

USSR TRIP REPORT #2

Report on Trip to the Soviet Union

Arthur and Leona DeFehr, November 19-25, 1989

Location: Moscow

Purpose: Travel with delegation of Canadian Businessmen from USSR/Canada Business Council

A group of 240 business persons visited Moscow during the visit of the Canadian Prime Minister to the Soviet Union. There were a series of sessions on doing business in the Soviet Union by Canadian Embassy officials, Soviet officials and some firms with prior experience.

The agenda also included social events such as the ballet and a variety of lunches including a formal lunch with the Prime Ministers of Canada and the Soviet Union. Several projects were announced but most firms were making their initial visit and were just taking a good look.

The Soviets were unexpectedly aggressive in making offers of joint ventures, often in fields distant from the experience of a company and certainly of a magnitude which would be a challenge in any setting.

The Canadian group included a large number of very senior business people so that there was as much interest in meeting other Canadian colleagues as Soviet officials. The event was well organized and most Canadians were positive about the experience. Since everything was all set up for us, we did not have very many difficulties with immigration, transport, or meals. In that sense, the experience was somewhat incomplete. On the other hand, we had unusual access to many senior officials and were able to get some sense of the personalities and priorities.

1. Church-Related Agenda

One of the interesting but disturbing issues was the progress on the new law regarding religion. The law is substantially drafted, but there was a minimum of input by Christian groups at the early stages and, as a result, there is no provision for the creation of charitable societies or mission agencies. Efforts are now being made to include this provision but the authorities say it is too late.

I also spoke at great length with Dr. Filatov (of Orthodox persuasion) and Dr. Fourman (agnostic), the religion specialists at the Institute of U.S. and Canadian Studies in Moscow. This contact was made by Vladimir Pechatnov, First Secretary at the USSR Embassy in Washington, D.C. They were enthusiastic about the visit and made comments such as, "Why are Mennonites so aloof from the German movement"?, "There is a group of deputies who want to work on the rights of believers but there are no signals from the Mennonites"!, "...don't work for rights so don't have any rights", "...cannot afford to be quiet now in the Soviet Union...now must be active" and "...if Mennonites are not interested in the Volga Republic, there could be one or several districts where Mennonites could gather".

Filatov then strongly suggested that someone (he recommends Viktor Fast) should prepare an article outlining the specific issues and problems facing the Mennonites. Filatov and Fourman would help to get it published – possibly in the Moscow News. This would then create the basis for serious discussion at

the political level. They recommended the following two deputies who would be interested and helpful in Mennonite concerns:

Dr. Averintzev (political issues)

Marina Kostenetzkaya of Latvia (related to charitable causes)

We should emphasize the economic and philanthropic benefits which would ensue from a vibrant Mennonite Community (advice of Filatov).

What was of interest was the difference of opinion regarding the role of Chernetzov (Vice-Minister of Religion). Filatov does not trust him while Fourman is more charitable. On the question of whether there is any moral authority left in the collective ideology, Fourman feels that it was there in the '30's and '50's and could be resurrected. Filatov feels it is dead and that moral authority will need to be found outside of the Communist ideology.

They are both interesting and articulate and almost pleading for some attention by the Mennonites!

2. Furniture Agenda

There were two key visits with officials related to the production of furniture. One is a regional industrial grouping (Moscow region) with 200 factories, 100,000 workers and a volume per year of two billion rubles. They are looking for a joint venture partner to assist in the increase of productivity of their existing plants, the design of product and raising of the quality level to an international standard. No details were discussed.

The second proposal was from the Minister of Nuclear Affairs which builds power nuclear stations, defense items and other large construction projects. They are autonomous from other ministries and have a work force equal to the entire Canadian work force. They are a "state within a state"! They are being requested to convert many of their wood related and other industrial plants to civilian production, e.g.: furniture, windows, etc. They had a specific proposal for Bratsk in Siberia where they want to convert a complex with 2,500 employees. They have an easier time generating foreign currency since they can barter many high-tech goods – among them enriched uranium! Anyone looking for a kilo or so? Again, no details were discussed.

3. MEDA Projects

Johannes Dyck and Nicolai Wiens arrived from Germany, while Viktor Fast and Abram Derksen came from Karaganda. We spent most of the last two days on MEDA-related discussions.

a) Karaganda Projects

i) Printing Shop

Fast and Derksen discussed the list of projects presented earlier and their merits were discussed. Their highest priority was the printing shop with a level of technology which could product individual gospels (e.g. Mark), rather than the full Bible. In addition, posters, etc., including compatible commercial literature. The German Embassy could have particular interest in this project since they have special "cultural" funds, if it was written up appropriately. Estimated equipment cost is in the US \$100,000-150,000 range.

ii) Christian Clinic

There is a very fine Russian doctor who could head such a clinic plus several other Christian specialists. The need would be investment in diagnostic equipment. Investment level is unknown.

iii) Garment Factory

The owners of Sun Ice of Calgary are apparently related to Mennonites in Karaganda and have expressed some interest in assisting with a venture. A central factory with foreign assistance could be used as a training centre for smaller factories elsewhere in Central Asia.

iv) Other

There are a variety of smaller ventures in computers, woodworking and other sectors which could be explored at a later date.

Viktor Fast and Abram Derksen are very enthusiastic. The leadership for economic ventures clearly exists in Karaganda. In order to facilitate the process, we will recommend that MEDA invite Viktor Fast and a second person to make a visit to West Germany and Canada in order to promote the project, select the technology for the printing shop and visit the churches. Financing of the visit may need to come from the West since tickets in rubles are almost impossible to obtain. The visit could take place any time after late January 1990.

b) Business Faith Conference

I did not spend a great deal of time on this and will leave it to Johannes Dyck to work out the details on his travels.

c) Moscow Office

There was strong interest from the Karaganda group (provided it was a facilitation office for foreigners – not to direct their activities), by Semchenko (headed the magazine “Protestant”) and also by the German Embassy. Semchenko recommended the government organization “Charity” as a joint venture partner in a printing press for their needs. They would then provide space in their building. The leaders of “Charity” are impressive individuals, but I had great ambivalence about their understanding of the commercial nature of a printing joint venture. My opinion was that an independent operation – which could work for “Charity” and others – would be better. I firmly believe that a Moscow office could be of immeasurable benefit for a variety of Mennonite and Christian programs –but I don’t believe that “Charity” would be the best partner.

4. Additional Projects in the USSR

There are innumerable opportunities to become involved in Christian or other activities. I have personally taken an interest in several (which could become part of MEDA or another organization if deemed appropriate). My motive was simply to get things moving where time was of the essence.

The Protestant is also anxious to get into its own printing and it is anticipated that a total of four persons will visit Canada – probably at the invitation of ChristianWeek. This could take place by February if invitations are issued promptly. This project could also include the printing of some Bibles and other literature.

a) Jesus Film on National Television

Authorities apparently have said they would permit the showing of the “Jesus” film on national TV if the time was purchased. We guaranteed sufficient funds to pay for the time incident test this assertion. Since the only copies of “Jesus” in Russia are 16 mm and have been used repeatedly, an effort will be made to get a new 35 mm copy from Campus Crusade. Campus Crusade will also be asked for additional copies to permit its use in commercial theatres.

b) Christmas Play on a Commercial Stage

A contemporary script of the Christmas story has been written and it is proposed to rent a 1,000 seat theatre, hire fully professional (non-Christian) actors, and put on 25 nights of the play beginning December 25, 1989 as a commercial venture. We also left funds to sponsor the start-up of this play. If successful, it will be followed by an Easter play.

c) National T.V. Series “Integrity”

This is a project to develop a documentary series which examines the moral tradition essential for a market system (and possibly a more open political environment) to function successfully. There is an award-winning Soviet film producer available, three T.V. journalists have been identified as having credibility, and two free lance producers in Canada have expressed interest. One has been the executive producer of Man Alive for many years; the other was producer of a predecessor to Man Alive. The latter is involved in a project to open a video centre for journalists in Moscow and will have world class equipment and staff available. Roy Bonisteel has also been approached and has expressed interest. A possibility is to sell interests to PBS, CBC, Europe, etc. and do it at a fully professional level. If done locally only, USSR film production costs are exceptionally low. It is believed that major Western corporations may be willing to sponsor some of the ruble costs of this project.

5. Conclusions

There is great enthusiasm for economic projects in Karaganda and Moscow – and probably elsewhere. There is, however, a low level of patience and it is imperative that we demonstrate some genuine level of activity. Have some articles on ethics in fact been prepared and published? Can we expedite the first exchange of people? Can we launch a few pilot investments to demonstrate our good faith?

Art DeFehr
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