The basic premise of free markets—that both sides of a business transaction must benefit—has been grossly violated. The gain of one side has been extracted as the loss to the other side: the economy has become zero-sum game without added value. But an unregulated market is not free because it allows one side to be cheated, deceived, misled, misinformed and lied to. While we protect the consumers against toxic food, we fail to protect them against toxic mortgages. Markets, in order to be and remain free, must be regulated, that is, protected against predatory practices of modern exploiters of freedom.

There is a fundamental difference between market regulation, which protects fair and legal benefits to both sides, and market intervention, which increases the benefit of one side at the cost or loss to the other side. Poorly regulated markets allow for excessive government and business intervention, ultimately to the detriment of all—bringing forth a crisis. During the crises, upheavals and technological revolutions, we do not look only for innovation, but for new ways of doing things and for doing new things. The process of innovation is continuous and should be a part of the every-day business process. However, quantitative continuous changes are not sufficient at times of crisis: qualitative and discontinuous change is called for. If we had continually improved the horse carriage, we could never have stumbled upon the automobile. What we need are new business models, new paradigms, and new ways of thinking. In addition to innovation we also need iconoclasm and iconoclasts.

Most of us are content with doing the same thing over and over again; the innovators among us strive to do things better and better, or, at best, to do things differently. Iconoclasts are willing and able to do different things.

The term iconoclast is now applied to any person who breaks or disdains established dogmas or conventions: the slayer of sacred cows, the destroyer of paradigms. The Ten Commandments explicitly forbid the making and worshipping of “graven images.” Information is the “graven image” of knowledge—it is time to move from information to knowledge.

The time of crisis is also the time for attacking cherished beliefs, dogmas and “golden calves” in finance, business and economics—replacing them with new beliefs, new concepts and new paradigms. Many good entrepreneurs must be iconoclasts. They have learned to think creatively, to dream new products and services, new business models, new ways of treating customers.

To become creative, self-confident and fearless about one’s ideas and actions, one has to learn and develop new neural connections to break out of the cycle of past experience, outdated categorizations and inherent laziness of mind. Long accumulated experience is, by definition, also a depository of frozen images, hard-wired habits and useless information. The unlearning of the useless, irrelevant and the falsely “sacred” stands at the core of the real education. One has to learn how to “experience” the future.

Human neural system, the network of its connections and pathways, becomes hard-wired with age and experience and its reprogramming grows progressively more difficult. Human perception, imagination, judgment and decision making cannot be re-wired unless we expose ourselves to new stimuli, new experiences and new actions. Only then we can rewrite our neural networks and see things that we could not see before. We need a novel,
unfamiliar or "strange" thought, environment, encounter, piece of information or experience to jolt and awake our attention system in new directions.

We now need iconoclasts to help us to break out of rigid habitual domains and learn how to thrive in a changing world, how to function in unfamiliar environments, how to change ourselves. Otherwise our own crisis will come one day, the last one—and we will not be able to adjust anymore. That's when we stop confronting new environments and start carrying our familiar environment with us, wherever we go. That's when we will start living in our own portable surroundings and stop experiencing the environments of others. That's when we stop learning and start becoming dead.

Preserving the past
Iconophiles are the very opposite of iconoclasts. They “lead back,” argue for preserving the old icons and golden calves, professing the old, tired and irrelevant, pulling for a strong provider and father figure, self-defeating and unsustainable behavior.

Preserving the past serving the old icons and golden calves, preserving in our own portable surroundings and start living in our own portable surroundings. They “lead back,” argue for preserving the icons and images of the old, Klaus offers return and retrenchment, the embracement and idolatry of discarded refuse. This would be an inconsequential and mildly amusing stance for nostalgic individuals, but not for people in positions of power.

No nation, no matter how small, uniformed or isolated should suffer such a hopeless pullback toward Russian nationalism, autocracy and samoderzhavhi, or the Soviet-style imperialism, socialism and murderous xenophobia. It does not matter which one—the world becomes poorer and more dangerous either way.

It is hardly surprising that Klaus has become ignorant by America, isolated in Europe and so welcome and embraceable at Putin’s “dacha”—his imperial Russia. No wonder, that Putin has “rescued” Klaus from his isolation and awarded him the Pushkin Medal for the promotion of Russian culture in 1997. Klaus has remained loyal ever since, distancing himself from Europe and America while defending Russia over the war in South Ossetia and her violation of the sovereignty of Georgia. This is quite reminiscent of Czechoslovak President Edvard Beneš’s “rescue” by Soviet leader Joseph Stalin after World War II. Klaus is becoming like Beneš.

Most Czechs, unfortunately, follow faithfully in tow: procrastinating endlessly on the Treaty of Lisbon, although a part of European Union; vacillating on anti-terrorism and American-led missile defense and opposition to Europe and America; playing Russian notes more loudly than the European or Czech ones? Why is he pushing a vision of Europe as a loose alliance of helpless, defenseless and NATO-less nations that would be easy pickings for imperial Russia? We do not know. Do we want to learn his true motives too late? The weakening of Czech sovereignty vis-à-vis Russia is already quite obvious. The one group that supports Klaus’ anti-European activities with joyous glee is the communists.

Fortunately, Czechs have the last-resort access to Article 65, paragraph 2, of their Constitution: The president of the republic may be impeached by the Senate for high treason at the Constitutional Court. The penalty may be loss of his presidential office and of his eligibility to regain it.

Klaus exhibits a dangerous tendency to make political capital out of “good” situation instead of truly winning people over being against things. Klaus has become a globally prominent voice of skepticism about what he calls global-warming “alarmism.” Also, his dissenting views on just about everything, ranging from modern architecture, computers, the Internet, knowledge, trust, Putinism, Russia, Kosovo, Transnistria, Georgia, America and of course climate change, have become well known.

In Czech economic folklore, Klaus distinguished himself by such assertions that there is no dirty money, it does not matter which one—the world becomes poorer and more dangerous either way.

Playing the odds
Klaus is not only iconophile, he is also a contrarian. A contrarian is someone who strives to profit by investing in a manner that habitually differs from the majority view, betting that the consensus opinion turns out to be wrong. Klaus is a contrarian par excellence. He has to oppose every view, even his own, as soon as it becomes accepted by majority or espoused as conventional wisdom. The “Contrarian of Prague” is a correct label for a leader who leads back and against, not forward and for something. His opposition to the EU is self-serving contrarian pose, without offering an alternative, like Beneš waiting for his Stalin.

A contrarian cannot help himself from
to a principled position or improving their political understanding. People do not interest them, except in opportune contexts: then he exploits them, as the means toward his own goals, without compassion, concern or appreciation.

So, the Iconophile, the Contrarian and the Opportunist of Prague, is occupying the Castle, the ancient seat of Bohemian kings, the very icon of Czech statehood, diplomacy and politics, squandering Czech sovereignty from the values the West toward the "protection" from the East. He certainly is not an iconoclast, progressive or visionary like the great historical ancestors and leaders before the post-communist attribtapes and political hoaxes took over the Czech lands.

It is not surprising that, like Václav Havel before him, Klaus was elected twice by Communists and Communist fellow-travelers. It is not surprising that Communist presidential candidate Jana Bobošíková (aka "Bobo the Red"), together with the convicted felon Vladimír Zelezny, both members of European Parliament for the Czech Republic, have nominated Klaus for the European Citizens' Prize, in the best traditions of Czech contrarianism, provocation and misdirected Svejkism. Take the slogan "Evropé ooslámíme" of the Czech EU presidency, an untranslatable double entendre that cannot be comprehended by Europeans. Literally, "We'll sweeten it up to Europe" can be interpreted as showing Europe their middle finger… Go figure.

The need for iconoclasts

Yet, even in the Czech Republic, we need to cherish iconoclasts because they represent the last hope in this mercilessly changing world. We should cherish and listen to this very small and increasingly rarefied group of those among us who are able to do things that others say can’t be done. Iconoclasts perceive things differently from the masses: they see a different reality or imagine different worlds and march to a different drummer. They generate new ideas better than others; they better manage their fears; they pitch their ideas to the masses more effectively. They differ from us in perception, fear response, and social intelligence.

One of the powerful inhibitors of action is fear and the varied response people have to stress. World War II era U.S. President Franklin Delano Roosevelt said: "The only thing we have to fear is fear itself"—which is especially true today, when fears translate into stress, stress into panic and panic into mass-produced mass-produced geniuses, house buyers, brokers, financiers, fund managers and politicians all over the world have listened to the majority and disregarded the minority. Mass suicides are apparently not limited to hordes oflemmings or denizens of religious Jonestowns. If all others do it, why shouldn’t we do it too? What a childish value we choose to live our lives by, what a degradation of rational thought, judgment and decision making. All our historical experience shows that the mass-produced majority is seldom right and quite often is disastrously wrong. Any new idea, at its starting, is in the minority of one.

An iconoclast is like an eagle who defies the rules, but given the opportunity, can be an asset to any organization because of his courage and skill to be creative and innovative despite adversity. "A person can have the greatest idea in the world—completely different and novel—but if that person can’t convince enough other people, it doesn’t matter," Gregory Berns said in his 2008 book "Iconoclast: A Neuroscientist Reveals How to Think Differently.

The key to curing any disease or malaise surely is disentanglement of overt symptoms from covert causes. Once the causes become clear, the cure turns out to be self-evident. The EU is not as big a danger as the former Soviet Union. Even the Czechs can and will snap out of the doldrums, indecisiveness and unbelonging in their existence—once they identify the causes of their iconophilic lives, suffering too many geese, cherishing too few eagles…then the Czechs shall jamp off their comfortable wall in the middle, stop ogling both sides with hopeful eyes and outstretched palms, and come down to the ground of reality, choosing their side, once and for all, like so many small and successful nations before them. Let’s hope Czechs will choose the right side. It’s about time. ■

Milan Zelezný is a professor of management systems at Fordham University’s Graduate School of Business Administration in New York City and a professor of corporate economics and management at the Tomáš Bata University in Zlín.