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Folder Title:
Hungary-Most Favored Nation 10/26/89 [OA 6270]

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Fred Zedler
457-7001

THE WHITE HOUSE
WASHINGTON

Pres. of ESO
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OPIC

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Oct 8th-12th

① When did he go
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② Hungary name
Nov. 6-10th

③ water courses
Leipzig Trust.
Mission

Davis/Martin
Oct. 25, 1989
Title: Hungary
Draft: Two

PRESIDENTIAL PROCLAMATION: HUNGARY, ROSE GARDEN
Thursday, Oct. 26, 1989, 10 a.m.

((Acknowledgements to come -- Secretary Baker, Lawrence Eagleburger, Congressman Lantos, Hungarian ambassador, etc.))

((Let me begin with a small confession. When I visited Hungary in July, I made a reference to that famous brainteaser from Budapest, the Rubik's Cube, \\ only I called it a Rubik's Cone. \\ But I don't feel bad about it. \\ After all, I wound up puzzling more people than Mister Rubik himself.))

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.

At Karl Marx University, before the very statute 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, a determination to escape the dead hand of ideology, forever.

I promised to support their hopes, by supporting the process of economic and democratic reform in Hungary. I promised to ask Congress to authorize \$25 million to establish an Hungarian-American Enterprise Fund, and I submitted this proposal to Congress in September.

I promised a \$5 million fund to open an environmental center for Central and Eastern Europe in Budapest, so that East and West can cooperate on our shared natural heritage; and I also submitted this proposal to Congress in September.

I promised to stimulate American business investment in Hungary by extending the business insurance of the Overseas Investment Corporation to Hungary. Ambassador Fred Zeder, President and CEO of OPIC, led a delegation to Hungary two weeks ago to plan for operations to begin once the corporation receives enabling legislation from the Senate.

I promised \$6 million for cultural and educational exchange programs. This program is also ready for action by Congress.

I promised to bring Radio Free Europe to Hungary. And on September 9, Radio Free Europe opened its first station in Eastern Europe in Budapest.

I also promised to instruct the Peace Corps to make its first European mission to Hungary, to teach English in every county of that nation. Peace Corps Director Paul Coverdall recently led a delegation to Hungary to plan this mission. I have also dispatched Commerce Secretary Bob Mosbacher, EPA Director William Reilly, USIA Director Bruce Gelb and others to Hungary to discover ways our government can support reform.

But the promises I made to the Hungarian people really reflect one overarching commitment: America is ready to invest in a partnership with the world's newest republic; a partnership to build a common future of freedom and prosperity.

Nowhere is this commitment more evident than in today's ceremony. For today we mark the fulfillment of yet another pledge I made to the people of Hungary. I promised that as soon as the Hungarian Parliament liberalized its emigration laws, I would notify Congress that Hungary meets all the requirements of U.S. law to qualify for permanent Most Favored Nation treatment.

On September 26, Hungary fulfilled its part of the bargain. I am here to fulfill ours. In a few moments, I will sign two documents -- advising the Secretary of State and Congress that Hungary meets our emigration criteria. With my signature, these documents will grant Hungary the most liberal trade treatment under U.S. law, and make it the first country ever to be granted a waiver from annual reviews of its emigration practices.

Hungary is already starting to enjoy tangible results of our commitment to support reform. In September, an American corporation purchased 100 percent of an Hungarian trading firm -- the first such total acquisition in Eastern European history. ((Another example to come.))

But 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

just blue jeans and fine wine. We are exchanging ideas and ideals that can only be the shared province of free peoples.

Just last week, on the anniversary of the 1956 Revolution, Hungary scrapped the title "People's Republic" -- that epitaph of democracy common to one-party states -- and proclaimed itself to be a true republic. It is this new Hungarian Republic that has adopted a Bill of Rights to guarantee freedom of the press, assembly and religion. Americans watch these acts of national courage with wonder and admiration and something more -- a willingness to help.

Just as we are helping the people of Hungary today, so we are determined to assist wherever people aspire to greater freedom. In Poland, the new Solidarity-led government has put forward a bold program of economic reform. They have asked for our support, and they will get it -- starting with this Administration's commitment to provide a grant worth \$200 million as our contribution to the Polish request for a \$1 billion stabilization grant from the West. ((And on Monday, I will announce a U.S. mission to Warsaw of officials, businessmen and economic experts to determine how this fund can best serve the cause of reform.))

We are not passive observers, but active supports of reform. For we know that we are privileged to participate in a very special moment in human history. Never before have repressive, centralized, regimes attempted the transformation into pluralistic democracies with market economies. In Budapest, a

boy waves the flag of his nation -- with the hammer and sickle removed. Remarkable. In Warsaw, a dissident who once languished in a dungeon now presides over Parliament. Incredible. In East Germany, 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 Republic of Hungary. To them I say: We admire you. We support you. And we welcome you as friends of freedom.

Thank you, and now it will be my pleasure to sign these two documents to grant Hungary Most Favored Nation status.

IT IS A PLEASURE TO HAVE SO MANY MEMBERS OF CONGRESS
HERE WITH US TODAY.

✓ SEN. PELL

SEN. MOYNIHAN

REP. ROSTENKOWSKI

✓ REP. AND MRS. LANTOS

REP. GIBBONS

✓ REP. BROOMFIELD

REP. GILMAN

✓ REP. COX

REP. GINGRICH

REP. FRENZEL

Davis/Martin
Oct. 25, 1989
Title: Hungary
Draft: Two

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Bob Hutchings
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July 89

WH Fact Sheet

July 12 '89

Doc. 1087

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Doc. 1084
July 12 '89
Fact Sheet
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Doc 1087
July 12 '89

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PRIVATE

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Oct 8-12 '89

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RFE +
radio Liberty
Jan 1st
St. bick
aware in
Budapest on
9-27-89

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Oct 16-17

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Sept 17-19

Sept 12-14

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((Another example to come.)) *Guardian Glass - Jt venture*

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Tadeusz Mazowiecki - Prime Minister

5

no symbols on flag

Bob Hutchings
NBC

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- Rose Garden 10:00 AM (450 EOB-RAIN)
220 people invited - all US citizens
from Communist countries
- celebrated every yr. since 1959
 - This is 30th Anniv.
- initially set up by Congress to honor
citizens of E. European nation - now applies
to people all over the ~~united~~ world.
- 8 min. speech should be forward-looking,
no Soviet bashing, discuss an united,
free Europe, forces pulling out of Cambodia,
peaceful accord in Angola, people of
Cuba, Nic, Ethiopia, etc.
 - From discussion w/cw - talk about
how reform does not happen suddenly,
"take your time + do it right (safely)"
- There may be 7 people standing with
the Pres. They would be famous citizens
from captive nations - e.g. movie stars,
rock stars, sports heroes, etc. Yet to
be approved.
- Talk to Schar, he was a guest last
yr. + is extremely up-to-date on
positive movements w/in captive
countries

- Cuba 3wks ago
rejection of E. European approach
continue restrictions

- NIC.

they have the opportunity

little willingness

laws fall short for free + open election

confirmed when VP visited

restrict + kick out Diplomats +

electoral obs.

no dialogues w/ opposition

no marches