

in memoriam

Vuk Ognjanović

PROF. DR MILUTIN ĆIROVIĆ (1928 - 2015) - ODLAZAK LUCIDNOG I ANGAŽOVANOG PROFESORA

Ovi redovi, s najboljim poštovanjem, svjedoče o vremenu, životu i djelu profesora Milutina Ćirovića, a i upozoravaju na gubitak, koji je srpsku i evropsku ekonomsku misao, te njegove brojne studente i prijatelje u zemlji i širom svijeta, zadesio 25. decembra 2015. godine.

Profesor Ćirović je bio čovjek pravog profesionalnog integriteta i snažnog intelektualnog zračenja. Cjelinom svog života i misaonog bivanja, dostojanstveno i karakteristično je nosio neko rijetko profesionalno gospodstvo. Uz to, i nešto što je specifično vrijedno, izražavao je i pokazivao - toplo beogradsko gostoprimstvo na Ekonomskom fakultetu u Beogradu, koje je toliko bilo potrebno svima onima koji su, radi sticanja znanja, iz svih krajeva stare prostrane Jugoslavije i iz svih krajeva svijeta, dolazili (u Beograd) strmenom Balkanskom ulicom. Jednostavno, pamtićemo ga kao profesora koji je svojim studentima i saradnicima uvijek davao ono što je najdragocijenije: smirenost, razumijevanje, praštanje, nadu...

Imponuje pedagoški, stručni i naučni angažman i opus profesora Ćirovića. U stvari, to je djelo posvećeno ideji stvaranja racionalnih bankarskih mehanizama i finansijskih sistema, kao jednog od ključnih preduslova za rast i razvoj zemalja u razvoju i zemalja u tranziciji. Prilika je da se potvrdi, da je profesor Ćirović, svojim najboljim godinama i svojim najboljim stvaralaštvom, dostojanstveno služio tim visokim ciljevima ekonomske nauke, te posebno monetarne ekonomije.

Rođen u Beogradu, profesor Ćirović je čitav svoj bogati život, uz periodične godišnje i višemjesečne specijalističke studijske boravke u inostranstvu, proveo u njemu. Fakultetsko obrazovanje i sva akademska zvanja (od asistenta do redovnog profesora), stekao je na Ekonomskom fakultetu Univerziteta u Beogradu. Tu je predavao Monetarnu ekonomiju i Bankarstvo na svim nivoima nastave. Sa specifičnom harizmom i u kulturi najboljih univerzitetskih standarda, „proizveo“ je više od 200 magistara i doktora nauka. Držao je predavanja na skoro svim poznatim univerzitetima

PROF. DR MILUTIN ĆIROVIĆ (1928-2015) - DEPARTURE OF THE LUCID AND DEVOTED PROFESSOR

Vuk Ognjanović

These lines, with the deepest respect, bear witness to the time, life and work of Professor Milutin Ćirović, and warn of the loss, which struck the Serbian and European economic circles, and his many students and friends at home and all over the world, on 25 December 2015.

Professor Ćirović was a man of true professional integrity and a powerful intellect. Throughout his entire life and intellectual being, he acted in a dignified and characteristic manner, with rare professional nobility. Moreover, what was of specific value, he expressed and demonstrated the warm Serbian hospitality at the Faculty of Economics in Belgrade, which was so necessary to all those who, in order to acquire knowledge, came from all corners of the vast expanse of the old Yugoslavia and from all over the world, to Belgrade, walking up the steep Balkan Street. Simply, he will be remembered as a professor who always gave his students and associates what is most precious: calmness, understanding, forgiveness, hope...

The pedagogical, professional and scientific engagement and oeuvre of Professor Ćirović is quite impressive. In fact, his work is dedicated to the idea of creating rational banking mechanisms and financial systems, as a key prerequisite for growth and development of developing countries and countries in transition. This is an opportunity to confirm that Professor Ćirović, in his best years and his best creative work, honorably served these high goals of economic science, and particularly monetary economics.

Born in Belgrade, Professor Ćirović spent his whole eventful life in his hometown, except for the periodical study breaks abroad. University education and all of his academic titles (from assistant to full professor), he acquired at the Faculty of Economics, University of Belgrade. There he taught Monetary Economics and Banking at all study levels. With a specific charisma and in line with the top university standards, he "produced" more than 200 masters and PhDs. He lectured on almost

Evrope i svijeta, a bio je i počasni doktor nauka na više Evropskih univerziteta. Izvanredno je poznao engleski bankarski i finansijski jezik, na kome je držao besprekorna predavanja, te i izvanredna problemska izlaganja i diskusije na međunarodnim okruglim stolovima i konferencijama.

Napisao je dvadesetak monografija i knjiga (Novac i kredit, Uravnoteženje platnog bilansa, Inflacija i stabilizacija, Monetarna ekonomija, Bankarstvo, Devizni kursevi i dr.) i više od 700 studija i članaka najvišeg naučnog dometa u domaćim i inostranim publikacijama i časopisima. Svaki njegov rad je besprekorno napisan izvanrednim stilom i u kulturi najboljih internacionalnih naučnih istraživača monetarne ekonomije.

Istovremeno, bio je i društveno angažovan profesor. I danas bi bilo korisno pročitati njegovu studiju (koju je krajem sedamdesetih godina prošlog vijeka uradio sa pok. prof. Borom Jelićem) o unapređenju bankarskog sistema Republike Srbije. Bio je duša tima koji je osamdesetih godina XX-og stoleća sačinila ubjedljivi, no iz različitih i kontroverznih političkih razloga, nerealizovan Program stabilizacije ekonomije SFRJ. Kasnije, u drugoj polovini osamdesetih godina uz takođe počivšeg prof. Iva Perišina, bio je ključna ličnost u Saveznom savjetu za privredni razvoj i ekonomsku politiku. Početkom devedesetih godina, kao predsjednik Ekonomskog savjeta Savezne vlade, dao je značajan doprinos Programu za savladavanje hiperinflacije, a zatim programiranju konsolidacije finansijskog i bankarskog sistema u SRJ. U dva mandatna perioda, kao predsjednik Stručnog i naučnog Savjeta Vojvođanske banke, neposredno je doprineo da ovo korporativno bankarsko društvo izraste u uspješnu i moderno organizovanu evropsku banku. Pored toga, izuzetno su zapaženi doprinosi prof. Ćirovića u uređivanju više ekonomskih enciklopedijskih izdanja, te zbornika naučnih radova iz monetarne ekonomije, kao i rad u redakcijama domaćih i međunarodnih časopisa. Davao je uzbudljive ideje za organizaciju edukativnih seminara i poslovnih konferencija u zemlji i



u inostranstvu, posebno u okviru Udruženja banaka Jugoslavije i Srbije, a i u okviru Evropskog centra za mir i razvoj UN. Isto tako, visoko je vrednovan njegov doprinos Naučnom društvu ekonomista Jugoslavije i Srbije, odnosno i Akademiji ekonomskih nauka.

Specifičnu internacionalnu vrijednost imala su njegova angažovanja i predlozi za unapređenje međunarodnog sistema finansiranja nerazvijenih zemalja. A isto tako, i njegove koncepcije za unapređenje međusobne finansijske saradnje zemalja u razvoju. I danas su aktuelne Koncepcije profesora Ćirovića, za rješavanje tih složenih i kompleksnih međunarodnih problema. Ovi njegovi naponi i analize, visoko su vrednovane i cijenjene u stručnim i naučnim krugovima širom svijeta, te posebno na međunarodnim konferencijama, panelima i okruglim stolovima IBRD i IMF, IOSKO, te i u okviru regionalne intenzivne aktivnosti

Univerziteta za mir i razvoj UN sa sjedištem u Beogradu.

Njegova stručna i naučna interesovanja i istraživanja, „pokrivaju“ uglavnom sva tri ključna bloka monetarne ekonomije.

Najprije, to su aspekti strateške monetarne teorije. On korektno i kritički analizira kako klasične osnove monetarne teorije, počev od Sejovog zakona i kvantitativne teorije novca, preko monetarista i neoklasičara, a zatim i Kenzijanski okvir, te i implikacije teorije racionalnih očekivanja i drugih konzervativnih škola za praktičnu ekonomsku politiku. U ovoj ravni analize, prvi je među ekonomistima u drugoj polovini XX stoleća, izveo bitan zaključak: „uspješnost“ jedne monetarne teorije, mora se sagledavati preko odgovora koje ona daje na pitanja o međuzavisnosti uloge i definicije novca, kreiranja i tražnje novca, procesa uravnoteženja poremećenih monetarnih ravnoteža i efekata ovog procesa na cijene, proizvodnju, platni bilans i ekonomsku politiku. Dakle, dobra je ona monetarna teorija, koja može biti provjerena preko funkcionalnog povezivanja relevantnih monetarnih mehanizama i instrumenata u cjelini ekonomskog i finansijskog sistema.

all well-known universities of Europe and the world, and held the honorary doctor of science degree at several European universities. His mastery of the English language in the field of banking and finance allowed him to deliver spotless lectures in English, and to participate in outstanding presentations and discussions at international roundtables and conferences.

He authored a dozen monographs and books (*Cash and Loans, Balance of Payments Equilibrium, Inflation and Stabilization, Monetary Economics, Banking, Exchange Rates*, etc.), and more than 700 studies and articles of the highest scientific achievement in the national and international publications and journals. Each of his works is impeccably written in the extraordinary style and following the principles of the best international scientific researchers in monetary economics.

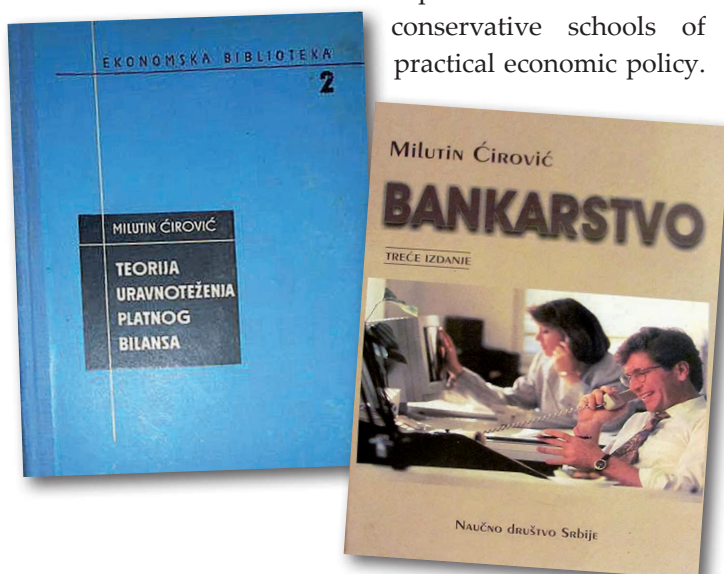
At the same time, he was a socially engaged professor. Even today, it would be useful to read his study (which in the late 1970s he did with the departed Prof. Boro Jelić) on improving the banking system of the Republic of Serbia. He was the soul of the team that in 1980s prepared the convincing but, due to different and controversial political reasons, unrealized Program of Economic Stabilization of Yugoslavia. Later, in the second half of the 1980s, with the also departed Prof. Ivo Perišin, he was the key figure in the Federal Council for Economic Development and Economic Policy. In the early 1990s, as President of the Economic Council of the Federal Government, he made a significant contribution to the Program for Fighting Hyperinflation, and then to the programming of the financial and banking system consolidation in the FRY. In two terms as President of the Professional and Scientific Council of Vojvodjanska Banka, he directly contributed to this corporate banking firm growing into a successful and modern European bank. In addition, extremely notable contributions of Prof. Ćirović were those in editing several economic encyclopedic editions and collections of scientific papers in monetary economics, as well as his work in the editorial boards of national and international journals. He was always

full of exciting ideas for the organization of educational seminars and business conferences in the country and abroad, especially within the Association of Banks of Yugoslavia and Serbia, and within the UN European Center for Peace and Development. Also highly valued are his contributions to the Scientific Society of Economists of Yugoslavia and Serbia, and the Academy of Economic Sciences.

Of specific international value were his engagements and proposals for improving the international financial system of underdeveloped countries. Equally important were his concepts for the improvement of mutual financial cooperation in developing countries. Even today, Professor Ćirović's concepts for solving these complex international problems remain current. His efforts and analyses are highly valued and appreciated in professional and scientific circles throughout the world, and especially at international conferences, panels and roundtables of the IBRD and MMF, IOSCO, and in the context of the regionally intensive activities of the UN European Center for Peace and Development, based in Belgrade.

His professional and scientific interests and research substantially "cover" all three key segments of monetary economics.

First, there are the aspects of strategic monetary theory. He adequately and critically analyzes the basics of classical monetary theory, starting from Say's law and the quantitative theory of money, through monetarists and neoclassicists, then the Keynesian framework, and the implications of the theory of rational expectations and other conservative schools of practical economic policy.



Drugi blok naučnog interesovanja i analize profesora Ćirovića, predstavlja izuzetno razučenu principijelnu matricu o savremenom novcu, bankarstvu i finansijskim tržištima. Tu je, prije svega, široko poznata koncepcija "Ćirovićeve Monetarne ekonomije", koja pokreće svježe ideje i budi najbolje društvene i profesionalne interese za spoznavanje funkcija novca i kredita, te za racionalno funkcionisanje bankarskog sistema i finansijskih tržišta. Posebno analitički provokativna i uzbudljiva iskustva su: o novčanoj masi i likvidnosti makroekonomije, o platno-bilansnim neravnotežama, o finansijskim instrumentima i finansijskim tržištima, o bankama i drugima finansijskim posrednicima (depozitnim institucijama), o kamatnim stopama, o centralnom bankarstvu, o tražnji novca, o inflaciji i dezinflaciji... Uz sve to, filozofija monetarne ekonomije profesora Ćirovića iskreno i brižno analizira aktuelna otvorena pitanja u funkcionisanju instrumenata monetarne politike u zemljama u razvoju i tranziciji, te traži mostove za uvođenje i prekompoziciju "tržišnih instrumenata monetarne politike u malim i otvorenim ekonomijama".

U trećem bloku svog bogatog naučnog djela, profesor Ćirović se bavi analizom "situacije" monetarne ekonomije, ili bliže, tržišno orijentisane i stabilizacione monetarne politike u malim i otvorenim ekonomijama zemalja u razvoju. U tom kompleksnom projektu, posebno su zapažene njegove studije o međunarodnom monetarnom sistemu, i o mogućim smjernicama za međunarodnu koordinaciju monetarnih i finansijskih politika. Njegove analize i smjernice u ovoj projekciji visoko su vrednovane i

uvažavane u regionalnoj i u međunarodnoj ekonomskoj literaturi i stručnoj i naučnoj javnosti. Zapravo, trajne su vrijednosti njegove analize i predlozi o ulozi i značaju instrumenata i mehanizama upotrebe novca i kredita u zemljama u razvoju i tranziciji. Isto tako, prodorne su njegove projekcije o međunarodnom monetarnom sistemu, te posebno kritike ponašanja međunarodnih i regionalnih finansijskih i kreditnih institucija u konceptima koji su bitni za pozitivan razvoj međunarodnog sistema finansiranja zemalja u razvoju.

U strateškom naučnom opusu Prof. Ćirovića, posebno se, zbog originalnosti (i serioznosti) naučnog tretmana, izdvaja studija - monografija Devizni kursevi. U ovoj kultnoj studiji autor, u suštini, analizira dejstvo konsideracija nominalnog dohotka i deviznog kursa kao instrumenata stabilizacione politike u zemljama sa otvorenom privredom. Cilj je jasan, da se pomoću modela jedne male otvorene privrede, i u uslovima opšte ravnoteže, ispita kako poremećaji odnosa razmjene, djeluju na devizni kurs i trgovinski bilans. Pored toga, ovdje se, na jedinstven i originalan način, predstavljaju struktura i izgledi za pozitivan razvoj sistema deviznih kurseva u vremenima regionalnih i svjetskih finansijskih kriza i vratolomija. Analiziraju se sistemi deviznih kurseva, počev od Bretonvudskih fiksnih kurseva, zatim fleksibilni kursevi i u okviru toga i Fridmanov koncept, te opcije režima deviznog kursa s posebnom analizom konvencionalnog fiksnog kursa. Ubedljive su i koncepcija o formiranju deviznih kurseva (pariteti kupovnih snaga, pariteti kamatnih stopa), te monetarna i

portfolio analiza u funkciji prognoziranja deviznih kurseva. Profesor Ćirović se usredsređuje na modeliranje politika deviznog kursa i "projektovanje politike deviznog kursa u tranzicionim zemljama". Zapravo, studija razmatra p r o b l e m a t i k u određivanja deviznih



At this level of analysis, he is the first among the economists in the second half of the twentieth century, to have reached the important conclusion: "success" of a monetary theory must be examined through the answers it gives to the questions about the interdependence of the role and definition of money, creation and demand for money, the process of balancing the disturbed monetary equilibrium and the impact of this process on prices, production, balance of payments and economic policy. Therefore, a good monetary theory is the one which can be checked based on the functional connection of the relevant monetary mechanisms and instruments in the entirety of an economic and financial system.

The second block of scientific research and analysis performed by Professor Ćirović is an extremely diffused principal matrix of modern money, banking and financial markets. There is, first of all, the widely known concept of "Ćirović's monetary economics", which launches fresh ideas and awakens the best social and professional interests in learning about the functions of money and loans, and in enabling the rational functioning of the banking system and financial markets. Particularly provocative and exciting experiences in analytical terms are the ones concerning: the money supply and liquidity of macroeconomics, the balance of payments imbalances, the financial instruments and financial markets, the banks and other financial intermediaries (depository institutions), interest rates, central banking, money demand, inflation and deflation, etc. Furthermore, the philosophy of monetary economics of Professor Ćirović sincerely and carefully analyzes the current open issues in the functioning of monetary policy instruments in developing countries and transition economies and seeks the bridges for the introduction and re-composition of "market-based instruments of monetary policy small and open economies".

In the third block of his rich scientific work, Professor Ćirović deals with the "situation" analysis of monetary economics, or more precisely, of the market-oriented and stabilization monetary policy in small open economies of the developing countries. In this complex project, especially remarkable were his studies on the international monetary system

and on possible guidelines for international coordination of monetary and financial policies. His analyses and guidance in this projection are highly valued and esteemed in the regional and the international economic literature and professional and scientific circles. In fact, there is a lasting value of his analyses and proposals regarding the role and importance of instruments and mechanisms for the usage of money and loans in developing countries and transition economies. Likewise, his projections about the international monetary system are penetrating, and especially his criticism of the conduct of international and regional financial and credit institutions in the concepts that are essential for a positive development of the international system of financing the developing countries.

Standing out in the strategic scientific opus of Prof. Ćirović, due to its originality (and seriousness) of scientific treatment, is the study, i.e. the monograph *Foreign Exchange Rates*. In this remarkable study the author, in essence, analyzes the effect of considerations of nominal income and exchange rate as an instrument of stabilization policy in countries with open economies. The goal is clear - to use a model of a small open economy, and in the circumstances of general equilibrium, investigate how the disturbances in exchange relations affect the exchange rate and the trade balance. In addition, this study, in a unique and original way, represents the structure and prospects for a positive development of the exchange rate system in the times of regional and global financial crisis and turbulences. It analyzes the exchange rate systems, starting from the Bretton Woods fixed exchange rates, followed by the flexible exchange rates and within them the Friedman's concept, and the options of the exchange rate regime with a special analysis of the conventional fixed exchange rate. Also convincing is the concept about the formation of foreign exchange rates (purchasing power parity, interest rate parity), and monetary and portfolio analysis in the function of exchange rates forecasting. Professor Ćirović focuses on modeling the exchange rate policy and "designing the exchange rate policy in transition countries". In fact, the study deals with the issue of determining exchange rates

kurseva i efikasnosti deviznih tržišta, kao i različite sisteme deviznog kursa i njihove implikacije u pogledu stabilnosti. Pri tome, glavni akcenat je na implikacijama u pogledu politike, i to ne samo u užem smislu posebnih ciljeva deviznog kursa ili preferiranih režima, već i u širim oblastima monetarne i fiskalne politike, optimalnih valutnih područja i koordinacije međunarodne politike uopšte. Najzad, dosledno svom osnovnom istraživačkom stavu, autor analizira bitna pitanja za zemlje u razvoju - pitanja valutne supstitucije i valutne konvertibilnosti. A zatim, studirajući devizne kurseve kao kontroverzne monetarne fenomene, on neće previdjeti da na seriozan način analizira problematiku valutnih kriza. I zaključiti, kako je neophodno konstituisanje odbrambenih mehanizama na globalnom nivou, odnosno stvaranje nove razumne "međunarodne finansijske arhitekture" i međunarodnih finansijskih standarda za borbu protiv sve učestalijih međunarodnih valutnih kriza.

Kritički je analizirao postkejnzijske konzervativne škole: monetarizam, ekonomiju ponude, teoriju racionalnih očekivanja, i dr., te konstatovao da one nijesu uspjele da steknu preovlađujući uticaj na nacionalne ekonomske politike razvijenih kapitalističkih zemalja. To je pojačalo interes za Kejnsovima shvatanjima monetarne ekonomije, tj. za lakšim razumijevanjem aktuelnih konsideracija međunarodnih monetarnih problema i

finansijskih kriza u savremenom svijetu. Inspirisan tim izazovom, prof. Čirović je napisao sjajnu studiju "Scenario postkejnzijske teorije" koju je saopštio na Naučnom skupu NDJ - "Kejnzi i savremena ekonomija" (povodom 60. godišnjice Kejnzove Opšte teorije i 50. godišnjice njegove smrti). Tu se dobro prepoznaju problemi razvoja svjetske privrede i međunarodnog finansijskog i monetarnog sistema, odnosno "neorganizovani" naponi i težnje zemalja u razvoju da se izade iz dubokih ekonomskih kriza, nezaposlenosti, negativnih trendova na području rasta i razvoja, te preovladajućeg siromaštva u zemljama u razvoju, tj. siromaštva najvećeg dijela populacije u svijetu.

Imao je prof. Čirović i dvije zanimljive osobine. Bio je čelično čvrst u svojim stavovima, ali i besprekorno tolerantan kada je riječ o mišljenju drugih. Bila je to neka vrsta njegovog specifičnog vođenja akademskog dijaloga sa ljudima i s problemima. Ili je to bio stav da se svima prizna sloboda na sopstveno mišljenje. Pri tome, imao je uvijek hladnu glavu. A to je, u nas, uvijek bilo oskudno dobro.

Evidentni su i nesporni doprinosi koje je prof. Čirović dao monetarnoj ekonomiji uopšte, a posebno monetarnoj ekonomiji zemalja u razvoju i tranziciji. Nije pripadao ni esnafskim klanovima ni međunarodnim poslovnim lobijima. Dobio je brojna priznanja, ali ne i ona koja je svojim naučnim djelom zaslužio. On time nije ništa izgubio. Ali Srpska akademija nauka i umjetnosti, zaista jeste.

and efficiency of foreign exchange markets, as well as the different exchange rate systems and their implications in terms of stability. At the same time, the main focus is on the implications of the policy, not only in the narrow sense of the specific objectives of the exchange rate or preferred regimes, but also in wider areas of monetary and fiscal policy, optimal currency areas and coordination of international politics in general. Finally, consistent with his basic research attitude, the author analyzes the issues important for developing countries, i.e. the issues of currency substitution and currency convertibility. Then, studying the exchange rates as controversial monetary phenomena, he will not overlook the serious examination of currency crises. And conclude that it is necessary to constitute defensive mechanisms at the global level, namely to create a new reasonable "international financial architecture" and international financial standards to combat the increasingly frequent international currency crises.

Prof. Ćirović critically analyzed the post-Keynesian conservative schools: monetarism, supply economics, theory of rational expectations, etc., and noted that they have failed to gain a dominating influence on the national economic policies of the developed capitalist countries. It reinforced his interest in Keynes' understanding of monetary economics, i.e. in the easier understanding of the current considerations of international monetary issues and financial crises in the modern world. Inspired by this challenge, Prof.

Ćirović wrote a brilliant study "Scenario of the Post-Keynesian Theory", which he presented at the NDJ Conference - "Keynes and the Modern Economy" (on the occasion of the 60th anniversary of Keynes' general theory, and the 50th anniversary of his death). There are well-recognized problems of development of the world economy and international financial and monetary system, i.e. the "disorganized" efforts and aspirations of developing countries to emerge from the deep economic crises, unemployment, negative trends in the area of growth and development, and the prevailing poverty in developing countries, i.e. the poverty of the majority of the world population.

Prof. Ćirović had two interesting features. He was unwaveringly firm in his views, but also endlessly tolerant when it came to the opinions of others. It was some sort of a specific academic dialogue that he led both with people and with problems. Or maybe it was his attitude that everyone should be granted freedom to their own opinion. Furthermore, he always stayed calm. And that, among the Serbian people, has always been a rare thing.

Evident and undisputed are the contributions by Prof. Ćirović to the monetary economics in general, and especially monetary economics of developing countries and transition economies. He never belonged to either clans or international business lobbies. He received numerous awards, yet not the ones he truly deserved by his scientific work. It was not his loss. But it certainly was of the Serbian Academy of Sciences and Arts.