

# The More Important One: Ideas or Money

By the Case of Magnitogorsk State Conservatory

Alexander Yakoupov

Russian State Specialized Academy of Arts

Moscow, Russia

E-mail: rgsai@mail.ru

This is not us, who hold an idea; instead, an idea holds us and chases us to an arena, so that as captives-gladicators, we would fight for it.

Heinrich Heine

**Abstract**—The article deals with the problems of money and ideas. It states how greatly a manager's work is facilitated if he switches from finding funds to understanding the idea, and the more attractive the idea is, the faster it is to find the money. The author focuses on the value of an idea to the society. The paper also provides an example of Magnitogorsk State Conservatory and describes the way they solved the problem of infrastructure premises due to an idea rather than money.

**Keywords**—*attractive ideas; finance; problem solving; prohibiting; local and federal property; social infrastructure society*

## I. INTRODUCTION

Some people tend to believe that money is omnipresent, while others are convinced that ideas are what rules the modern world. Money is secondary and it comes when there are positive intentions. In history, there have been numerous cases when a person having no funds put their plans into action and realized great projects. What is meant is not enrichment directly. It is important to understand that to do undertaking means work for people, for the sake of people and on behalf of people. It is sufficient to recall outstanding Russian musicians Anton and Nikolai Rubinstein, who became founders of St. Petersburg and Moscow conservatories and glorified Russian musical culture; or the patrons of arts Morozovs, Mamontovs, Demidovs — they all started from scratch, had simple lifestyle but left behind a significant cultural heritage.

Most of businesspeople do not even hide the fact that their major focus is their own enrichment; that is why for the reason of ideas uniformity competition is huge. In terms of working for people's sake, possible activities are unlimited and competitors are very few. The importance of having ideas and working for people can be illustrated by the way the problem of housing provision for students of the Magnitogorsk State Conservatory was solved.

## II. THE CASE OF MAGNITOGORSK STATE CONSERVATORY

For many years, the students of Magnitogorsk music high school, later college and then conservatory were in need for a decent dormitory. Unfortunately, the only possible way to live for most of the students was renting private apartments, which was expensive and not always safe.

In early 90-s the pro-rector on social-domestic issues A.V. Vradny charged examining the situation with empty dormitories in the town, which were registered on a balance of vocational-technical music high schools (VTS). The former system of professional-technical education as a social institute was falling to pieces at that time. The youth was not interested enough in education; they were lured by business and making fast profit. About 20 music high schools functioned in Magnitogorsk, which was too much for a town with the population of half a million people. They possessed a solid material and technical base and facilities, had several dormitory buildings to accommodate students from nearby towns and rural area. Supposedly, there existed some reserves. There was one more encouraging circumstance: institutions of the system of vocational-technical education, including Magnitogorsk music high school, were under subordination of the regional centre. That is why it was possible to rely on a casting by real estate units inside the Federation constituent territory property complex without extraneous formal procedures.

As it was found out, at a number of educational institutions (VTS No. 13, 41, 97 and 90), the dormitory buildings were vacant. A big empty three-stored dormitory building of VTS No. 90 built in 30-s was quite a good one.

This building maintenance was above this director's power: security, upkeep, providing required expenditure. Selling it was not allowed by the law: the property belonged to the state, so the director laughed and signed the transfer deal. In Chelyabinsk, it turned out to be not hard to obtain a resolution of the regional executive committee about passing over the dormitory building onto the balance of Magnitogorsk music high school.

The old weather-beaten dormitory building was situated in the industrial zone of the town. Several months were spent furnishing and redecorating it. Nevertheless, soon, students started complaining about their health decline. It was not surprising, as it was in the immediate vicinity of the giant metallurgical complex with various harmful substances emission, including benzopyrene.

While the authorities of Magnitogorsk music high school were looking for exchange options, the director of Magnitogorsk metallurgical complex proposed buying a sanatorium located in an environment-friendly clean locality with two huge buildings, forest, garages, vegetable store. The proposal was motivated by a desire to help the conservatory creation and threw off the objects of the social sphere, expensive in terms of their maintenance.

The author, representing Magnitogorsk music high school authorities, and the plant director came to agreement at the price of one billion roubles; however, there was no money to spare on the account of Magnitogorsk music high school. Then the complex director proposed buying the sanatorium by clearing off taxes. Therefore, the only question was where to find one billion roubles. Soon, they got to know that according to the program on providing budget-workers with residence, the local administration had an intention to buy a building for police and medical workers; and proposed to sell Magnitogorsk music high school dormitory building – and also by clearing off taxes. After the inspection of the building, it was said to be a bargain and the agreement was reached.

Let us focus on bargain sense. The music high school (college) took a building onto its balance by registering and the old building about 4, 000 square meters belonged to the region. Then the school sold it to the town, so it became a local property. Magnitogorsk metallurgical complex, as the state-owned enterprise sold its new sanatorium, a group of buildings about 8, 000 square meters, to the regional music high school (college), which settled its accounts with the plant by funds realized from a bargain with the town in the form of tax exemption (cross-cancellation of debts). Thus, the federal real estate passed into the ownership of the constituent territory of the federation (Chelyabinsk region).

At that time, the old legislation was not binding, while a new one has not been developed yet; that is why, a common approach was to do whatever was not forbidden. Therefore, the transaction was registered and the documents were forwarded to Moscow. The State Duma adopted the resolution on fixing the real estate units in the regional (of constituent territory of the federation) and the local property. The Regional Duma confirmed this separation; and the buildings group was registered as a student quarter for an operative management.

After transaction registration, the regional committee on state possessions started examining the documents. One old building was sold and instead was bought the whole group of buildings, 8, 000 square meters and in much better state. However, the officials were wary of a punishment for their oversight in the conduct of such an unusual transaction.

Yet, though acknowledging the author's entrepreneurial spirit for complying with legal norms, the committee demanded his punishing and he got a reprimand. The punishment could have been more severe, if it had not been for three circumstances. Firstly, the transaction was moneyless; secondly, in financial sense, it was impeccable; and thirdly, the regional property was replenished by a valuable real estate.

Today, Magnitogorsk State Conservatory is the proprietor of rather a fortune: firstly, at the higher educational institution, the real student quarter located in the environmentally safe district of the town; secondly, the conservatory became an owner of spare land plots; thirdly, it obtained new buildings; the last but not the least, the dreams about a development prospect came true. In addition, there was one more, moral but not less important factor: students and teachers' gratitude, as they have lived in decent conditions since then. Except for the buildings, all the equipment of the preventorium was passed over to the conservatory.

### III. CONCLUSION

In the context of the above said the following conclusions could be drawn:

- It is useless to claim incessantly that legislation is not perfect. Whatever is the law, it requires complying. What is more, being aware of laws and able to resort to them when necessary makes a person more independent.
- A person should not be tempted by money only; they need to carry out their mission for the sake of people. If ideas set forward have a large public significance, they will be supported.
- Networking is vital, as influential contacts can help to solve many of the problems.
- If an intention is noble, one does not need to be afraid of punishment.
- Good ideas can be more beneficial than money.

### REFERENCES

- [1] Cameron, Kim S., Quinn, Robert E. Diagnosing and Changing Organizational Culture, Addison-Wesley, 2001
- [2] Mintzberg, H., Ahlstrand, B., Lampel, J. Strategy Safari, Prentice Hall, 2001
- [3] Mintzberg, H. Structure in Five, Prentice/Hall International, Inc., 2002
- [4] Zub, A.T. Strategic Management. Theory and Practice. Aspect Press, M., 2002
- [5] Tulchinsky, G.L., Shekova, E.L. Cultural Management: Textbook, Lan, 2013