

Remarks to Students and Faculty at Karl Marx University in Budapest

July 12, 1989

Mr. President and Mr. Prime Minister and Mrs. Nemeth, ladies and gentlemen, Dr. and Mrs. Csaki, it is a great pleasure for Barbara and me to be back in Budapest. And I am very proud to be the first American President to visit Hungary. Some might find it ironic that I am speaking at a university named after Karl Marx. [Laughter] If you don't find it ironic in Hungary, try it on for size in the United States. But the fact that I am here today is less a cause for surprise than proof that America welcomes the unfettered competition of ideas. And I understand that 50 or so of the faculty from this great university have been as either students or teachers in the United States of America. And that is a very good thing for my country, and I'm glad you came our way.

The university's principal task is to promote a competition -- an unfettered competition of ideas. And that is the spirit that brings us together -- a spirit that guided a great teacher at Karl Marx University whose name was Imre Nagy. As his funeral proceeded in Heroes Square a few weeks ago, the rising voice of Hungary was heard reciting the "Szozat." And in this simple, somber ceremony, the world saw something more than a dignified act, an act of reconciliation: We witnessed an act of truth. It is on this foundation of truth, more solid than stone, that Hungarians have begun to build a new future. A generation waited to honor Imre Nagy's courage; may a hundred generations remember it.

While Hungary rediscovers its natural role in the affairs of Europe, the world again looks to you for inspiration. A popular nonfiction book in my country today is entitled "Budapest 1900." Dr. John Lukacs lovingly describes the Budapest of memory, with its proud stock exchange and great opera, a time when Europe's first electric subway ran underneath the handsome shops of Andrassy Avenue. A city that rivaled Paris in its splendor, Vienna in its music, London in its literature -- a center of learning that enlightened the world and gave America one kind of genius in Joseph Pulitzer, another in Bela Bartok. But for four decades, this great city, this great nation -- so central to the continent in every respect -- has been separated from Europe and the West.

And today Hungary is opening again to the West, becoming a beacon of light in European culture. And I see people in motion -- color, creativity, experimentation. I see a new beginning for Hungary. The very atmosphere of this city, the very atmosphere of Budapest, is electric and alive with optimism. Your people and your leaders -- government and opposition alike -- are not afraid to break with the past, to act in the spirit of truth.

And what better example of this could there be than one simple fact: Karl Marx University has dropped "Das Kapital" from its required reading list. Some historians argue that Marxism arose out of a humane impulse. But Karl Marx traced only one thread of human existence and missed the rest of the tapestry -- the colorful and varied tapestry of humanity. He regarded man as hapless, unable to shape his environment or destiny.

But man is not driven by impersonal economic forces; he's not simply an object acted upon by mechanical laws of history. Rather, man is imaginative and inventive. He is artistic, with an innate need to create and enjoy beauty. He is a loving member of a family and a loyal patriot to his people. Man is dynamic, determined to shape his own future.

The creative genius of the Hungarian people, long suppressed, is again flourishing in your schools, your businesses, your churches. And this is more than a fleeting season of freedom; it is Hungary returning to its normal, traditional values. It is Hungary returning home; voices long stilled are being heard again. An independent daily newspaper is now sold on the streets. Commercial radio and television stations will broadcast everything from the news to the music of Stevie Wonder. And Radio Free Europe is opening its first Eastern European bureau right here in Budapest.

Along your border with Austria, the ugly symbol of Europe's division and Hungary's isolation is coming down, as the barbed wire fences are rolled and stacked into bales. For the first time, the Iron Curtain has begun to part. And Hungary, your great country, is leading the way.

The Soviet Union has withdrawn troops, which I also take as a step in overcoming Europe's division. And as those forces leave, let the Soviet leaders know they have everything to gain and nothing to lose or fear from peaceful change. We can -- and I am determined that we will -- work together to move beyond containment, beyond the cold war.

One of the key steps in moving beyond containment is easing the military confrontation in Europe. To this end, the NATO allies joined, at the May summit meeting, in my proposal of a comprehensive conventional arms control initiative, an initiative that would cut the number of tanks, armored troop carriers, artillery, combat aircraft, attack helicopters, as well as United States and Soviet troops stationed on foreign soil in Europe -- all to lower, equal levels. The issues may be complex; but we're working, day and night, to get a solid, historic agreement to strengthen stability in Europe and reduce the risk of war. And we are determined to get it soon.

No, there is no mistaking the fact that we are on the threshold of a new era. And there's also no mistaking the fact that Hungary is at the threshold of great and historic change. You're writing a real constitution, and you're moving toward democratic, multiparty elections. And this is partly possible because brave men and women have formed opposition parties. And this is possible because Hungarian leaders are going to show the ultimate political courage: the courage to submit to the choice of the people in free elections.

But to succeed in reform, you'll need partners -- partners to help promote lasting change in Hungary. And I am here today to offer Hungary the partnership of the United States of America. Three vital spheres stand out in our partnerships: economics, the environment, and democratic and cultural exchange. The United States believes in the acceleration of

productive change, not in its delay. So, this is our guiding principle: The United States will offer assistance not to prop up the status quo but to propel reform.

Of course, the weight of the past still burdens Hungarian enterprise. There are remnants of the Stalinist economy -- huge, inefficient industrial plants and a bewildering price system that is hard for anyone to understand, and the massive subsidies that cloud economic decisions. All of this slows what you could otherwise achieve. It's an economic Rubik's Cone [Cube] that defies solution.

To make the transition to a productive economy will test your mettle as a people. The prices of some commodities may rise. Some inefficient businesses and factories will close. But the Hungarian Government is increasingly leaving the business of running the shops to the shopkeepers, the farms to the farmers. And the creative drive of the people, once unleashed, will create momentum of its own. And this will bring you a greater treasure than simply the riches you create. It'll give each of you control over your own destiny -- a Hungarian destiny. And as I said, the United States will be your partner in this transformation to a successful economy.

Last Thursday at the White House, I invited leaders from business, education, labor, and other fields to come to the White House and discuss the new private sector opportunities opening up in Hungary; and their response was enthusiastic. This was especially true of Hungarian-Americans, so proud to be building a bridge between their new country and their motherland. As long as our two governments ease the way, the people of America and Hungary can do the rest -- the people can do the rest.

And it is in this spirit that I want to announce the following measures. First, as I said in Warsaw, I will propose at the Paris economic summit concerted Western action for Poland and Hungary, to back your reforms with economic and technical assistance from the summit partners. Of course, our efforts for Hungary will be targeted to your needs.

And second, I will ask the United States Congress to authorize a million fund as a source of new capital to invigorate the Hungarian private sector. I'll also encourage parallel efforts from the other nations of the economic summit.

And third, once your Parliament passes the new emigration legislation proposed by your Council of Ministers, I will inform our Congress that Hungary is in full compliance with the Jackson-Vanik amendments to our 1974 trade law. No country has yet been released from the restrictions of this amendment. So, I am pleased to tell you that Hungary will be the first. And this action will give Hungary the most liberal access to the American market for the longest terms possible under our laws.

Fourth, America is prepared to provide your country with access to our Generalized System of Preferences, which offers selective tariff relief. Simply put, these last two measures will allow you to take advantage of the largest single market in the entire world.

And fifth, we've concluded a draft agreement to authorize the Overseas Private Investment Corporation -- OPIC we call it -- to operate in Hungary. And once our Senate passes the enabling legislation, OPIC will be able to provide insurance to encourage American investment in private enterprises in Hungary. Through OPIC, American business executives will see firsthand the great opportunity of Hungary. Private investment is critical for Hungary. It means jobs, innovation, progress. But most of all, private investment means a brighter future for your children, a brighter future for Hungary.

And yet, economic progress cannot be at the expense of the air we breathe and the water we drink. Six weeks ago, in Mainz, I proposed cooperation between East and West on environmental issues. And that is why I will ask the United States Congress to appropriate million to establish an international environmental center for central and Eastern Europe, to be based right here in Budapest, which will bring together private and government experts and organizations to address the ecological crisis. After all, our shared heritage is the Earth. And the fate of the Earth transcends borders; it isn't just an East-West issue. Hungary has led Eastern and central Europe in addressing the concerns of your citizens for cleaner air and water. And now you can do even more, working with the West to build a bridge of technical and scientific cooperation.

Along these lines, I am also pleased to announce that the United States has proposed an agreement between our two countries to establish scientific and technical cooperation in the basic sciences and in specific areas, including the environment, medicine, and nuclear safety.

It is my hope that this visit will also lead to a wider exchange between East and West so our scientists, our artists, and our environmentalists can learn from one another; so that our soldiers and statesmen can discuss peace; and our students -- God bless them -- can discuss the future.

But to discuss anything requires a common language. The teaching of the English language is one of the most popular American exports. And as students, you know that English is the lingua franca of world business, the key to clinching deals from Hong Kong to Toronto. So, to open the global market to more Hungarians, I am pleased to announce that the Peace Corps will, for the first time, operate in a European country. And our Peace Corps instructors will come to Budapest and all 19 counties to teach English.

And in such exchanges, we want to help you in your quest for a new beginning as a democratic Hungary. So, the United States is also committing more than million to cultural and educational opportunities in Eastern Europe. We will make available funds for a series of major new U.S.-Hungarian exchange programs -- among Congressmen and legislative experts; among labor-business leaders; among legal experts; among community leaders, educators, and young people.

We are creating dozens of fellowships to enable Hungarians to study at American universities. And we will fund endowed chairs in American studies at your universities,

and books -- many thousands of them -- to fill the shelves of your new international management center and the libraries of schools and universities across Hungary. And the United States will also open, within the next several years, an American House in the center of Budapest. Today the celebrated American architect Robert Stern is releasing his design for this center, which will be an open house of books, magazines, and video cassettes -- an open house of ideas.

And so, in conclusion -- in economic reform and democratic change, in cultural and environmental cooperation -- there are great opportunities and great challenges. Hungary has a lot of work ahead, and so do the United States and Hungary, working together to build this better future -- dynamic future.

Your challenge is enormous and historic: to build a structure of political change and decentralized economic enterprise on the ruins of a failed Stalinist system. And given the opportunity to show your characteristic initiative, creativity, and resourcefulness, I believe that the Hungarian people will meet the challenge. You stand on the threshold of a new era of economic development and, yes, political change.

And I believe with all my heart that you are ready to meet the future. I see a country well on the way. I see a country rich in human resources -- rich in the moral courage of its people. I see a nation transcending its past and reaching out to its destiny. I congratulate you for having come so far. And let us be equal to the opportunity that lies before us. Let us have history write of us that we were the generation that made Europe whole and free.

Thank you all. God bless each and every one of you. Thank you very much.

Note: The President spoke at 1:35 p.m. in Aula Hall at the university. In his remarks, he referred to Bruno Straub, President of Hungary's Presidential Council; Prime Minister Miklos Nemeth; Csaba Csaki, rector of the university; and Imre Nagy, former Hungarian Prime Minister and leader of the 1956 uprising against the Soviet Union. Prior to his remarks, the President participated in a discussion with students at the Old Prison on Castle Hill.