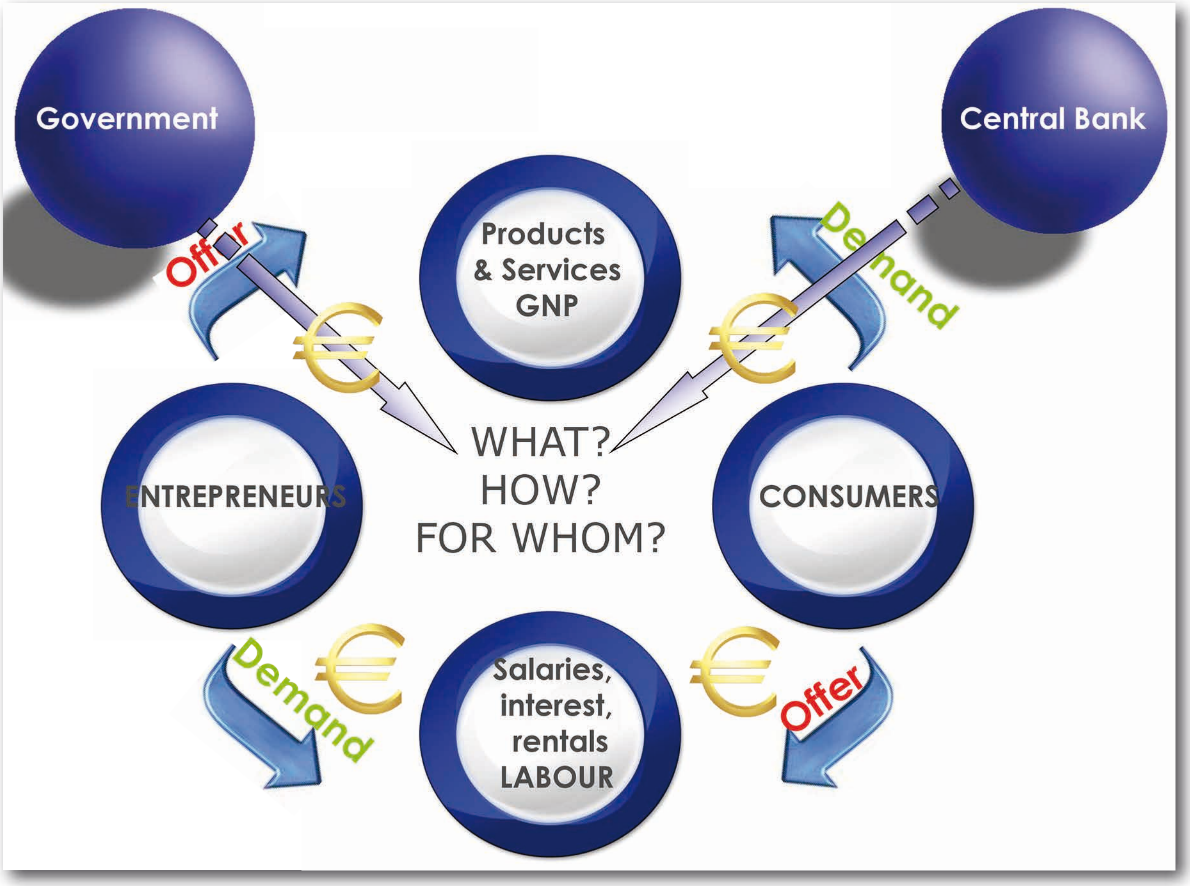
Molim vas da obratite pažnju na to da svaka promena koja se javi u jednom od šest krugova automatski utiče na jedan ili više drugih krugova. Na primer, kada centralna banka snizi kamatne stope to utiče, ili postoji nada da utiče, na potrošače i proizvođače, dozvoljavajući im da se jeftino zadužuju. Sa svoje strane to bi značilo veću tražnju za radom i, u krajnjoj liniji, povećanje BDP-a i samim tim povećanje državnog prihoda.

Ključna pitanja na koja centralni bankari moraju da odgovore je: „koji je ispravan nivo novčane mase?" Lak odgovor je da je to onaj koji je dovoljan da se kupe sva proizvedena roba i usluge, tako da se ostvari puna zaposlenost bez dizanja cena. Međutim, potrebno je da znamo koliko ljudi žele da drže svoj novac pre nego što ga potroše. U tom kontekstu moramo da pogledamo jedan drugi faktor, koji se zove velocitet novca. To se svodi na održavanje približne ravnoteže između dve strane sledeće jednačine[3]

$$PQ = M.V$$

- P = nivo cena robe i usluga
- Q = količina robe i usluga proizvedenih u nacionalnoj ekonomiji

[3] Irvin Fišer **(Irving Fisher)** (27. februar 1897 - 29. april 1947) bio je američki eknomista, izumitelj i društveni aktivista. Bio je jedan od prvih Amerikanaca neoklasičnih ekonomista, mada je njegov kasniji rad o inflaciji duga preuzela post-Kejnzijanska škola.



Every economy has to address three major questions:

1. ”What to produce”, often dependent upon the purchasing power of the consumers,
2. “How to produce”, dependent upon competition and
3. “For whom” dependent upon political choices.

The guardian of the system as far as money is concerned is the central bank, in the Euro-zone de ECB, independent from the Government. The central bank has a variety of tools at its disposal to balance the goods and services on the market and the money to purchase it. Indeed, it can change short term interest rates, print more money, purchase bonds, recommend different ratios to the commercial banks and last but not least, it can increase or decrease the fractional reserve requirements.

Please note that any change occurring in one of the six circles automatically impacts on one, if not more, of the other circles. For instance, when the central bank lowers the interest rates it impacts, or hopes to impact consumers and producers, by allowing them to borrow cheaply. In turn this would mean, more demand for labour and ultimately an increased GDP and consequently an increase in Government income.

The key question central bankers must answer is: “What is the correct money supply level?” The easy answer is enough to buy all the goods and services produced, so that full employment is reached without a rise in prices”. However, therefore we need to know how people tend to hold onto their money before spending it. In this context we have to look at another factor, which is the velocity of money. This boils down to holding an approximate balance between the two sides of below equation[3]

$$PQ = M.V$$

[3] Irving Fisher, **Irving Fisher** (February 27, 1867 - April 29, 1947) was an American economist, inventor, and social campaigner. He was one of the earliest American neoclassical economists, though his later work on debt deflation has been embraced by the Post-Keynesian school.

- M = novčana masa (aktiva potrošača i preduzetnika, sa odgovarajućom pasivom bankarskog sistema i centralne banke)
- V = velocitet ili brzina cirkulacije novčane mase.

Ako je velocitet stabilan i ako centralna banka može da kontroliše novčanu masu, vlasti imaju moćan alat kojim mogu da ubrzaju ili uspore ekonomiju. Novčana masa neposredno kontroliše tu mašinu. Ako je velocitet nestabilan, međutim, ako se ljudi snebivaju između držanja velike količine ili male količine svojih sredstava u gotovini ili na tekućim računima, kontrolisanje novčane mase nije od velike pomoći!

Međutim, drugi značajan deo sistema je država sa velikim asortimanom zakona, pravila i regulative. Samo pomislite na fiskalne zakone, da pomenemo jedan skup zakona.

Sistem 1 - intuicija

Možemo li da donosimo odluke u vezi sa evrom na osnovu intuicije?

Jasno, odgovor je ne! Za početak nemamo stabilno okruženje. Pored toga, nikad nismo bili izloženi takvom okruženju. Svi znamo da je uvođenje zajedničke valute zahtevalo ne samo zajedničku monetarnu politiku, već u jednakoj meri i zajedničku budžetsku politiku. To je jedinstvena situacija u modernoj istoriji da imamo raznolike zemlje koje imaju jedinstvenu valutu pri čemu sprovode različite budžetske politike. Možete zaključiti da je jedini način za praćenje sadašnje ekonomske situacije imati Sistem 2 koji proverava šta god vam može kazivati Sistem 1. Kao što je napred pomenuto, Sistem 2 zahteva znanje, strukturu, podatke... mnogo stvari koje većina od nas nema, zbog čega se često diskusije okrenu na političke debate umesto na dobro prosuđivanje o budućim akcijama.

Sistem 2 - analiza

Od samog početka ove moderne avanture zahtevi su bili jasno postavljeni. Setite se komentara Miltona Fridmana[4] u brojnim člancima u kojima je navodio da će neuspeh biti ugrađen u ovu valutu bez zajedničke budžetske politike. Centralna tačka statističke analize je centralna banka u većini zemalja članica, pored državnih statističkih agencija. Tu se nema mnogo šta otkriti. Međutim, iznad podataka stoje čovek i žena. Na primer, kultura, radne navike i navike u dokolici, kao i korupcija nisu izraženi u brojkama već, u krajnjoj liniji, u produktivnosti, konkurentnosti i ekonomskom uspehu.

Ako je Sistem 2 u ovom slučaju prihvatljiviji u odnosu na Sistem 1, u završnoj analizi reč je o razlici u kulturi koja oblikuje različite politike. Bez delovanja na ista pitanja, kulture se neće razvijati jedna prema drugoj već naprotiv.

Zaključak

Da zaključimo, precenjivanje intuicije i potcenjivanje onog šta nam je potrebno za analitički deo procesa odlučivanja za rezultat će imati ISTRAJAVANJE IRACIONALNOG!

To ne treba da bude slučaj sa evrom. Zato, put koji treba izabrati sasvim je ispravan ako odaberemo da zadržimo i imamo evro kao značajnu svetsku valutu. To je put čvršće integracije budžetskih politika njegovih članica. Alternativa, po mom mišljenju, katastrofalna, bilo bi vraćanje na nacionalne valute. To bi sigurno smanjilo našu konkurentnost u odnosu na SAD i Kinu, da ne pominjem BRIK zemlje.

Ovde nam je potreban dugoročniji horizont. Na primer, ako pogledamo rezultate Olimpijskih igara 2012. godine i dodamo medalje evropskih sportista naspram SAD i Kine, Evropa je daleko najuspešniji blok nacija. Ekstrapolirajmo ovo mišljenje na ekonomski plan i shvatićete značaj opredeljenja za dugoročni horizont, uprkos nedavnim nevoljama. Zapamtite, ekonomija je analiza izbora i posledica tog izbora! Važno je treće pitanje u kolu Samjuelsona: „za koga? “

Da bismo finalizovali ovaj članak i predočili neke trenutke razmišljanja, dozvolite mi da citiram M. Danijela Kanemana: „Nesposobnost da vas vodi zdrav strah od loših posledica je katastrofalna greška!“ „Ako odredite mogući

[4] **Milton Freedman** (31. jul 1912 - 18. novembar 2006) bio je američki ekonomista, statističar i autor koji je predavao na Univerzitetu u Čikagu više od trideset godina. Dobio je Nobelovu nagradu za ekonomske nauke i poznat je po svom istraživanju analize potrošnje, monetarne istorije i teorije i složenosti stabilizacione politike.

- P = price level of goods and services
- Q = quantity of goods and services produced in a national economy
- M = the monetary mass (the assets of the consumers and the entrepreneurs, with corresponding liabilities for the banking system and the central bank)
- V = velocity or speed of circulation of the monetary mass.

If velocity is stable and if the central bank can control the money supply the authorities have a powerful tool with which to speed or slow down the economy. The money supply directly controls the engine. If velocity is unstable, however, if people vacillate between holding a lot and holding little of their funds in currency and checking account, controlling the money supply is not very helpful!

However, another big influencing body of the system is the government with a large variety of laws, rules and regulations just think about fiscal laws to mention one set of laws.

System 1 - Intuition

Can we make decisions related to the Euro based on our intuition?

Clearly, the answer is no! To start with we do not have a stable environment. Besides, we have never been exposed to this environment. We all knew that the introduction of the single currency required not only a common monetary policy but equally a common budgetary policy. It is a unique situation in modern history to have a variety of countries sharing a single currency whilst pursuing different budgetary policies. You can conclude that the only way to look at the present economic situation is to have system 2 checking whatever system 1 might tell you. As mentioned earlier, system 2 requires knowledge, structure, data….a lot of thinks most of us do not have, reason why often discussions turn into political debates rather than good judgements on future actions.

System 2 - Analysis

From the very beginning of this modern adventure the requirements where quite clearly spelled out. Think about the comments of Milton Friedman[4] in numerous articles stating that failure would be inherent to this currency without common budgetary policy. The central point for statistical analysis is the central bank in most of the member states, besides the governmental statistical agencies. There is not much to discover there. However, beyond data there are man and woman. For instance, culture, work and leisure habits, corruption are not reflected in figures but ultimately in productivity, competitiveness and economic success.

If system 2 in this case is certainly to be preferred to system 1, it is in the final analysis a matter of difference in culture that shapes different policies. Without forcing some issues, cultures will not grow towards each other, on the contrary.

Conclusion

In fine, overestimation of intuition and underestimation of what we need for the analytical part of the decision making process will result in IRRATIONAL PERSEVERANCE!

This should not be the case for the Euro. Therefore, the path to choose is quite straightforward if we choose to keep and have the Euro as a major world currency. It is the path of a tighter integration of the budgetary policies of its members. The alternative, in my view, a disastrous one, would be to revert to the national currencies. It would certainly decrease our competitiveness versus the USA and China, not to mention the BRIC countries.

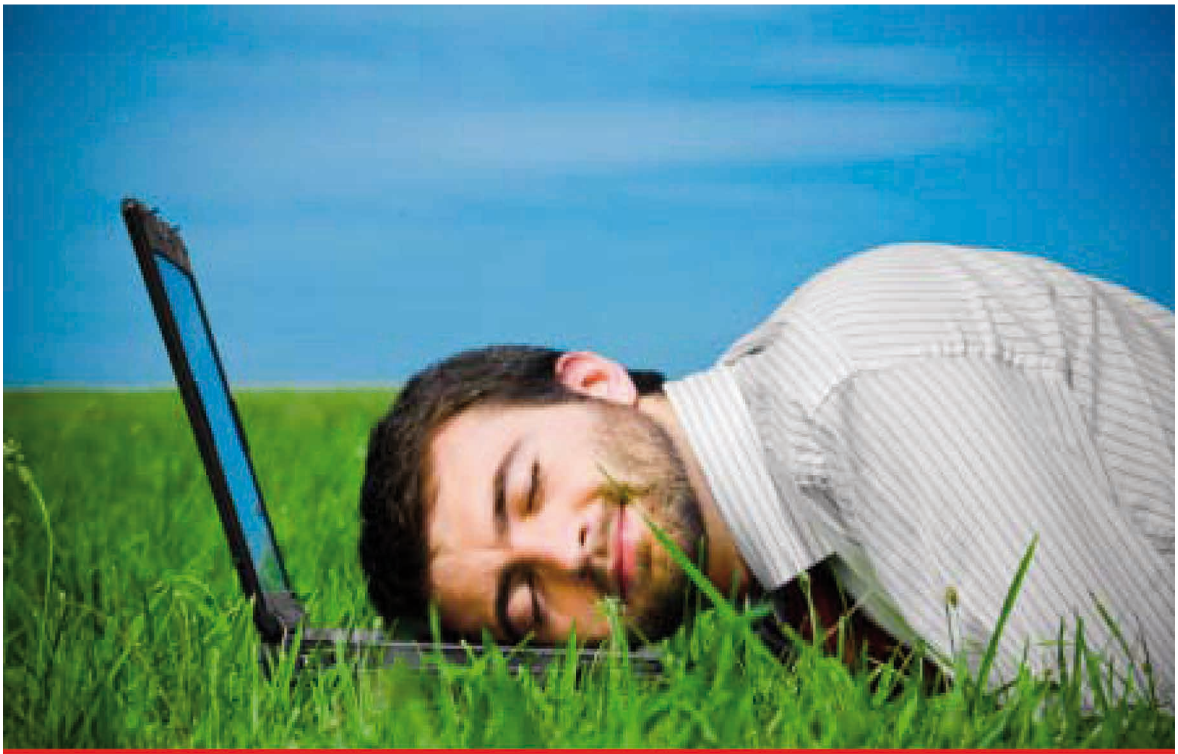
We need to take a long term view here. As an example, if you looked at the results of the 2012 Olympic Games and added the medals of the European athletes versus the USA or China, Europe would be by far the most successful bloc of nations. Extrapolate this thinking in the economic field and you

[4] **Milton Friedman** (July 31, 1912 - November 16, 2006) was an American economist, statistician, and author who taught at the University of Chicago for more than three decades. He was a recipient of the Nobel Memorial Prize in Economic Sciences, and is known for his research on consumption analysis, monetary history and theory, and the complexity of

događaj sa više detalja, možete da umanjite njegovu verovatnoću.“

Najzad, autorovo uverenje je, a mogu dodati i moje, da sreća ima važnu ulogu u uspehu kada je u pitanju proces donošenja odluka, ali i činjenica da: „Naše umirujuće uverenje da svet ima smisla stoji na sigurnim temeljima koje predstavlja naša skoro bezgranična sposobnost da ignorišemo naše neznanje.“

Zato, nadajmo se nekoj sreći u pogledu pitanja evra i dobroj dozi skromnosti kod donosilaca odluka, kao i mnogo potrebnom dugoročnom horizontu.



ŠTA MOŽEŠ DA URADIŠ POSLE ... DOBRE ODLUKE

WHAT YOU COULD DO AFTER A ... GOOD DECISION

will realise the significance of choosing a long term view, despite recent hic ups. Remember, economics is about the analysis of choice and its consequences! The important question is the third one in the circuit of Samuelson: "for whom?"

To finalise this article and provide some moments of reflexion, let me quote these lines from M. Daniel Kahneman: "An inability to be guided by a healthy fear of bad consequences is a disastrous flaw!" "When you specify a possible event in greater detail you can lower its probability."

Finally, it is the author's conviction, and I might add mine as well, that luck plays a major part in the success related to the decision making process as well as the fact that: "Our comforting conviction that the world makes sense rests on a secure foundation which is our almost unlimited ability to ignore our ignorance."

So, let us hope for some luck on the Euro issue and good doses of modesty for the decision makers and a much needed long term view.

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