

## USSR TRIP REPORT #6

October 22, - November 8, 1990

Prepared by: Art DeFehr

Itinerary:	October 22 <sup>nd</sup> – 27 <sup>th</sup>	Moscow
	October 28 <sup>th</sup> – 29 <sup>th</sup>	Leningrad
	October 29 <sup>th</sup> – November 1 <sup>st</sup>	Lithuania
	November 2 <sup>nd</sup> – November 3 <sup>rd</sup>	Rovno/Lutsk/Lvov
	November 4 <sup>th</sup> – November 8 <sup>th</sup>	Budapest

The following non-Soviet groups or individuals participated in portions of the trip:

- Leona DeFehr – accompanied me on entire trip.
- Agricultural group of 10 persons who overlapped on Moscow portion.
- Peter Letkeman (Vice Chairman of SUN) was present in Moscow through October 26<sup>th</sup>.
- Neil Janzen (President of MEDA) through October 26<sup>th</sup>.
- Erv Wall in Moscow.
- Paul Hiebert (architect re: ACB offices) in Moscow and Leningrad.
- Agatha Doerksen /Lorrie Warwick in Moscow.
- Richard and Liz Krohn – Moscow re: Palliser Furniture business.
- Johannes Reimer of Logos accompanied Leona and me to Leningrad, Lithuania and Rovno.

### Purpose of Trip

The timing of the trip was dictated by the Lausanne Conference event in Mexico where Evgeny Filev (President of Association of Christians in Business – ACB) and Art DeFehr (Chairman of Soviet Union Network – SUN) shared in a workshop. The trip agenda included an ACB Board of Directors meeting, various personnel and SUN business matters, a visit to Lithuania regarding establishment of a Christian College, and a visit to the Rovno area which has a large Christian population and an ACB Director. Budapest was R&R and writing time before returning to Canada.

### Political and Economic Climate in the USSR

During my 15 months of involvement in the USSR the mood has gone from hope, through a fear of imminent civil war and chaos, to a resigned gloom about the future. Where Gorbachev was seen to be in danger of his political life last winter, there is now grudging admiration for his political skills but widespread dismay about his lack of insight in economic matters. While Gorbachev is expected to survive, the political reality is that directives and policy from the centre are being seen as increasingly irrelevant the further one gets from Moscow. Governments of the various Republics and civic authorities are making commitments and policies which directly contradict the current laws – and do so with a deliberate bravado and defiance.

The greatest danger during the next six months is the distinct possibility of a serious food crisis and the social and industrial instability which would accompany it. The Ukraine, for example, is issuing food coupons in lieu of 70% of salaries and attempting to prevent its food stocks from moving outside of its borders. Many cities now require proof of residence plus coupons to purchase basics within their

jurisdiction. The result is that an increasing portion of the food economy is being driven underground. When Russians speak of miracles, they define the following as two Russian miracles:

- The shops are empty but the tables are full of food.
- Everyone goes to work, but nothing gets done.

Unfortunately they may not be able to perform the food miracle this winter. There may be a case for some targeted food aid in significant quantities during late winter. More will be written about this later.

During spring and early summer economic policy was being challenged from the conservative right (that is, rigid communist side) led by Ligachev, and Gorbachev was backing away from the market system and privatization. After beating back that challenge, he was faced with the legitimately elected president of the Republic of Russia (Boris Yeltsin) and a challenge from the radical left (that is, free market and democracy). Do you get the feeling that the normal labels and categories are out of sync with our usual perceptions???

Ideological battle lines are the Abalkan Commission (State Commission for Economic Reform) of the Soviet Government which has been promoting market reforms for almost two years. It has attempted to meet Gorbachev's requirements for a political compromise and as a result has begun to look very inept. The Shatalin group of economists acting as advisors to Yeltsin has proposed the very radical 500-day plan for a full transition to a market system and a private economy. The result is that Russia and Ukraine have announced that they are on the 500-day plan, Gorbachev continues to announce middle of the road non-policies (a market system without real private property) and "independent" republics like Lithuania are passing laws and making commitments which entirely disregard all policies emanating from Moscow. Undoubtedly there will be some outstanding entrepreneurial opportunities with this degree of anarchy but it does require a strong stomach for risk and uncertainty.

My own view is that all of the various policies are running in the general direction of privatization and a market system. The Soviet Christian entrepreneurs believe that the best opportunities will be available early and are looking for support so that they can take advantage of these situations. Significant dangers remain, but the USSR is not monolithic and the dangers of nationalism in the Caucasian republics will have little to do with the politics of food in Moscow or Leningrad. The economy will continue to slide, probably severely, but that will also result in very genuine business opportunities for the new entrepreneurs who are rapidly gaining experience and confidence.

#### Status of the Association of Christians in Business - (ACB)

This is the partner of SUN in the USSR and a major focus of my activities on this trip. Evgeny Filev, President of ACB, has been living in Moscow since July 1990 (family in Maikop in the South), with the intention of learning English and taking a six month international business course. The combination of ACB business and his own personal matters, have limited his attendance at classes and he is very frustrated. The quality of instruction is also a cause of dismay. When he challenged a Soviet business professor about the lack of anything of value in his lectures, the professor agreed and suggested he would tell a joke as some compensation for their waste of tuition.

Definition of Socialism – The victory of Marxist-Leninist thought over a healthy mind.

The ACB is making some progress. Filev reports that he has registered the ACB with the Moscow City Government and was expecting papers and official stamps within days. This will permit ACB to make foreign invitations (which it was doing anyhow) and enter into contracts. The six-room apartment has been occupied with very preliminary renovations. ACB has hired a young lady named Marina (limited English) as secretary and also Volodja (technical school graduate with some English) and Andrej (driver with no English). My major concern with the ACB was the lack of recognition of the need for quality

professional management on a full-time basis. This was the subject of intense discussion and Filev intends to invite one individual to accept this position. The individual is female and ethnically non-Russian which should send some interesting and generally positive signals about the nature of ACB. My second concern is that there had been little effort to communicate on a regular basis with the larger membership or potential membership through newsletters or other publications. There must be immediate encouragement to professionalize and democratize the ACB if it is to retain its claim as the representative of Christian entrepreneurship in the USSR.

A recently published book (April 90) produced jointly by Soviet and Harvard Business School Academics entitled "Between Factory Walls" compares and contrasts Soviet and American management styles and practices. The most important insight for me was the structural differences which created very effective small working units in the USSR, but the inability to relate horizontally (for reasons of trust and structure), and hence an inability to network easily.

In my public presentations it has been obvious that the term "network" as well as the concept has no Russian equivalent. Just as the word "Busyness" has become Russian, we proposed that the word "Nyetwork" also become Russian rather than use inadequate translations. It should result in some interesting "puns", since the word "net" in Russian would be pronounced nyet which also means "no".

The ACB has acted in a typically Soviet manner in that information is extended only on a "need-to-know" basis rather than being released freely. We must respect their unique concerns and circumstances, but the use of information as a positive tool will be one contribution of the East-West interaction.

Herb and Maureen Klassen of Canada have been seconded by MCC (Mennonite Central Committee) to the ACB office in Moscow for a 6-12 month term to assist with the establishment of the office and the organization of the February 7-9, 1991 conference. They will work half-time and study Russian the other half. They do not have a business background but have strong writing and relational skills and will hopefully assist in the cultural translation of actions in both directions. One of the real needs is to turn the various ideas of Soviet Christian entrepreneurs into concrete documented projects which can be presented to potential Western partners. We hope they can contribute to this process as well as acting as hosts to visiting SUN members and delegations. ACB will provide all local costs and facilities such as an apartment, car and living allowance. We are grateful to MCC for covering the hard currency costs.

The six-room ACB office was to be secured by the provision of a street sweeper for the district of Moscow which owns the building. The designated German machine was sold to East Germany before we could close the deal so we are back to John Deere and America. The second office is a separate three-story building still occupied as apartments. Alexander Semchenko is attempting to finalize our access to this building – which has approximately 18 rooms rather than the 10 as reported earlier. Paul Hiebert, a Winnipeg architect who donated his time to study both offices in conjunction with a Moscow architect, will prepare final plans to create an "international quality office with a Russian flavor". They suggested that it may be possible to add a fourth floor during reconstruction. Apparently there are no building codes or restrictions of any kind in Moscow and you rely on your own good judgment and that of your architect with the only criteria being your own judgment of safety! Do you begin to understand the reasons for environmental disasters in the USSR? The plan is to commence restoration of the larger building as soon as possible and relocate ACB when complete. This may also permit some space for other compatible agencies. The six-room apartment could subsequently be upgraded as well. Our thanks to Paul Hiebert for his efforts! We may need some donated materials to make this project achieve the right quality – so call Paul if you are into carpets, wall surfaces, lighting, furniture, doors, electronics, etc.

The ACB is now recognized as the "Voice of Christian Business" by church and some government leaders, but it must work at building solid foundations among its members. There is still some ambiguity whether it is "mission" or "business" and whether it will operate business in the normal Soviet hierarchical manner or coordinate in the Western networking style. There are some very definite (if

sometimes unrealistic) expectations that Western Christian businessmen are ready to become meaningful partners in their projects. Some of these requests are in fact reasonable and sound investments and we (SUN) must either begin to “fish or cut bait”. As Filev put it, “we are tired of being researched”. The Western Christian community (missions, para church, etc.) is equally guilty in that hundreds of people are flocking through Russia, making extravagant promises, then returning home to use the pictures and stories to raise money for their own organizations – but little of it reaches the Soviet Christians.

The Soviet Christian entrepreneurs do not want handouts! They believe they have sound ventures, are confident in their ability to operate in the treacherous environment, and are offering projects which based on current experience may yield profit margins of 30% to 50% and even 70%. They don't understand our hesitation. Hard currency is their big problem but they have very creative suggestions how it could be recovered. SUN and ACB need to prioritize projects and develop some kind of track record prior to the February ACB convention. Some project ideas will be described later.

#### Lausanne Congress on Evangelism (Moscow, October 22-26)

This was the first conference of its kind, in that the previous two conferences (Lausanne and Manila) have been global in scope. Attendance was limited by facilities to 1,000 persons (850 USSR and 150 from the West). The organization of the Conference was initiated in the USA and resulted in some significant tensions between the more private and smaller European agencies, (often with a long history of work in the East blocs) and the higher profile and higher budget North American groups. Many Western leaders who wanted to attend could not in fact do so due to the quota of 150 persons. Speakers were balanced between East and West but my own perception was that the Western speakers without roots in the USSR were relatively ineffective. The Soviet speakers spoke from the heart, often with a degree of desperation. While the situation backstage often verged on chaos, the effect on the audience was apparently very positive and unifying. The representation of church groups was not complete but was more representative than any previous church gathering in the USSR.

ACB had several roles in this Congress. Alexander Semchenko, Vice-President of ACB, was also the prime operational organizer of the Congress. At one point the access to the Congress facility was in doubt and two SUN Directors with personal business contacts to Soviet Tourism bureaucrats intervened to assist in finding a new date and financial arrangement. ACB (Filev and DeFehr) were responsible for a well-attended workshop entitled “Mission in the Marketplace”. The results were mixed in part because some people in the audience wanted to turn it into a “business contact” meeting rather than discussion of the relationship of business, church and missions.

Semchenko also used his connections with Soviet television (the very popular 24 million viewer – Moscow Evening program) to achieve good TV coverage. This included a 12 minute live interview with Leighton Ford, Bill Bright (Campus Crusade), Tom Houston (Lausanne), Victor Hamm (Evangelist), Alexander Semchenko (ACB/Congress) and Art DeFehr (SUN).

My overall impression of the Lausanne Congress was how large the task of the church is, and how small and limited are its resources. Among people groups like the Tadzhiks or even Lithuanians the number of evangelically-oriented Christians can number in the dozens or less. In Central Asia and other areas there is a tremendous out-migration of Christians to the West – demoralizing and weakening those who remain. The 70 years of persecution have also created a church which is not open to outsiders, that is, new Christians, so that in spite of a hunger for spirituality many churches are not growing. This is the context in which we need to define the role of ACB and SUN. We spoke with several Pentecostal Brethren who have contributed substantially to the construction of 30 new churches in their region – yet cannot talk publicly about their business vocations in church. It's a long road for everyone!

## What is the Role of SUN and ACB?

There is a need to assist ACB in defining and understanding its mission. Based on my various trips, the following priorities are suggested for consideration:

- 1) Promote entrepreneurship within the Christian community in the USSR. That is, encourage and assist existing entrepreneurs and find ways to get more off the ground.
- 2) Provide a mechanism for networking among Christian business people inside the Soviet Union.
- 3) Provide a networking mechanism for Soviet and Western business people, including all measures of assistance from advice to investment.
- 4) Create an awareness of the ethical issues involved in the vocation of business and promote these values within ACB and society at large.
- 5) Encourage the development of more understanding between the business leaders and the church.
- 6) Encourage Soviet and Western business leaders to initiate and support new institutional initiatives which will give the church a stronger foundation. This can include the development of educational institutions, Christian camping, and work with the media.

Some Soviet businessmen saw ACB as a “mission”, others as a super “holding company”, and others as a bank – we need to work together, agree on priorities and then publicize them.

## Television and Ethics

There was a two hour meeting with a group from the TV program (Moscow Evening (Nelli Zakarova – Correspondent and Slava, her producer)). The anchor person on the program, Anelya Merkulowa, also participated for awhile. On our side were Art DeFehr, Victor Hamm and Andrej Rempel (both radio evangelists in the Russian language). We outlined the idea of a series which used Soviet business/entrepreneurial situations and told the story in a way which drew out the issues relating to the market system concept, especially the values which make it work. These values could be shown in terms of their role, but also in terms of their origins, using a religious base as and where appropriate. Zakarova believed such an approach would be well received and Moscow Evening would produce the program with its own budget. She invited us to develop the scenarios and issues for their consideration and welcomed cooperation with CBC or another qualified broadcaster in the development of these stories. They could be any length up to 20 minutes. Although Moscow Evening runs every night of the week, each evening has its own group of producers. The Wednesday group (which we spoke with) focuses on more spiritual issues and has a large and relatively intellectual audience. We need to find the right persons to develop the theme and also look for consulting assistance. This is an unusual opportunity and should not be missed.

## Christian Camping

Dave and Elfrieda Loewen of Canada, Directors of the very successful Camp Arnes program in Manitoba for the past 25 years and active in camping at the international level, have indicated their availability to initiate and encourage Christian camping in the USSR beginning in early 1991. They have some funding to start this program and will visit the USSR to determine interest and develop a strategy. The initial idea is to develop a leadership training centre in the USSR. In my travels, I discovered at least one group, Light of the Gospel, based in Rovno, Ukraine, that tried two limited camping programs (Ukraine and Lake Baikal, Siberia) last summer and is interested in greater efforts. They report active interest from the children of the leadership class. If anyone is interested, a separate document on this idea is available through the SUN office.

## Liberty Christian College of Lithuania

*Note: The summer English language institutional did take place in July – August, 1991 and this initiative developed into what is today the accredited LCC International University.*

Johannes Reimer of Logos had invited me to join him on a visit to Lithuania to discuss the establishment of the first Christian Liberal Arts College in the Soviet Union. It was based on an invitation by the Vice-Minister of the Ministry of Culture and Education (of Lithuania) following the very successful youth evangelism effort by Reimer and German youth in July 1990. It is estimated that there are less than 100 persons who would identify themselves as evangelical Christians in Lithuania. The establishment of the first Catholic University in Lithuania 400 years ago was the death knell for the Protestant church and local Christians feel that the establishment of an evangelically-oriented educational institutions would be central to the rebirth of an evangelical presence.

We had expected to advance the discussion but were astonished that the Ministry, in spite of great East-West communication difficulties attributed to our mutual three-letter friends, had dealt with all major issues and was prepared to sign a contract. They had selected what we believe is an excellent site (city of Panevezys), had negotiated with Catholic authorities and had dealt with the political issues. They signed a contract which has stipulations which would be illegal under Soviet law, but they claim to be independent of Soviet law on these matters. The city of Penevezys has agreed to provide three buildings which will be enough to start the college, plus a fabulous (approx. 3 acre) site in the middle of town on a lake for the centre of the future college. The other buildings circle the lake, are beautifully landscaped and are within easy walking distance. If developed with taste, it could be a world-class campus.

The concept is to develop an international campus on the border between the future USSR and the West which will deal with students from Lithuania, other East bloc countries and special programs for Western students.

Instruction will focus on the use of English. Major faculties will be Protestant theology, modern languages, social sciences, history, management, and a special request from the city to develop a college-level program in the applied arts to build on the history and traditions of the town. This represents a unique opportunity to create an evangelical centre in the heart of the East bloc and it is proposed to begin with English language instruction as early as the summer of 1991. We will be looking for all kinds of involvement – from Board of Directors, leadership, staff, students, college relationships, finances, facilities development, etc. Please advise of interested persons.

## SUN Projects

We have reached a critical phase where we need to develop some credibility by demonstrating if SUN/ACB is for real. Part of the problem is that many reading this or other documents will have heard of SUN for the first time – but the Soviets have been into this for 10 months and after 70 years of repression display very little patience. We need to find ways to deal with both their expectations and legitimate Western caution and planning.

One of the lessons I am learning personally is that SUN/ACB will need to stay out of the tourism business. By that I mean we will need to be very careful in our selection of persons who travel under our auspices since it absorbs incredible energy on both sides and we cannot survive if only 10% of participants go on to meaningful involvement. There will need to be more careful screening, more preparation and very targeted travel.

I am also beginning to recognize that many Western business people cannot conceive of a financial relationship at such a great physical and cultural distance – or do not have the financial ability. Nevertheless, such persons may be great technical hosts where and when appropriate. One item for

discussion at the SUN level is whether to create a two-tier financial strategy. One strategy is to continue to encourage individuals to find one-on-one partners and to develop on their own. The second may be to create an investment pool, possibly amplified by Government credits and bank loans, and permit a small management group to make investment decisions on behalf of this fund. This would permit more expeditious decisions on certain projects which have merit and are time-sensitive.

Some examples of existing and potential projects:

- 1) Karaganda Printing Press – A small press, more church than commercially oriented, has been financed by the Mennonite Central Committee and with SUN assistance is presently on its way. Application for additional German Government assistance for two more presses is in process.
- 2) Printing Technology visit to the West by “Protestant” – Their visit was of one month duration and took place in April/May 1990. It was technically successful but suffered from a flaw in the selection of participants – one defected and remained in the West.
- 3) Printing Press for “Protestant” – Alexander Semchenko is certainly one of the outstanding business individuals in the USSR and has already accomplished a great deal in publishing and media. He would like to get into serious newspaper (he already prints 100,000 copies of his newspaper each week) and book printing. He believes he could repay in foreign currency if given reasonable time. He’s a good bet.
- 4) Wood Construction Technology – Erv Wall of ALL-FAB Industries of Winnipeg, Canada, visited Shuchinsk, Kazakhstan in October 1990 to discuss the transfer of his wood truss technology to the large cooperative of Hans Warkentin, an ACB Director. It is highly likely that Warkentin will send some staff to Canada for training – capital is not the issue in this case. This technology could also be used elsewhere by construction-related cooperatives.
- 5) Brick Manufacturing – We are currently aware of three Christian cooperatives manufacturing bricks (Warkentin-Shuchinsk, Filev-Maikop, the group in Rovno, and a fourth that is interested). All have similar rather medieval technology, and all need hard currency – probably US \$500,000-\$1,000,000 each to make the next jump. The Rovno group has tentatively purchased a DM 1,000,000 used brick factory in Germany; but have only raised half of the hard currency. These new plants promise to be both highly profitable and useful to the country and could probably get German export credits if there was some Western equity. There is urgency in these situations.
- 6) Hotels – The construction of hotels directed at the foreign traveler is possibly the single most lucrative opportunity. Our ACB partners are often rather well connected and are being shown opportunities which can only be described as unusual. They include a fabulous property five minutes from Moscow International airport and a prime spot at the top of a hill in the middle of Lvov (#2 city in the Ukraine) which is now a popular public park. The advantage of this project is that, if blended somehow with the others (eg. Bricks) it produces the necessary foreign exchange.
- 7) Furniture – Our own company has been offered several interesting opportunities to get into contract or residential furniture with government entities, or into undertakings involving Christian entrepreneurs. In this case they are looking for technical assistance and design help in addition to financial involvement.
- 8) Agriculture/Food Processing – This is being written prior to hearing the report of the 10-person agricultural mission which travelled in late October – early November. This has been a more difficult sector since the structure of this industry has dictated that there are few Christian entrepreneurs. Nevertheless, opportunities seem to be emerging. For example, the large Rovno Cooperative “Fundament” is negotiating to lease a 2000 hectare cooperative farm and run it

privately. They would undoubtedly welcome assistance – they want to get into farming to raise food for their employees!

- 9) Construction – This seems to be one of the most popular areas of involvement by Christians. They are presently succeeding just by getting the job done – but my own impression was that they had many lessons of technology and quality yet to learn. Production partnerships would help them keep ahead of the competition over time.
- 10) Banking – Evgeny Filev, President of ACB, has just been elected President of a Bank currently being registered at the national level. Its name is Nadjesda (Hope)! I was so impressed with the three women in charge of this operation that I have agreed to invest 100,000 rubles of my own – there are still more shares! Banking will be important to create a responsible conduit for Western hard currency credits to cooperative or private ventures.
- 11) Electronics – There is a small Christian cooperative in Leningrad run by two Baptist partners who take the 10% of TV tube production from a local USSR factory which is rejected, correct the flaws, and market a tube-replacement service. They are doing well but would like to expand into assembly of electronics like TV. They need a partner for capital (probably a small loan) and access to components.

Another cooperative in Novosibirsk, Siberia, run by Mr. Kibirev, an Adventist businessman, already assembles computers and markets them. He already has some external contacts.

This list is not complete, but it indicates some of the challenges. The real problem is getting these continuously dynamic projects into written, analytic form to create comfort for the Western partner. Part of the problem is that the ambiguity of evolving Soviet business law does not encourage putting too much transparency on paper! The gaps of culture and business practices are wide and it's part of our challenge to bridge them.

### Report on Rovno Visit

Our main purpose was to visit Vladimir Prit, one of the ACB Directors. He is part of the large construction cooperative "Fundament" with 500 employees. They are building high-rise apartments, factories, offices and some rather beautiful homes in four different cities. In addition they operate two brick plants. To put their size in perspective their annual construction program is the equivalent of 1400 apartment units of 500 sq. ft. each. The formula for success in the USSR is to begin with access to at least one critical raw material and then leverage that control into access for other items. Bricks are the critical item for Fundament and that is why new technology is important. Setting aside a few material handling improvements they have made, the brick factory could be photographed for a movie about the early industrial revolution! The Quality of bricks-like Filev's and Warkentin's is abysmal, but it's the only game in town. The used technology from Germany will double production of a much superior brick and reduce the work force by 90%. They have already increased output by 250% from what it was when the Government controlled the factory!

It always pays to make a hands-on visit. We discovered that Rovno represented a classic case of misunderstanding by ACB/SUN. It turns out that Fundament has a missions department – music group, etc., - of which Prit is Director. The President and business brains of Fundament is the very high-octane former welder Anatoli Pechotin, age 39. He is a deputy on the new city council (claims to be the only electric evangelical in the Ukraine) and is very aggressive. We knew the visit would be different when we were met at the airport by two Mercedes sedans. Capital in terms of rubles is not a serious problem for them. Major Soviet industrial concerns give them large deposits of rubles in advance in exchange for Fundament's ability to create worker housing in 12 months rather than the typical 12 years. As a bonus, Fundament can keep 10% of the units it builds for the use of its own employees. Their real problem is



hard currency for items like machinery or the plan to build a four or five star hotel on a mountain top in Lvov. Pechotin is also considering moving his headquarters from Rovno to Lvov since he is already the third largest private construction firm in the Ukraine. (It's like moving from Des Moines to Chicago).

One of the issues for ACB is to negotiate the change of directors from Prit to Pechotin. The other issue is to encourage them to widen the base of cooperative owners. There are several spinoffs of Fundament already in existence and they were not closed to the idea.

Rovno and area has 25,000 evangelical Christians – the largest concentration in the USSR according to our hosts. They are 60% Pentecostal, 20% unregistered Pentecostal and 20% Baptist. They showed us the huge new 1,000 seat Pentecostal church under construction – then took us to their existing “Bethaus – House of Prayer”. It was a shack with a wood frame, covered with tar paper and plastic, mud floor and planks for benches! The jumps they were making leaves one a little breathless.

Rovno is also the home of one of the first registered missions in the USSR – Light of the Gospel. It is run by Alexei Melnichuk (also head of an engineering cooperative), Sergei Tupchik – President, and Taras Pristupa, Director of Missions. They are only two years old but already have missionaries placed in some 20-30 cities of central and eastern Siberia. They tell stories of one city where the population and authorities were so eager for a Christian presence that the City Council invited missionaries and provided them with an apartment, office, car and expenses! Not exactly your every day image of Siberian authorities!! Melnichuk was in the US recently and reportedly is seeking help from Denver seminary and Western money to start a Bible School in Rovno. They are a great group and deserve support and encouragement.

#### Belorechensk Bible School

The news about this new and presumably first USSR Bible School (in the north Caucasus region) was reported in my report #5. The school officially started classes on October 29, 1990, with approximately 45 students (there were twice as many applicants). Andrej Rempel of Logos in Germany and Trans World Radio broadcaster will spend the fall semester in Belorechensk together with his wife. Pray for their pioneering effort – it will take a great deal of effort to create a solid institution but they are off to a good start.

#### Lithuania

I could write a complete book about Lithuania and our visit. The visit was stimulated in part by the enriching experience of our 17 year old daughter who participated in the first official youth evangelism team in the Soviet Union this past July. We were accompanied by Johannes Reimer of Logos, were also met by Daryl McCarthy, Executive Director of the International Institute for Christian Studies based in Overland Park, Kansas, and were hosted by Otonas and Raimonda Balciunas. Otonas is the Director and founder of the Lithuanian Christian Charity Fund based in Siauliai, Lithuania. The Fund has grown in one year from a staff of one to eleven persons – part of an evangelical group of only 30-50 persons. In addition, they are counseling and leading study groups among 600 young people who have expressed a continuing interest in the Christian faith following the two-week mission last summer.

The Fund is an interesting mix of evangelism and an orientation to poverty and social issues. The group contains many serious intellectuals and has the interest and ability to work at projects like a Christian Liberal Arts College. These include Laima Tamosiuniene, a well known pedagogical researcher interested in the early years of education and our translator, also professor, Alma Liutkute.

Our discussions regarding the College were focused on the Ministry of Culture and Education headed by the very young Darius Kuolys (29). The real push for a Protestant College seems to come from the Vice-Minister Aurimas Marijus Juazitis and the Coordinator of Higher Schools, Mrs. Ligija Kaminkiene. The

latter two plus Laima representing the Fund and a representative of the city of Panevežys will form the proposed delegation to Canada and the USA in early 1991. Their objectives are:

- 1) The study of curriculum development in the West, especially at the secondary school level.
- 2) Teacher training methods.
- 3) To understand the nature and role of the Liberal Arts College.

We propose to take the delegation to Winnipeg for 4-5 days to work on the first two objectives in the Canadian context, then go to the Chicago area (with a large Lithuanian population) and visit several different colleges. Suggestions include Wheaton, Goshen and Calvin. They would then visit Washington, D.C., to visit some of the institutional educational headquarters, meet the Christian College Coalition and return to Lithuania. They will fly to North America and we will be responsible for costs within North America.

The Lithuanian political context is interesting. The Ministry of Culture and Education deals with kindergarten, elementary and secondary schools as well as the technical institutes (to 14<sup>th</sup> year of studies) and teacher training to 16<sup>th</sup> year. The “universities” are operated by a different Ministry and start after the 12<sup>th</sup> year and tend to be science-oriented. The term “college” is not used so we signed a contract which purposefully places us in an ambiguous no-man’s land. Our accreditation will be external according to the standards of the Coalition of Christian Colleges and will specifically be based on post-secondary students. The Ministries want to move toward a Western-style degree system – and if we act quickly will need to integrate our college – they may not permit its formation later!

“Universities” are also very political in that it involves the historic role of the Catholic Church and the prestige of the major cities. Panevežys is a lovely city of 120,000 in the north central part of Lithuania and is out of the running for one of the “big” universities (Vilnius, Kaunas, Klaipėda). They sense this is a historic opportunity to get beyond their role as an industrial backwater to the other centers – and have essentially offered us the crown jewels in terms of real estate.

A second political aspect is the past and future role of the Catholic Church. Lithuania was the last European nation to be Christianized and the very spot on which the college is to be built is reputed to be the residence of the last pagan “Shaman” in Lithuania. The Catholic Church has been isolated for decades and has definitely not shared the experience of Vatican II. There were comments along the lines that if the church did not “get with it”, a whole tier of intellectuals and leaders may switch to Protestantism. That is undoubtedly an overstatement, but the Ministry recognizes and was explicit in their explanation that Lithuania cannot become a full member of a democratic and dynamic Europe if it replaces Communist ideology with a return to an equally rigid Catholic dominance. They deliberately want to encourage the introduction of the basic elements of Western society – and this includes the protestant/evangelical church. The Catholic authorities in Panevežys have apparently agreed with the invitation and it should be put into place before other authorities attempt to reverse it.

The agreement specifies that the College will be international in orientation and emphasize the humanities. Major faculties will include Protestant Theology, Modern Languages, Social Sciences, History, Management, and a city request for a Faculty of Applied Arts. The initial plan is to develop a campus for 1,000 students. The foreign (Western) component could be some full-time students but also a base for some of the one-semester or one-year abroad programs offered by many Christian colleges.

The goal is to begin with an English language program in the summer of 1991 and then to develop from there. The new campus should be constructed at the end of approximately 5 years. By the way, the name agreed upon by everyone for the new college is Liberty Christian College.

*Note: the word “Liberty” was selected and endorsed by the revolutionary Government leaders as a statement of political intent during this period prior to the 1991 independence of Lithuania. The*

*confusion with an American University with a fundamentalist Christian orientation created confusion and the name was changed to "Lithuania". This resulted in our implied localization and later became just "LCC" to reflect the international intentions.*

### Lithuanian Economics

Lithuania is suffering from the general malaise of the USSR economic catastrophe, somewhat amplified by the economic blockade of last spring and summer. The country has a population 3.7 million with several large industries catering to the total needs of the USSR. They recognize the need to restructure toward small industry, but that will take many years. People expect the winter to be very cold and hungry with the possibility of hunger for selective groups. The distress is compounded by the fact that Lithuania had the greatest damage from Chernobyl after Byelorussia – with high incidence of blood cancers and other problems.

We met with Rimantas Purtulis, Director General of the Department of Foreign Trade of the Republic of Lithuania, who outlined their draft legislation on profit and non-profit corporations modeled on the North American and European models. There will be tax concessions for foreign companies, and tax deductions more in line with the generous Canadian pattern than the USA.

A second visit was to the Lithuanian Information Institute where we met Dr. Julius Novitsakas, Director, plus most of his senior staff. They have 280 employees and keep data bases on opportunities, statistics, etc., but when asked anything specific had no idea. They commented that most visitors don't come back for a second visit – unfortunately I could guess why. They are good people, but rather bureaucratic.

What I saw was not enough to convince me that Lithuania has a legitimate economic strategy. They may have some tough years ahead as they go it alone.

### Lithuania and the Canadian Food-grains Bank ("CFGB")

The generally bad economic situation compounded by the economic blockade and the social disruption of Chernobyl make for a grim winter in Lithuania. The Charity Fund referred to earlier is already making special distributions of food and clothing from shipments received from West German Christian groups. The aid is going to orphanages, the homeless, single mothers, senior citizens, etc. As the winter progresses these people may be forced out of the food market altogether. There may be a rationale for a special one-time contribution by the CFGB of a shipload of grain amplified by milk powder and any available items like used clothing. The Fund could negotiate the bulk of the distribution through existing social channels in return for possible concessions regarding property for churches or other social institutions. This could be a very valid statement of support for the church and for a very desperate and suffering people.

Art DeFehr

November 9, 1990