

# USSR – TRIP REPORT #1

## TRIP TO THE SOVIET UNION

August 9 – 27, 1989

Mission Members: Arthur DeFehr (team leader), Milo Shantz, Arthur Block, Neil Janzen, Johannes Reimer, Harry Giesbrecht

Changing political and economic realities in the Soviet Union, the experience of three Mennonite business people (Art DeFehr, Harry Giesbrecht and Milo Shantz), and the mission of Mennonite Economic Development Associates were key factors in this journey of exploration in August, 1989.

The terms glasnost (openness) and perestroika (restructuring) have become common words in our vocabulary and reflect current changes in the Soviet Union. As to the three business persons, the first, Milo Shantz, entrepreneur from St. Jacobs, Ontario, returned from a trip to the Soviet Union in the fall of 1988 with the word that the time might be ripe for a new form of economic intervention in the Soviet Union by Mennonites in North America. Harry Giesbrecht, a Winnipeg building contractor, was awarded a contract to complete the building of a 300 room hotel in Leningrad in early 1989. Art DeFehr, head of Canada's largest furniture manufacturing firm, initiated discussion in June, 1989 on the possibility of a mission to the Soviet Union to determine the opportunities of assisting the church in the Soviet Union through enterprise development.

An informal group representing business and professional interests as well as church organizations met several times to process the idea of a mission to the USSR further. Neil Janzen, representing Mennonite Economic Development Associates, participated in the consultations held in Winnipeg.

On August 9, 1989, a mission left for the Soviet Union. Participants were Art DeFehr (mission leader), Arthur Block, Milo Shantz, and Neil Janzen. Art's daughter, Tara, also accompanied the group. Johannes Reimer of Logos, Germany, joined the group for most of the mission and provided essential linkages and observations and also translation services. Harry Giesbrecht participated in the mission in Moscow and Leningrad. The group met with church and business representatives in six cities in four republics. Stops in Kiev and Alma Ata were primarily sight seeing in nature – lengthy stop-overs courtesy of airline scheduling

### 1.0 Major Stops and Highlights:

- 1.1. Zaporozhye: Mennonites, primarily from Karaganda and headed by Victor Fast of the Mennonite Brethren Church, had organized a weekend of bicentennial celebrations commemorating the coming of the Mennonites to Chortitza, Ukraine in 1789. Our mission participated in a boat cruise around the island of Chortitza as well as an evening church service where Art DeFehr shared briefly of the purpose of our journey. There were many sermons, reports, songs, and poems in the almost four hour event. On Saturday we (together with 1,500 others), attended the baptism of 51 individuals in the Dnieper River, a significant public testimony observed by many non-church people and a TASS reporter and reported in Moscow News. Because of scheduling difficulties we were unable to participate in the Sunday session attended by 10 – 12,000 people of which only 10% were believers. More than 1,000 persons came forward in response to an invitation to become believers. One report suggested that 200 actually made decisions while many others apparently came forward in response to the opportunity to receive bibles and other Christian literature. An evening was spent with several Baptist couples in a home in Zaporozhye.

- 1.2 Millerovo: This excursion to the town of 30,000 just 250 kms north of Rostov-on-Don had a sentimental motivation. The parents of DeFehr and Janzen and in-laws of Block all lived in this town during the first two decades of the century. The DeFehr flour mill still stands and is operational. We were given a tour of that mill as well as the Dyck feed mill (the ‘American Mill’) and were presented with a history of the first 70 years of the DeFehr plant (1907 – 1977) written from the political perspective of the 70’s. Interesting reading! We were also able to see the former home of the DeFehr family, identify the (still operating) site of the Martens, Dyck, DeFehr machinery plant as well as an oil press, see the former Mennonite/Lutheran church (now a factory), and the site of the cemetery, now overbuilt with housing.
- An elderly lady (77 years old), apparently hearing of our presence, pursued us and recalled the names of DeFehr and Dyck from her youth. It was she who led us to the cemetery site and eventually, by way of several other persons, we met a former Mennonite, Helen Hildebrand (maiden name), still living in Millerovo who, with her parents, came to this town in 1934.
- 1.3 Rostov: The major connection here, other than being enroute to Millerovo, was with representatives of the Donskoy Agricultural Institute. That visit provided the opportunity to assess institutional needs and agricultural opportunity. Dr. N. K. Mikhaylov and staff were most interested in connections to counterpart institutions in the West.
- 1.4 Frunze: Here we began to feel the impact of emigration. The Neu Bergthal congregation had nearly 1,000 members two years ago but 445 have left during this time. The Frunze choir was once 100 members strong but was now 30 with 15 more schedules to leave shortly. We also encountered the Mennonite/Baptist dynamic, visited Luxemburg (Volga German settlement) and Neu Bergthal church, cooperative enterprises and an agricultural collective. We felt the disappointment of members who feel deserted by their leaders and fellow-members but also the desire of younger (and some older) persons ready to stay and work enthusiastically in the new environment. We encountered the language/culture issue (German/Russian). A visit to an agricultural kolkhoz and several cooperatives (read private enterprise) gave us a first glimpse of the old and new economic opportunities. In addition we were able to spend a morning with Nikolai N. Sizov, District Superintendent of the Evangelical Baptist Church. He proved to be very much in favour of the cooperative movement as an endeavor for Christian involvement.
- 1.5 Karaganda: Being here on a Sunday provided opportunity to attend two church services - Mennonite Brethren and Evangelical Baptist. In both we were able to give reports on our mission which led to an open forum in the evening with representatives of the two congregations as well as the Kirchliche Gemeinde (general conference of Mennonites). Here, too, we visited a small flourishing (12 member, R1.0 million in orders) cooperative and a large (800 staff) engineering institute in which the computer programming section is headed by a young Mennonite, Victor Fast. The computer division acts as a consultant to local industry including a furniture factory and opened up the opportunity for joint ventures and exchange visits for training.
- 1.6 Moscow: The importance of Moscow as a reference point for the nation soon became obvious. Contacts with the Canadian and West German embassies were very helpful. Harry Giesbrecht’s Seabeco Group Inc. connection provided a glimpse into joint ventures in the corporate world. As well, we visited a cooperative (300 workers), private restaurant, became aware of the publication Protestant, met cooperative and church

leaders from Rovno, and spent an evening with a Moscow group of business and church leaders debating the optimism and pessimism present in the current view of perestroika.

- 1.7 Leningrad: The last stop on our journey provided an opportunity to meet members of a construction cooperative from Riga and pastor of a church in Leningrad. As well, we visited the site of the Harry Giesbrecht hotel project. We concluded the journey with an evening at the circus.

## 2.0 General Observations

It is difficult to process all the information that comes at one during a three week intensive mission such as this. The following are some general observations on a few recurring themes:

- 2.1 Business Opportunities: The opportunities would appear to be endless and everywhere. The current political and bureaucratic environment is a major bottleneck. The difficulty of supply is another very practical constraint. Thus some opportunities are real while others are illusory. The effect of 70 years of central planning and anti-business sentiment, have taken their toll. There is little evidence of a market orientation even though the demand for consumer goods of almost every kind is there. Supply is extremely limited. In Millerovo, on German Street, where the Mennonites established a variety of business operations in the early part of the century, time seems to have stopped somewhere around 1920 and operations continue with little change much as it did at that time. In the kolkhoz, in Neu Bergthal, the overriding impression on this agricultural cooperative is of endless rows of machinery overused, inefficient and in various states of disrepair with the labour to land ratio being sharply out of step with what we are used to in the west.
- 2.2 Glasnost: There is incredible openness, almost, as one Soviet citizen suggested, too much with the freedom to speak outrunning the opportunity for change in the political and economic sphere.
- 2.3 Perestroika: Restructuring is commonly understood but difficult to implement. The direction has been set from on top and embraced gladly by many but without a sense of implications or assumption of responsibility and so there is evidence of exploitation and gathering opposition to perestroika. The leaders seem committed to the policy but the economists are cynical and many people at the bottom of the economic ladder are skeptical and apprehensive but there is a sense of entrepreneurship and opportunity for business.
- 2.4 Emigration or Integration: Shall we go or shall we stay? This is the Mennonite dilemma and that of many others. The pressures to leave are incredible and understandable. If people stay they will need to switch from German to Russian, as many are doing. What are the implications for faith? What are the opportunities for mission? Is the political change real or illusory?
- 2.5 Business/Faith Interest: There was strong interest in our mission and message. We did not attempt to suggest that our mission was there to encourage or discourage emigration but simply to suggest the possibility of a new reality. Business has been viewed as evil. Yet business involvement is inevitable. How can the church, how can MEDA assist in making the business/faith connection positive.
- 2.6 Suspicion and Intrigue: Though there is much openness, there is also still a lot of activity that is under the surface. As the system moves from a centrally planned economy to a market orientation, there will be exploitation. Can the system survive the transfer? If

not, what will be made of the information that is freely floating around as people say what they think almost anywhere, anytime?

### 3.0 Plan of Action

3.1 Business/Faith Educational Materials: With the opportunities for getting involved in cooperative (private) enterprise, the church in the Soviet Union is grappling with the role of the Christian in business. It was therefore agreed that MEDA provide educational materials that cover this topic and to do so in various forms.

3.1.1 Immediately identify some relevant materials for translation and publication (during the next several months) in periodicals of Logos, Licht im Osten, Protestant and other publications as they are identified;

3.1.2 Compile more general materials on business/faith, beginning with materials from The Marketplace but going beyond that source to share with the groups in the Soviet Union that were identified in this mission;

3.1.3 Develop "Our Mission in Business" series as soon as possible and adapt as necessary for use in the USSR;

3.1.4 Develop, with the cooperation of Logos, curriculum materials on business/faith to be incorporated into their Theological Education by Extension program.

Wally Kroeker, Editor, The Marketplace, will initiate contact with Johannes Reimer immediately and chart a Plan of Action for implementing this section. In October Victor Reimer and Peter Penner from Logos will be in Winnipeg and will meet with Neil Janzen and Wally Kroeker while in November Johannes Reimer and Johannes Dueck (see item 3.4) will be in Winnipeg and will participate in the bicentennial seminar sponsored by CMBC and MBBC but will also participate in MEDA Convention activities and finalize the MEDA/Logos joint venture opportunities as they relate to theological education.

3.2 Business/Faith Conference in the USSR in January: In attempting to define how the conversations on business/faith issues could be continued, it was decided that a conference on this theme should be held as soon as possible. The participants would include a few representatives from North America but be primarily targeted at people in churches who are interested in the business agenda as well as those already involved in the various cooperatives and having an interest in business/faith concerns.

3.2.1 MEDA will confirm, as soon as possible (not later than the middle of September), its commitment to participate in the proposed January 11-12, 1990 conference at a location to be determined in the Soviet Union.

3.2.2 Alexsei Melinchuk of Light of the Gospel will take the initiative, with the help of Logos contacts and counterparts in Riga, Leningrad, and Moscow to organize such a conference. Mennonites from Frunze, Karaganda and elsewhere will be drawn in as well.

3.2.3 MEDA will provide assistance in organizing such a conference by making available a person to assist in this task in the Soviet Union.

- 3.2.4 Participants from North America will represent key interests relative to this mission in general and business/faith and enterprise development concerns in particular. They should be individuals who can take responsibility to follow up with subsequent tasks. MEDA representation will likely include Neil Janzen, Wally Kroeker and LeRoy Troyer. Art DeFehr is another likely participant. Persons like Len Siemens or Dave Durksen representing agriculture should be present and then, following the conference, make some contacts with agricultural institutions in the Soviet Union. Dankwart Horsch, representing MEDA interests in Germany, should be invited. Consideration should be given to involving other people who might have interests in international joint ventures.

A proposed outcome of this conference would be to develop a network of persons interested in a MEDA type organization. It is assumed that the organization would be related to MEDA but it would be an independent body. The conference should also be an opportunity (perhaps through an additional day of consultation) to follow up specifically on economic development concerns and develop a strategy for further action.

- 3.3 Technical/Management Training: It became obvious along the way that some very appropriate linkages could be made between individuals or business ventures in the Soviet Union and Canadian or related interests.
- 3.3.1 Construction Cooperatives/Central Canadian Structures: Representatives of construction cooperatives in Riga, Rovno and Neu Bergthal will link up with Central Canadian Structures (Harry Giesbrecht's firm) and work in the Leningrad hotel project. They will be provided with training in construction techniques, and perhaps some basic equipment to help them expand their own operations.
- 3.3.2 Engineering Institute/Palliser Furniture: The Engineering Institute in Karaganda provides consulting services for a variety of business ventures in that community including, most recently, a furniture manufacturer who wishes to computerize. Victor Fast, a Mennonite Brethren leader from the church in Karaganda, heads the computer programming department of the Engineering Institute and he, together with a colleague and also a representative of the furniture manufacturer in Karaganda, would find it beneficial to receive training at Palliser Furniture in Winnipeg. Art DeFehr will extend an invitation to facilitate this.
- 3.3.3 Protestant/Christian Week: The editor of Protestant (circulation 15,000) would find it helpful to receive some training on Desktop Publishing. A link will be established with Christian Week editor Harold Jantz and this exchange facilitated.
- 3.3.4 University of Manitoba/Dansky Institute: There was considerable interest in this agricultural institute in Rostov to make connections with a counterpart agency in Canada. The agricultural environment would be similar to what could be found in western Canada and it was thought that a connection with Len Siemens might be appropriate here.

Conversations with representatives at the Canadian embassy indicated that they would be prepared to facilitate this kind of exchange if we would identify the individuals concerned.

- 3.4 **Institutional Development:** The timing of this mission to the Soviet Union seemed to be most appropriate. In order not to lose the momentum, it was felt that continuing contact with USSR contacts would be essential. In discussion with Johannes Reimer of Logos, it was agreed that we would identify a person who could represent MEDA's interest in the Soviet Union during the next several months as that group prepares for the conference. Beyond that, this person could be available to begin work on the re-development of MEDA in Germany if there is interest in this among business people in Germany. A tentative discussion was held with Johannes Reimer regarding the possibility of Johannes Dueck being appointed as a MEDA staff person on a contract basis for a period beginning not later than October 1 and continuing to the end of January. Business participants on this mission are prepared to provide initial financial support for this venture.

As an aside, a MEDA sponsored mission to Indonesia will take place this November in response to an invitation from Mennonite business people in that country. It is possible that a MEDA type organization will be formed in response to business/faith needs in that country. Beyond that a gathering of Mennonite business persons is planned for the Mennonite World Conference to further develop the fraternal relations between Mennonite business people in North America and those of other countries.

- 3.5 **Enterprise Development:** The opportunities for the development of business enterprise in the Soviet Union at this point seem unlimited. However, there are constraints to the operation of cooperatives, both from a legal and political point of view, but also from simple fact that raw materials are often very difficult to obtain. Nevertheless, the climate at this moment is one of encouraging cooperatives and legislation to govern the role of cooperatives is to be passed later this fall

It is anticipated that we will be in a better position, following the January conference, to move ahead on this agenda and look at various cooperatives and joint venture opportunities.

#### 4.0 Program Objectives

The purpose of all of these activities might be summarized as follows:

- 4.1 To participate in the mission of the church in the USSR with a particular focus on the business/faith connection;
- 4.2 To model new enterprise opportunities in the USSR by developing actual business enterprises;
- 4.3 To support perestroika (restructuring) by demonstrating the viability of relationships based on market considerations;
- 4.4 To facilitate the development of new and positive East/West relationships.

#### 5.0 More General Implications for Anabaptist Community

Although the interest of this mission was primarily related to business/faith concerns and economic development, we did also listen for other information that might be relevant to the broader church community in the Soviet Union and here in North America. Three matters were identified:

- 5.1 The Deputy Chairman of the Ministry of Religious Affairs indicated in conversation that his ministry was prepared to provide visas for Mennonite students wanting to study in Bible Colleges or Seminaries in North America. Our understanding was that this was a new position that should be communicated both to the churches in the Soviet Union as well as to theological institutions in North America;
- 5.2 The same representatives also indicated that the formation of a Mennonite church conference in the Soviet Union would now be an acceptable course of action. Whether this implied one conference or separate ones was not clear. This information, too, will be communicated back to Mennonite leaders in the Soviet Union;
- 5.3 The representatives of the West German Embassy indicated good interest in the idea of a Mennonite “clearing house” that would help them in processing visa applications. Our interest in this opportunity was primarily to facilitate the process for persons wanting to leave for technical or management exchanges or simply for exploratory visits to West Germany. Currently there is a tremendous bottleneck which prevents people from this kind of temporary visit. It might be appropriate at this time for an inter-Mennonite office to be established in Moscow or some other centre to assist our people. The establishment of such a centre would not have the purpose of encouraging the emigration flow, but would simply facilitate what might become normal travel between the Soviet Union and West Germany for family visits, technical or management exchange and the like and perhaps in this way contribute to people staying in the Soviet Union rather than leaving.

Neil Janzen, President

Mennonite Economic Development Associates

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