

# CRCE Briefing Paper

## The Fall of the Berlin Wall **Recollections**

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and  
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Following the elections of 1994 Geza Jeszenszky joined the Opposition in Parliament. In 1995 he was elected President of the Hungarian Atlantic Council, a post he gave up when nominated Ambassador to the United States of America. He served in Washington from 1998 to 2002, representing the government led by V. Orbán. In September 2002 he resumed teaching history and international relations at the Budapest University of Economics and Public Administration. As a Visiting Professor he also teaches the history of Central Europe at the College of Europe, Warsaw-Natolin, and at the Babes-Bolyai University at Cluj-Napoca/Kolozsvár in Romania.

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We are grateful to Geza Jeszensky and Krassen Stanchev. These two articles by our colleagues deserve a wide readership.

The Constitution of the CRCE requires that its Trustees and Advisers dissociate themselves from the analysis contained in its publications, but it is hoped that readers will find this study of value and interest.

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## **Fall of the Berlin Wall**

Géza Jeszenszky,

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In the last weeks there were numerous commemorations and conferences celebrating the fall of the Berlin Wall, the symbol of the division of Europe, and a very real piece of the Iron Curtain. The most publicized events took place in Berlin, understandably. The United States, too, remembered 1989, but with a serious omission: without mentioning the pivotal role of Hungary. E.g.: U.S. Secretary of State Hillary Clinton to unveil democracy agenda at Atlantic Council awards ceremony Freedom's Challenge dinner in Berlin will commemorate fall of the Wall, honour Walesa and Havel

Washington, D.C. - Secretary of State Hillary Clinton will deliver a major foreign policy address on the administration's new agenda for freedom and democracy promotion at the Freedom's Challenge dinner and awards ceremony in Berlin on November 8.

In celebration of the 20th anniversary of the fall of the Berlin Wall, the Atlantic Council will present Freedom Awards to former Presidents Lech Walesa and Vaclav Havel, honouring their struggles for democracy in Poland and the former Czechoslovakia. Freedom Awards will also be accepted by Secretary Clinton on behalf of the American people, Supreme Allied Commander Europe Admiral James Stavridis on behalf of NATO troops, Vice Chancellor Guido Westerwelle on behalf of the German people and Mayor Klaus Wowereit on behalf of the citizens of Berlin.

The Council honoured former U.S. President George H.W. Bush and former German Chancellor Helmut Kohl with its Distinguished International Leadership Award in April for their historic roles twenty years ago.

Frederick Kempe, President and CEO of the Atlantic Council, said, "Presidents Walesa and Havel sparked a wave of democratic revolutions across Eastern Europe. Today, the United States and its allies must continue to stand up for democracy and freedom through constructive leadership and cooperation; the Atlantic Council Freedom Awards proudly honour those who helped make the fall of the Berlin Wall a reality."

That announcement prompted me to send the following message to the ACUS:

I am very pleased to learn about the ceremony in Berlin and about the awards, especially those given to former Presidents Havel and Walesa. On the other hand I am saddened that no Hungarian was found worthy of such an award, and Hungary is not even mentioned in your communiqué. That is an unforgivable distortion of history.

As a reminder I send you a part of my address I'll give on November 9 at the NATO School at Oberammergau. In that I give a summary of Hungary's seminal role in the demolition of the Berlin Wall and the fall of all the European communist dominoes.

Whereas in Hungary several people (both from the side of the government and the opposition) could be singled out as deserving special recognition for the release of the East Germans, one person should not be forgotten: the late József Antall, Head of the Hungarian Democratic Forum and Prime Minister from 1990 until his untimely death in December, 1993. He initiated the highly important Visegrad Cooperation, and through that the dissolution of the Warsaw Pact, thus ending the Cold War with the victory of the free world. I hope that at least somebody will mention Hungary and its brave leader, Antall, during the ceremonies.

In order to put the record straight, I ask all of you to remember to role of Hungary and to remind people to that. Below is the full text of my address, prepared for an audience overwhelmingly German.

### **Hungary and the Reunification of Germany An Historical, Political and Ethical View**

This year in Central Europe is marked by remembrances. In Poland the 70<sup>th</sup> anniversary of the Nazi and Soviet aggression was remembered with tactful words by Chancellor Merkel and even Prime Minister Putin made an effort (not too much) to show some remorse. But the most common theme is the collapse of the European communist dominoes, which ended the Cold War. That unexpected historic event is usually symbolized by the fall of the Berlin Wall (more properly by its demolition by *das Volk*, the people of Berlin), but for each former captive nation it is its own delivery from "the system" which is recalled. (In my Hungary we call it "regime change.") The 9th of November, 1989, was truly a miracle, a dream coming true, and I hope that at least in Germany its memory has not faded with time, despite the unfulfilled expectations. For us, Hungarians (and also for the Poles) 1989, the whole year is a source for rightful pride, as our two nations made an indelible contribution to world history, to victory in the Cold War for freedom and democracy.

Hungary's late Prime Minister, József Antall, who was a determined and fearless opponent of Communism and a friend of Germany (also becoming a personal friend of Chancellor Kohl) said at the Paris Summit in November 1990: "With the collapse of the Berlin Wall, a symbol of European confrontation for decades, the division of the two German states was brought to an end. The unity of Europe would be inconceivable without the unity of Germany, and the accomplishment of German re-unification has freed our continent from a four-decade-old burden. Hungary played an active role in setting the process in motion." This was the second time in history when the unity of Germany seemed to be in correlation with the independence of Hungary: in 1860 the great Hungarian thinker and statesman, Baron Joseph Eötvös argued in a pamphlet (*Die Sonderstellung Ungarns vom Standpunkte der Einheit Deutschlands*) that an independent Hungary was the precondition of the realization of a united Germany. The 1867 Settlement (*Ausgleich*) between Austria and Hungary and the proclamation of 1871 proved the point.

The ties between Germany and Hungary were close all through the last eleven centuries. Hungary's first king, Saint Stephen married the sister of Henry, Emperor of the Holy Roman Empire, Giselle (*die seelige Gisella*), and she took many German knights to her new land. German settlers brought important skills to Hungary, particularly the Saxons (*Sachsen*) to Transylvania and the Zipser to the North-East. Following the devastations caused by the wars against the Ottoman Empire the 18th century saw hundreds of thousands of Germans ("*Schwaben*") repopulating Southern Hungary (today's *Vojvodina* in Serbia and the *Banat* in Romania) and *Transdanubia*. It was the Foreign Minister of the Austro-Hungarian Monarchy, Count Gyula Andrásy, who concluded the defensive Dual Alliance with Germany in 1879, although his aim went beyond that, he advocated the inclusion of England and France into an alliance in order to check the expansionist ambitions of Russia. Today we see the First World War as the great folly, an entirely senseless conflict, but for the contemporaries it proved the military virtues of both nations, and the Hungarians were especially grateful for General von Mackensen for his victories over the Romanians in 1916, liberating the occupied *Szekler-Hungarian* region of Transylvania.

Following the deplorable tragic events of the Second World War Hungary and the eastern half of today's Germany shared the same fate: inclusion in the Stalinist Soviet Empire. That created many new bonds, mutual visits, personal friendships, marriages. When Hungarian communism mellowed *Lake Balaton* (*Plattensee*) became the regular meeting-place of

German families separated by the Wall and the Iron Curtain. Comparing the Federal Republic with the so-called GDR was the irrefutable evidence that the western social and economic system was far superior in every respect to the communist one. That message could not escape even the most hard-headed communist. I have to share with you two personal recollections. From 1963 Hungary permitted its citizens to request an exit visa for visiting Western European countries. In the summer of 1964, availing myself of this possibility, I visited a fellow student of history, who lived in Munich, and then went on to Britain, since I was also a student of English. I was struck by how Munich looked like only nineteen years after the devastations of the war. It was an even more memorable experience to meet West German students in the English and Scottish youth hostels, to see how interested and well-informed they were about the communist bloc. For the first time in my life I felt what it was like to be free, to talk freely, even though only for a few weeks.

### The Fall of the Communist Dominoes

Numerous books have been written on that theme, and the present 20<sup>th</sup> anniversary has produced new versions and new insights. But I am afraid the Hungarian contribution is not given due emphasis. Let me summarize how I see the sudden collapse of the Soviet Empire.

Communism was an unattainable utopia, and its Soviet attempt was a brutal dictatorship. People subjected to it hated it, revolted against it, but a totalitarian world power could not be overthrown from the inside, and a war against it, fought with nuclear weapons, was unthinkable. On the long run its collapse was inevitable, but even in early 1989 no one thought that it would just wither away peacefully.

By the 1980s Communism was losing the race with capitalism on every front. Prosperity proved to be the best "weapon" of the West in the Cold War. The citizens of the communist world no longer saw any chance that their standard of living would ever come near to that of their western neighbours. The initiatives of President Reagan, including the "Star War" scheme, relying upon the technological superiority of the United States, compelled the new and relatively young Soviet leader, Mikhail Gorbachev, to introduce internal reforms in order to bolster the rigid system. At the Warsaw meeting of the Warsaw Pact Political Consultative Committee in July 1988, foreign minister Shevardnadze admitted the USSR's defeat: "The West beat us in all important fields; we are unable to bear the burden of the continual arms race. The Soviet economy is facing crisis and other socialist states have serious problems as well. Halting the arms race has absolute priority, we must use every occasion to reach agreements." The subsequent new attitudes shown by Gorbachev led to the transformation of the relations within the communist camp, as well as that between the two superpowers and their respective blocs. Western Europe had been satisfied with the status quo, for long it only hoped that the Evil Empire would gradually become a little less evil and a little more freedom would be permitted throughout the communist bloc. Documentary evidence is just emerging to show that most western leaders did not really welcome the unexpected rise of the opposition movements in Poland and in Hungary and their demand for a return to democracy. They were worried about the unforeseeable consequences if the bipolar world ended. The new American president, George Bush, too, was cautious and did not want to see the end of the Warsaw Pact, nevertheless he encouraged the Poles and the Hungarians to press for internal democratic change.

By the 1980s a new generation emerged in Hungary who, having heard something about the hidden past, wanted to know more about it. Films, university lectures, underground publications gave more than hints: facts about the crimes of Communism, about the Gulag Archipelago, about the Hungarian victims of communist repression. The "war cry" of the growing opposition was 1956. A Committee for Historical Justice was formed; it demanded the exhumation of the executed leaders of the 1956 Hungarian revolution, Imre Nagy and his fellow martyrs, from their unmarked graves, and also a new trial for them. In May 1988

Kádár, the man who betrayed the revolution in 1956 and, becoming a Soviet puppet, introduced terrible reprisals, was sent into retirement. The cover page of *The Economist* showed a truckload of 1956 Hungarian freedom-fighters with the caption "It is Hungary Again," and that was fully justified. Soon the first political parties challenging the old order were formed: Fidesz (Young Democrats) and the Hungarian Democratic Forum, followed a few months later by the Alliance of Free Democrats. All three parties swore by the principles of the '56 revolution. For us 1989 was 1956 under more promising external circumstances.

In February 1989 Imre Pozsgay, the popular leader of the umbrella organization "Patriotic People's Front," made a stunning statement: 1956 was not a counter-revolution but a popular uprising. The dramatic, solemn reburial of Imre Nagy and his fellow-martyrs on June 16, 1989, was much more than a traditional communist "rehabilitation"; it was an international event. The whole world watched, many foreign dignitaries attended it. It was a unique expression of national unity; the reform-leaning government of Miklós Németh provided security, and some members of the government (all members of the communist party) were included in the guards of honour standing by the six coffins. The boldest speech was given by the young leader of Fidesz, Viktor Orbán, calling for the withdrawal of Soviet troops. That issue was considered a taboo, even the Polish Solidarnosc - aware of "the geopolitical cage" - had not raised it. The burial was much more than paying homage to the heroes and martyrs of 1956, it was a call for radical change. It was also a call for Kádár, the traitor of 1956, to face his responsibility. In less than three weeks he was dead.

In the summer of 1989 the government started the "Round-Table Discussions" with the opposition parties, and by the end of September an agreement was signed on the complete transformation of the political system. In the following weeks the Parliament passed a series of cardinal laws, practically adopted a new constitution, and thus a negotiated, peaceful revolution was made. All the aims of the 1956 revolutions were met or were on the right course to be realized.

In Poland the semi-free election held in June 1989 resulted in the overwhelming victory of the opposition Solidarnosc. With the appointment of the first non-communist since 1948, Tadeusz Mazowiecki as Polish Prime Minister in August 1989, and the September agreement in Hungary on the peaceful winding down of the communist system, it was still only those two traditional pro-Western states where the days of communism were apparently numbered. In December 1989 the European Community initiated economic help for the two reformist countries. The name, PHARE, (Poland and Hungary - Assistance with Restructuring the Economy) indicated that. But the wind of change, also deliberately blown from the two, soon led to the collapse of the whole artificial edifice called "Socialism" like a house of cards. Why and how did it happen?

#### A turning point in history

Excerpts from a recent interview in the BBC: "in March 1989, Hungarian Prime Minister Miklos Nemeth told the Soviet leader he planned to dismantle the barbed wire along the border, as it was rusting and the replacement would be costly. Mr Gorbachev reacted calmly and said border security was Mr Nemeth's problem, not his. The Hungarian prime minister took it as a green light. But could things have gone differently? 'Absolutely, we had worked out a lot of scenarios,' Mr Nemeth told me. 'For me, the most important thing in those days was how I judged the position of Gorbachev in power. If he's being toppled, kicked out of power, that would have been a different story, I can tell you.'"

The so-called Pan-European Picnic was planned for Aug. 19, 1989 at the Austrian-Hungarian border upon the initiative of the opposition parties, but was endorsed as patron by Otto von Habsburg (then a Member of the EP) and the leading Hungarian reformist communist, Minister Pozsgay. It was originally meant only as a symbolic meeting between Germans,

Austrians and Hungarians by a fire: a call for a Europe where borders can be crossed easily. At 3 o'clock in the afternoon the organizers, including Wallburga von Habsburg, arrived and a temporary gate was to be opened in what was still a border fence made of barbed wire, when the unexpected happened. I quote from a recent article. "Lt-Col Arpad Bella, who was in charge of the Hungarian border post, saw a crowd of men, women, even children rushing towards him. Before his eyes, the first wave of East German refugees pushed through a barbed wire-topped wooden gate into the West. Some cried, laughed, embraced each other. Others kept running because they could not believe they were in Austria. Without clear instructions from his superiors, Lt-Col Bella decided not to shoot. 'It was terrible for me!' he said. 'Those two hundred people were just ten metres away from freedom. So I took the decision that I thought was best for Hungary and for my own conscience.'"

The breakout and the successful escape to the West was a sensation which filled the western media. The news prompted tens of thousands of "tourists" from the GDR to come to Hungary, hoping that they, too, could follow their compatriots. I recall a cartoon from the Economist: two people stand in front of the Berlin wall sign on it: "No exit, try Hungary!" That unmanageable mass of people camping in the garden of the West German Embassy in Budapest, but also in parks, loitering in the border area, compelled the still communist Hungarian Government to start talks both with the Bundesrepublik and with the Soviet leadership. Gorbachev told that it was up to the Hungarian government what to do. The East German government protested and demanded Hungary to repatriate all those East German citizens, referring to a bilateral agreement. Hungary had recently signed the Geneva Convention on refugees, not thinking of Germans but of Hungarians escaping from Ceausescu's Romania, and that came in handy. Finally on September 10 the Hungarian government decided to permit all East Germans to leave Hungary through the border with Austria. At least seventy thousand left in a few days. By that time many East Germans stopped in Czechoslovakia and demanded similar treatment. The Prague government gave in and opened its western border. All that had a tremendous impact upon the population of the GDR. The Neues Forum, modelled on the Hungarian Democratic Forum, now emerged as an umbrella organization demanding changes. The October visit of Gorbachev was discouraging for the dictator Honecker. The successful escape of tens of thousands of GDR citizens made it pointless to keep the Berlin Wall closed. When a new, reformist leadership in East Berlin decided to open it, the people smashed the Wall into pieces on Nov. 9.

That was too much for the Czechs to watch: a memorial meeting on Nov. 17 turned into a mass demonstration against the system, with the police dispersing it, but the demonstrations continued in the following days, now directed by the Civic Forum formed on Nov. 19 and the Slovak Openness against Violence. On Nov. 29 the Prague government started negotiations with the opposition and in December agreed to form a new government of national unity, headed by the reformist communist Calfa, while the old parliament elected Havel provisional President on Dec. 29. That was the "velvet revolution."

By that time Ceausescu, the Romanian "Conducator" was dead. In December a Hungarian Calvinist pastor at Timisoara/Temesvár refused to give up his parish, and the people, both Hungarians and Romanians, demonstrated in his support. Bloody reprisals followed, but a mass rally in Bucharest, convened by Ceausescu, turned into a demonstration against him and ended in the helicopter escape of the dreaded dictator. He was soon captured and summarily executed. The Council of National Liberation was headed by his former close ally, Iliescu, nevertheless the desire of the people to abandon communism was genuine. Bulgaria changed more gradually (Zhivkov was replaced on Nov. 10), and Albania in two steps by 1991. The failed coup of August '91 in Moscow was just an aftermath, completed by the restoration of the independence of the Baltic States in September, and the break-up of the Soviet Union itself in December.

I think it needs no further argument to say that there is a direct connection between the Hungary of 1956 and the Hungary of 1989. But that is not enough. 1989 was undoubtedly a turning point in world history. Both world wars and the Cold War had started in Central Europe, this time it was where the Cold War came to an end. 1989 was not inevitable, just as the Soviet seizure of the eastern half of Europe between 1944 and 1947 was not unavoidable. The end of the Soviet colonial empire was indeed inevitable, as all empires disappear eventually, but it could have come much later and under far less peaceful circumstances. The transformation in Poland and Hungary was the model followed by the other communist-dominated countries.

By May 1990 most were already free, and the Age of Fear and Lies, the Age of the Stupid and Vicious Party Apparatchiks, of the Irrational Command Economy, the Age of the Cultural Wasteland was over. The Poles and the Hungarians made the greatest contribution to winning the Cold War, without a shot being fired. But I think 1989 belongs not only to a few countries and their leaders. As a close American observer, Robert Hutchings stated: "That the Cold War ended peacefully and on Western terms was an achievement without parallel in modern history." The changes were not caused by U.S. or western policies, "they were deeply rooted in history and driven by the heroic efforts of democratic opposition leaders in Central and Eastern Europe." (Hutchings, Robert L.: *American Diplomacy and the End of the Cold War, 1989-1992*. Baltimore and London, 1997. pp. 1-2.)

#### The rebirth of a united Germany

In the Spring of 1990 Hungary, followed by all the former communist satellites, held free elections, contested by a large number of parties. They were won by the non-communist parties, with a large margin. But there were still two Germanies. The new government of Hungary considered the principle of self-determination paramount, and was aware of the desire of most Germans to unite in one, democratic and prosperous country. But there were several countries, on both sides of the former Iron Curtain, who feared a united Germany, with 80 million inhabitants, and having the strongest economy in Europe. When the "4 plus 2" talks between the four major victors of World War II and the two Germanies started, we hoped that the result would be an agreement fulfilling German expectations, while providing guarantees for those who had fears. We did not know then how strong the opposition to that was. But now the truth is out about Mrs. Thatcher's efforts to block reunification. The following is from Russian archives on her meeting with the Soviet leader in September 1989, quoted in the Times of London (September 11, 2009):

"We do not want a united Germany," she said. "This would lead to a change to post-war borders, and we cannot allow that because such a development would undermine the stability of the whole international situation and could endanger our security." Here I have a slight problem with the timing. In September 1989 the chances for uniting the two Germanies were still very remote. Following Gorbachev's October visit to Berlin it was no longer inconceivable, but still unlikely on the short run. Based on Kremlin notes of a Politburo discussion on November 3, 1989 - six days before the wall was opened - the Soviet leadership assessed the situation rather well:

"Gorbachev: They [East Germany] will be bought up whole . . . And when they reach world prices, living standards will fall immediately. The West doesn't want German reunification but wants to use us to prevent it, to cause a clash between us and the FRG so as to rule out the possibility of a future 'conspiracy' between the USSR and Germany."

A month after the Berlin Wall came down, Jacques Attali, the personal adviser to President Mitterrand said that Moscow's refusal to intervene in East Germany had "puzzled the French leadership" and questioned whether "the USSR has made peace with the prospect of a united Germany and will not take any steps to prevent it. This has caused a fear approaching panic."



He then stated bluntly, echoing Mrs Thatcher: "France by no means wants German reunification, although it realises that in the end it is inevitable."

Although Mrs Thatcher was still hoping to slow things down ("I am convinced that reunification needs a long transition period. All Europe is watching this not without a degree of fear, remembering very well who started the two world wars," she told Gorbachev in early 1990), but the U.S. did not support her or the French, and neither did Gorbachev. That settled the issue, and on July 1 the two German states signed a treaty on monetary, economic and social union, and on October 3 East Germany joined the Federal Republic of Germany.

While naturally Hungary could not influence the process directly, but indirectly, discussing the issue with leading politicians, including the Poles, we argued that in that particular case history was unlikely to repeat itself, and that the Germans did learn from the past, they were most unlikely to question the borders or disturb the tranquillity of Europe.

#### Economics: how to make eggs from scrambled eggs

The new governments of the former communist dominated countries of Central Europe had to face a most difficult task. With adopting new laws or writing a new Constitution the political transformation was over, but the restoration of their economies was an uncharted road. The former East Germany was lucky, it was absorbed by the Federal Republic; its currency as well as salaries, wages and pensions were immediately raised. Although that was no solution for its industries, who could not keep pace with western productivity, and the happiness soon gave way to bitterness, the rest of the former Soviet bloc only regretted that they did not have a western half which could have salvaged the bankrupt state with money, expertise and advice.

It was understandable that West Germany concentrated on its eastern brother, but its economy was robust enough to become the largest investor in "the new Europe." German capital, know-how and technology raised productivity, created new jobs and generated exports, but all that was insufficient to prevent inflation, unemployment and dissatisfaction over rising prices and modest incomes. In the first years following the changes Hungary took the lead in foreign direct investments, and its economic setback was not as severe as in the rest of the region. Germany became the largest investor in Hungary, but fears of Central Europe becoming an economic colony of Germany did not materialize. The seamy side of an otherwise rapid economic transformation was growing corruption, and western firms were not averse to using bribes in their business relations with the former communist world. In fact they got on rather well with the former communist officials, who soon got back to positions of power with the second free elections.

#### Some ethical aspects

Was it inevitable that the population of Central and Eastern Europe was soon disappointed that freedom and democracy did not bring prosperity, very often its opposite: rising prices, unemployment and often poverty. The answer would require a book, indeed several volumes. But here let me mention just two points and each could have been avoided. While the crimes of Nazism, Fascism, Japanese militarism were exposed immediately after the military defeat, the crimes of communism never received the publicity and universal condemnation they deserved. The public in Central Europe remembers only that under communism prices were low and that everybody had a job. In the rest of the world the real face of communism is known even less, at least by the ordinary people, and today we have again regimes which try to emulate Castro's Cuba. But even if the House of Terror of Budapest had replicas in all major capitals (like the many memorials to the Holocaust), that would not counter the unpleasant effects of the return to capitalism.

What in my opinion could also have been avoided: too rapid privatization and the ensuing laying off of so many people fit for work; the greed of the new capitalist class (often identical with the old communist nomenclatura); its concomitant, wide-spread corruption; the weakening of public order and permissiveness: the mistaken belief that freedom is a free for all (including the use of drugs), and that the task of the police is not to capture all the criminals but to maintain the semblance of order, that is to document all (unsolved) criminal cases. The gap between the small class of the rich and the rest of society is rightly infuriating, especially if the majority of the population can hardly make both ends meet while the economic and political elite accumulated excessive wealth in a short time. That is the reason for the rise of populism and radicalism. The new upper class did not earn its wealth by its talents, diligence, usefulness, not even by inheritance, but too often through connections, kickbacks, bribes, outright criminal activity. Communism in Europe is dead, but it begot immorality, and its rotten body continues to poison the air.

On a more positive note: many of the political fears entertained in 1989/90, mainly by the victors of the two world wars about the repetition of history, and especially about Germany becoming too powerful, were not born out.

Neither was there a return to the rivalries and territorial disputes which characterized the inter-war period. For both, credit goes to many, but I think that it is fair to commend the leaders of Germany and the Atlantic Alliance. It was most important that NATO was ready to open its ranks and to welcome members of the former Warsaw Pact. Here I'd like to pay my respects to the memory of Secretary General Manfred Wörner, a man of vision, who guided the Alliance during the critical period of the new Balkan Wars, and who saw the need for the enlargement of NATO before it becomes too difficult because of Russian opposition.

Finally I hope I do not sound too immodest if I also mention that Hungary, which lost two thirds of its historic territory following World War I, and almost one third of all ethnic Hungarians are now citizens of states which often mistreated them, was also an example of responsible international conduct. We initiated the Visegrad Cooperation, the very opposite of rivalry, we concluded treaties of friendship with all the countries which have large Hungarian population, and in those treaties there are guarantees both for the stability and inviolability of borders as well as pledges for the fair treatment of Hungarian and other minorities. Successive Hungarian governments played an active role in the solution of the Balkan crises, and were cornerstones of Euro-Atlantic solidarity. I am pleased to see here nationals from so many European countries and to know that we are all allies and not rivals let alone enemies.

Budapest, 15 November 2009

## **20 Years from the fall of the Berlin Wall**

by Dr. Krassen Stanchev

I came to Berlin on November 11th, two days after the opening and after the communist dictator of my country, Bulgaria, stepped down from all his posts on November – an event that unleashed changes in Bulgaria. I was invited to brainstorm with other East Europe dissidents the by Dr. Michael Brie, then a GDR-dissident - now No 2 in the German ex-Communist Party of the Democratic Socialism. We were supposed to speak in Russian, on the topic, which formulated in German sounded like: "Zur Frage der sozialen Wuerzeln der Wirtschaftsreformen" [On the Issue of the Societal Roots of Economic Reforms] We, except Michael Brie, left for West Berlin (where we spoke broken English and German), and met to discuss our topic late in the evenings. My notes from the brainstorming are unfinished... But here my impressions are well recorded. Here are few of them:

- Everybody is very serious before crossing the border and smiling on the other side.
- On the Eastern side of the Wall, there was no celebration in public; people were cheering in the West.
- I did know that the Wall was painted and covered by graffiti on the West side. On the East it as always feta-cheese white. It was frustrating to destroy it from the East: it was done from the West.
- Perhaps the most common advertisement in West was about cigarette brand "WEST": "TRY WEST", written in Russian: "POPROBUIY WEST" (the posters were overlooking the Wall; the brand-owner *Reestma* JSC believed it will make a good sale to Easterners, including Soviet Army officers.
- Since November 10th, the public transport in West Berlin was free for Easterners: in underground trains, when entering a coach, East Germans used to pull out their blue ID cards and show it to passengers (it was the GDR tradition to show public transport pre-paid tickets in busses, tram-cars and metro); West-Berliners were somewhat surprised – one of them told me it was because Easterners felt they were watched by some Big Brother all the time. Perhaps there was an element of that too, but I believe the East Germans felt somewhat uncomfortable free riding public transport and just wanted to be dissent citizens.

Of course, all started long before 9th of November... Now we know more than we knew then, about what happened, why, when and how. I would like to mention two developments of 1989, in my country – one rather peculiar, the other one rather common for all new Europe Countries– which demonstrated that in that year the old regime, while technically dead, was creating long-lasting cleavages between individuals. The peculiar for Bulgaria development was the expulsion of Bulgarian Turks from the country. In mid 1980's Bulgarian communist invented a very perverse form of oppression – they decided and successfully managed to rename by force Bulgaria's Muslim population in the winter of 1984-85, leaders (teachers, intellectuals, imams) were jailed... One way or another, it took time people to get organized and claim their names back only in May 1989. In response to this rightful claims, the communist government expelled 350 000 Turks to Turkey, forcing them to sell all they owned and leave in a matter of three-four weeks. (I won't tell you who was buying and re-selling their properties – communist party, ministry of interior functionaries, and the like.) Similar 1989 attitudes of the neighboring ex-Yugoslavia Communists furnished a bloody war. We saved Bulgaria from such developments, after we regained democracy 290 000 Bulgaria Turks returned to Bulgaria, got their names back but the restitution and compensation for forgone properties has taken years.

The other development was of a different nature: the same week the Turks were expelled, the Communist government of Bulgaria invented and immediately implemented a regulation on

how to create private bank with tax payers money at discretion of the PM, no questions and debt-payment asked.<sup>2</sup> By the time, the communists were kicked out of government they did managed to transfer capital and economic commanding heights, believing that capitalism is about grabbing and that it is there class function. Then the freely elected parliament – I was a member of the constitutional parliament – fixed the inviolability of the property rights. It has been a real life experience of Murray N. Rothbard's Ruritania. Those types of policies have brought about two unfortunate economic crisis of Bulgaria of 1990's. Now, those communist-made capitalist are either bankrupt or replaced by normal, competitive and responsible entrepreneurs, Bulgarian and foreign but the bitter memories of unfairness still haunts political life of the country. These two developments left deep wounds for the years to come. We are still trying to deal them; successfully, because the world is already different. But the movement towards free market and democracy was not predestined to succeed. It happened as a result of a persistent, routine and vigilant work of, at first few promoters of economic and political freedom.

2 In a desperate attempt to increase efficiency, collect taxes and pay debt to Soviet Union and Western governments and bank, almost all former Warsaw Pact countries decentralized their banking systems in 1987 and adopted in 1988 and early 1989 laws that decriminalized private property and enterprise. While doing so, as Vladimir Bukovski testified after studying the Soviet Communist Party, Soviet leaders really believed it would be possible to install their appointees in control of economies and countries of East Europe.

3. Part of that November 1989 Berlin group left for Prague and attended the demonstration there on November 17th. I headed back to Bulgaria to organize next street rally on November 18th. But Jiri Schwarz was in Prague and he will speak after me. I tried to publish my Berlin notes in the Bulgarian press - without immediate success. Eventually, one popular satiric and comic newspaper published small collection of funniest excerpts. The press was becoming freer. One of the editors liked them, now he is a successful private publisher.