

Remarks at a Ceremony Granting Most-Favored-Nation Trade Status to Hungary

October 26, 1989

Thank you. Please be seated. On this beautiful day at the White House, welcome. Secretary Baker and Secretary Mosbacher; Carla Hills, our able U.S. Trade Representative; I see our Secretary Derwinski and Watkins; Bill Reilly; Bruce Gelb. Mr. Teller, it's a delight to see you here, sir. And the distinguished Members of the United States Congress who are with us, welcome, all. I see the chairman of our Foreign Relations Committee, Senator Claiborne Pell, here, and Bill Broomfield. All of you, welcome.

It was my privilege to return to Hungary last summer and become the first American President to visit a nation that is so much a part of Europe and so much a part of America. I had a chance to discuss this just Monday when the new Ambassador came to the White House to present his credentials. And I welcome you, sir, and am just delighted you're here representing your country.

At Karl Marx University, before the very statue of Marx himself, I met students, teachers, and entrepreneurs who are making a bold break with the past. And in their bright faces I saw a burning idealism and a determination to escape the dead hand of ideology forever. And I pledged my strong support to this process of democratic change in Hungary. I said I would ask Congress to authorize million and to establish a Hungarian-American enterprise fund, million to open an environmental center for central and Eastern Europe in Budapest, and another million for a wide range of cultural and exchange programs. I submitted these proposals to Congress in early September. We're working vigorously to ensure congressional action to make an American investment in Hungary's future.

And I also promised to stimulate American business investment in Hungary by extending the business insurance of the Overseas Private Investment Corporation to Hungary. Ambassador Fred Zeder, the President and the CEO of OPIC, led a delegation to Hungary just 2 weeks ago to plan for operations to begin once the corporation receives the enabling legislation from the Senate. And last month, Secretary Bob Mosbacher led a major governmental and private investment mission to Hungary, encouraging steps toward new ventures.

Hungary's already starting to enjoy tangible results of our commitment to support reform. Just in September, an American corporation purchased 100 percent of a Hungarian trading firm, the first such total acquisition in Eastern European history. And this is just one example of many new American ventures within Hungary.

I also said that the Peace Corps will make its first European mission to Hungary to teach English in every county of that nation. Peace Corps Director Paul Coverdell recently led a delegation to Hungary to plan this mission. Bill Reilly, the EPA Director, and Bruce

Gelb, next to him, our USIA Director, have also led missions to Hungary to develop and implement our environmental and cultural exchange programs.

In Budapest, I also said that as soon as the Hungarian Parliament passed emigration legislation then under consideration that I would notify our Congress that Hungary meets all the emigration criteria under U.S. law. That would qualify Hungary for most-favored-nation treatment. And I am pleased to say that on September 26th Hungary fulfilled its part of the bargain, and I'm here today to fulfill our part of the bargain.

Before me are three documents, one advising the Secretary of State that I've determined that Hungary meets our emigration criteria; the others informs each of the Houses of Congress. And with my signature, these documents will grant Hungary the most liberal trade treatment possible under U.S. law, making it the first country subject to the Jackson-Vanik amendment ever to be granted a waiver from annual reviews of its emigration practices. But you see, we feel that today's action represents something far greater than a mere trade agreement. It signals the recognition that a quiet revolution is taking place in thousands of shops, farms, and factories. It signals the rebirth of Hungary as an entrepreneurial nation.

Our measure will, of course, grant these new Hungarian entrepreneurs access to the largest single market in the world; but the peoples of America and Hungary are exchanging more than blue jeans and fine wines. We're exchanging ideas and ideals that can only be the shared province of free peoples. The documents I'm about to sign refer to the Republic of Hungary. Just 3 days ago, on the anniversary of the 1956 revolution, Hungary scrapped the title "People's Republic," that symbol of the one-party system imposed on Hungary after World War II. And it is this new Hungarian Republic that has adopted a bill of rights inspired by our own Constitution to guarantee freedom of the press, assembly, and religion.

And Americans watch these acts of national courage with wonder, admiration, and something more -- a willingness to help. So, we're not passive observers. We are active supporters of reform. Let no one doubt our commitment to freedom's success in Eastern Europe. For we know that we are privileged to participate in a very special moment in human history: we're witnessing an unprecedented transformation of Communist nations into pluralistic democracies with market economies.

In Budapest, Radio Free Europe is broadcasting from its first bureau in Eastern Europe. It's a remarkable thing. And in Warsaw, a dissident who once languished in prison now presides over their Parliament -- incredible. In East Germany, hundreds of thousands of courageous men and women march arm in arm through the streets of Leipzig to make a peaceful stand for freedom -- inspiring. It is in these amazing scenes that we see a portrait of the indomitable spirit of man. Throughout Eastern Europe and in the Soviet Union itself we see evidence of the ascendancy of freedom. We see signs of a new Europe which no one need fear, a Europe whole and free. And as we witness this historic tide of freedom, riding at the crest is one nation, the people of the Republic of Hungary. And to them I say: We admire you, we support you, and we welcome you as friends of freedom.

Thank you. And now it is my pleasure to sign those historic documents granting Hungary continued most-favored-nation treatment.

Note: The President spoke at 10 a.m. in the Rose Garden at the White House. In his remarks, he referred to Secretary of Energy James D. Watkins, scientist Edward Teller, and Hungarian Ambassador to the United States Peter Varkonyi.