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Rich DeVos: Recalling the fabric of the American way

By Richard DeVos | Guest columnist
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In the 1950s there was a popular expression that went, "The business of America is business." The meanings behind that were many but one stood out: As long as Americans took a business approach to running their affairs—both on Main Street and on Capitol Hill—the country continues to move forward.

One need not look beyond Capitol Hill and our state houses today to see how far off that basic path we have fallen. And that is cause for great concern.

While some of us still maintain our sensible business foundation—you cannot spend what you do not have and if you do you're in trouble—others have forgotten that it was hard work and common sense that made this nation great. Yet our future depends upon returning to that principle.

It was in 1959 that my partner and I developed the person-to-person direct selling approach that we refined to give individuals the opportunity to build a business of their own without going into debt. That multi-level approach became the model for scores of direct-selling companies. Individuals could become successful because they offered quality products at fair prices, and were good business people.

They prepared budgets and tracked income and expenses. They knew that money is finite; if you spend what you do not have, your business is doomed. The company we started is Amway, and it is now in 80 countries with sales of over \$9 billion last year.

This is not some dreamy, misplaced nostalgia for an earlier time, but an imperative about realizing that some things remain universal and enduring: Being a good citizen, a fair person, an honest and wise business person and a thoughtful, courageous political leader. It is what we need more of today.

When I became the owner of the Orlando Magic, my colleagues and I applied the same good business sense, as well as the same compassion for fairness, to make that franchise economically sound while building winning teams. That is the American way.

Our leaders need to follow our Main Street experiences. For decades, our federal government has spent money it did not have for projects it did not need. The federal deficit for fiscal year 2010 was \$1.3 trillion — about 9 percent of the entire economy.

The states are not any better. For fiscal year 2011, states faced budget deficits totaling \$125 billion. The recipe is almost always the same: Spending money they don't have for projects they don't need. States and cities find this easy to do, at first, because of federal grants. But, as the Mercatus Center at George Mason University reported, temporary spending is never temporary. When federal dollars go away, the programs stick and states or cities must pay for them.

This is turning the American way of entrepreneurship, common sense and carefully conducted business on its head. The fiscal disaster we now have before us is gaining momentum and coming dangerously close to being out of control.

Thirty years ago, my partner and I helped start the revival of downtown Grand Rapids, Mich., with an investment in the aging Pantlind Hotel. We were honored to help lead a group of hard-working, caring citizens to make our hometown prosper again.

My sons and others have taken that love for community to new levels. We all do what we can each year, always keeping the larger goal in mind.

That is what good leadership is about — whether in politics or business. Not deficit spending, but determined planning and capable leadership.

That is the American way. As I wrote in my book, "Compassionate Capitalism," a wise use of financial resources can help others help themselves.

We all need to follow those time-proven guidelines. Stop spending what we do not have. Stop creating programs we do not want or need. Stop destroying this country we have built. If we cannot leave our children a safe and sound country still aglow with opportunity, anything else we leave them will be of little benefit.

Richard DeVos is co-founder of Amway and owner of the Orlando Magic.

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