From Rags to Riches: A Fairy Tale or Living Ethos? Stories of Polish Entrepreneurship during and after the Transformation of 1989

Małgorzata Ciesielska

Prologue

The American dream is ‘an ideal of a happy and successful life to which all may aspire’ (The American Heritage Dictionary, 2007). Adams (1931, quoted in Cullen, 2003, p. 4) wrote that the ‘American dream is better, richer, and happier life for all our citizens of every rank’. A powerful symbol and continuous feature of the American life is an ‘active, individual, self-sufficient, competitive, tough ... and poor (at least at the beginning) entrepreneur’ (Bellah et al., 1985/1996). The self-made man is a role model of a person that is independent, entrepreneurial and hard working. It can be personified both by biographies of industrialists and successful managers. The best-known examples of self-made men that actually went from rags to riches within a single lifetime are: Benjamin Franklin – an early capitalist and statesman (Meyer, 1941/1955) – and John D. Rockefeller – a ‘robber baron’ (Josephson, 1934). Those two Americans are icons of the American dream, a proof that hard-working people can elevate their social status and become rich.

The breakthrough of 1989 began a new political era in Poland. It was also a trigger for social and economic changes. As Kociatkiewicz and Kostera (2002, pp. 217–18) describe:

We were facing the impossible – the immortal institutions imprisoning individual initiative and belief have died before our eyes. Together with the rest of reality, the world of enterprises changed as well – lots of new private companies, small and large ones, appeared, the big state-owned enterprises were privatized, divided or significantly changed
their role; the planned economy was replaced by the free market; many people’s jobs were dramatically transformed, administrative cadre [kadra kierownicza] became managers [menedzerowie].

The early 1990s exist in my memories (of an 11-year-old girl) as the period when open-air markets started to bloom and blue jeans from Turkey flooded the market. Due to the lack of intellectual property rights, semi-illegally copied video and audio tapes were widely available. The graduates of New Management and Economics got a golden ticket to their careers in multinational corporations which were desperately seeking employees. Finally, it was a time when small and medium businesses started to grow like mushrooms after rain. It seemed that anyone could take his/her chances. My mother planned to open a bakery and my father thought about establishing a transport company. They are far from the risky businesses that are found nowadays. In the new millennium, making business seems to be much harder than in ’89 when many Poles took practical lessons in market economy.

Grzeszczyk (2003) argues that in the 1990s the image of the American self-made man was promoted by Polish media, training companies, book-guides, big corporations and became ‘an imperative of the current époque’ (Grzeszczyk, 2003, p. 158). The ethos from rags to riches seemed to inspire many Poles who, at the beginning of the transformation processes in 1989, decided to start their own businesses. Having worked only in state-owned companies and with no experience of or knowledge about market mechanisms, they tried to make their dream come true. Apparently without the awareness of dangers, ‘everything was much easier’ [Jąnek]¹ – and one could take or reject the opportunity. Many did fail, but others succeeded. In 1990 there was no training or study programme for owners of SMEs. The entrepreneurs based their decisions on intuition, imagination and luck.

As the transformation was in progress, Western advisors came to Poland to sell their knowledge. At first, managers of newly privatized or state-owned enterprises, as the only large companies in the market, were the focus. But even then, training was of rather poor quality (Kostera, 1995a) as the consultants showed no understanding of cultural context and semantic problems (Jankowicz, 1994, 1999). The interest in Polish state-owned enterprises and their managers resulted in some studies of the period of transformation or Western influences after 1989 (see, for example, Dobosz and Jankowicz, 2002; Kostera, 1995b; 1996; 2003; Kostera and Wicha, 1995; 1996). The beginning of the 1990s was also a time when people started to build their fortunes, totally on