

LEANING INTO THE WIND

ETHICS IN AN IMPERFECT WORLD

October 29/30

BUILDING THE NATION

Vilnius

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At the end of the Soviet era a young business man in Russia told me that he could not get past breakfast without breaking some law. How do we live and act in a world that is far from perfect? How do we respond to a political environment that lacks integrity? How do we deal with a business community that says its OK to cheat if you can get away with it? How do we deal with a society that is inherently selfish? How do we respond to structures that do not promote justice or fairness? How do we live in an imperfect world?

I was raised in a Christian family and in a Christian tradition that taught that what you believed should make a difference in your actions and life. Faith was not something for Sunday morning but for the whole week. In a world that puts faith and life in separate compartments, that can be a challenge. I am very far from being perfect, but much of my life has been an effort to find the balance between the ideal and the reality.

I like to use the metaphor of “Leaning into the Wind” as one way of describing the tension between my ethical beliefs and the real world. When sailing a boat you lean in the opposite direction of the sail or you are soon in the water. Many plants grow into the wind as a defense. “Leaning into the Wind”, a metaphor for life, a metaphor about ethics.

Often we cannot live the ideal since it is impractical. However, we always know which way to lean to make the world a little better. I believe it is possible to understand the reality, then act in a manner that moves the agenda toward something better. Sometimes the possible actions are outside the boundaries of what we are prepared to do and in those cases we simply need to withdraw. I would like to share a bit of my life story. Hopefully it demonstrates some of the challenges in my efforts to lean in the right direction.

My parents were both born in Russia. Both families were disenfranchised during the Bolshevik revolution and were in severe danger. My father escaped to Mexico in 1921 and was a shoeshine boy on the streets of Mexico. In 1924 the family moved to Canada. He worked in a grocery store for 14 years but was treated very badly. After marrying my mother he started a small business in his basement that has today become a major enterprise employing over 4000 people.

My mother’s parents did not leave Russia in time and died in Siberia. My mother was a student in Russia in 1929 and was asked to renounce her faith and her family. With two friends she escaped through China. They all became University Professors in America.

Both exemplified a great deal of integrity and courage and have been an example to me. My interest in refugees and charitable work has a great deal to do with gratitude for my better life.

Palliser Furniture has been built on my father's principles of hard work, integrity and honest value. These remain our operating principles. Today we employ 4,700 people in factories in Canada, United States, Mexico and Indonesia.

Like every business today – we face enormous challenges. Canada agreed to Free Trade with America in 1989 and with Mexico in 1995. More recently we face very strong competition from Asia and China in particular. How do you treat your employees fairly in the face of strong external price pressures?

Palliser attempts to deal equitably with its employees but the union movement in Canada would like to organize us since we represent a great deal of income for them. Palliser is the largest private employer in our province and the largest non-union employer. We need to prove every day that we can be more fair in our direct dealings than if the employees were represented by a union.

I have been part of Palliser Furniture for 33 years and President for 16 years. However, business was not my original plan. My goal was to be a diplomat but my activities during College in the United States damaged my security clearance. My involvement in the Civil Rights movement in the American South – I was involved in the famous march from Selma to Montgomery with Martin Luther King - and my position against the Vietnam War were the reasons. As a result I changed careers, went to Harvard Business School and entered the world of business.

My interests in International affairs remained. In 1972 Leona and I went to Bangladesh for two years to assist with rebuilding the country after the civil war of 1971. In 1980 we worked in the jungles of Cambodia to keep refugees alive. In 1982/83 we lived in Somalia where I was a diplomat with the United Nations in charge of refugees during the war between Somalia and Ethiopia. I also worked during the famine in Ethiopia and later in Sudan. We became involved with other projects to provide food during emergencies and develop irrigation technologies for poor countries, Up to 50% of my time was spent on humanitarian projects during those years.

In 1989 I made my first visit to the Soviet Union. A Soviet diplomat in the West had challenged me to become involved. He said –“As a Business person – help us learn how to be entrepreneurs –but as a Christian help us build a moral foundation.” His point was that a market system would eventually come – but it would fail in Russia because a market system is based on a high degree of trust. Without ethics, without a moral foundation, a market system would not work. He understood that in the West most transactions could be done with a handshake and would work – because there was a residue of trust that grew out of the Christian heritage of the West – even if people were no longer religious. He believed that Russia no longer had that heritage of trust and therefore the market system would fail.

As a consequence, we organized 4 Conferences on Business and Ethics in Kiev, Odessa and Moscow in 1990, 1991 and 1992. The condition of the market system in Russia

suggests that we were not successful. We also became involved in the introduction of new farming technologies into Russia and Kazakhstan, printing bibles and many other projects. Among these projects was an English Institute in Panevezys that has grown to become Lithuania Christian College in Klaipeda. The wonderful people of Lithuania have captured our hearts and we are still here! This visit is probably number 30 to either the Soviet Union or Lithuania.

LCC was conceived not only as a College, but a place to build and promote Civil Society in the sense that George Soros describes it. We wished to create a generation that was taught to think, to explore, to ask questions but also to have a sense of responsibility, a foundation of values. We hope that the LCC graduates will be part of the process that will build a more democratic and more ethical society in this country and region. We believe that the understanding of Christianity that teaches that faith and life are integrated is the foundation of that strategy. Students are not required to become Christians at LCC – but we teach them the ethical framework that is inherent in the teaching, life and example of Christ.

These activities have also affected our family in a personal way. Our two daughters were both refugee children in Bangladesh and were adopted as infants. Tara met her future husband in Lithuania in 1990 and was married to Peter in Juadkrante in 1997. Shanti is married to an American, has recently graduated with her Masters Degree from the London School of Economics, lives in London and will make us grandparents in January. We have met hundreds of people as a result of our travels and work. These have become our dear friends and greatly enriched our lives.

It is not always easy to balance running a complex and large business with activities such as LCC or this weekend. I try to resist the temptation that says if I stayed home and worked harder I could be even wealthier. I could also take time and play more golf or go on more vacations. I feel God has blessed Leona and me in very many ways and that creates some responsibility. When I used the expression of “Leaning into the Wind”, that also referred to leaning into the temptation to be even more wealthy or to make leisure my priority. “Leaning into the Wind” is about choices. We can choose to speak against corruption or to be silent. We can choose to pay the correct taxes or find ways to avoid them. We can choose to treat our employees within the law – or to be considerate of their personal needs beyond the law. We can choose to use our resources only on ourselves or to share them with others.

Each of us faces different challenges and opportunities. However each of us knows which is the more ethical or responsible side in any situation. We can choose to be silent, we can choose to take the easy way and let the wind blow us along – or we can take the sometimes more difficult path and lean into the wind.

I hope that our LCC graduates will become known as people of principle – people who in an imperfect world seek to work within the reality and make a difference. Young people who will lean into the wind. Hopefully many of you will join them to create a society that is more just, more open, more generous and more democratic. Those are the same

challenges we face as Canadians. Let us “Lean in to the Wind” and make this a better world.