



**THE BEACON HILL INSTITUTE**  
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## **REAGAN’S REVOLUTION UNFINISHED: DEMOCRACIES IN DANGER**

a talk given by **Sebestyén Gorka**, Executive Director  
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Ronald Reagan was a great President. He is judged by many to be one of the greatest presidents in America’s history. What made him so great?

For one thing, he understood better than any other recent president the value of freedom—the freedom that is almost unique to America and that America more than any other country in the world stands for.

Throughout his entire life, Reagan was unwavering in his commitment to individual liberty and the founding principles of the United States. Early on, he once wrote, “I think it’s time we ask ourselves if we still know the freedoms that were intended for us by the Founding Fathers” and spent his entire career trying to help us answer that question. How many other presidents so consistently stood for what they believed in? How many have we seen dissuaded from their stated principles either by the desire for votes, for power, or by poor advisors?

In his landmark speech of 1964, “*A Time for Choosing*,” in which he supported Barry Goldwater’s candidacy for president, Ronald Reagan said the following “You and I are told increasingly that we have to choose between a left or right, but I would like to suggest that there is no such thing as left or right. There is only an up or down—up to man’s age-old dream, the ultimate in individual freedom consistent with law and order—or down to the ant heap of totalitarianism, and regardless of their sincerity, their humanitarian motives, those who trade our freedom for security have embarked on this downward course.”

If you haven’t had the opportunity to reread this great speech in its entirety, I encourage you to do so.<sup>1</sup> It is truly one of the great speeches of the 20<sup>th</sup> century and it is quite remarkable

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<sup>1</sup> <http://www.reaganfoundation.org/reagan/speeches/rendezvous.asp>.

how so much of what he said 40 years ago still resonates with truth and relevance today. Perhaps more so.

Reagan did more than any other president after WWII to restore freedom to the American people, to roll back big government and leave more of the people's wealth and decision making power in their own hands. And he did this not just on America's own shores, but across the globe.

It was Reagan's untiring commitment to the notion that every single person has the right to live in freedom and dignity that finally brought about the collapse of the totalitarian regimes in Central and Eastern Europe and this brings me to Central Europe and my own country.

Some of it might now seem like distant history--the show-trials and executions of the 1950s, the disappearances in the middle of the night, the imprisonment or banishment of those who dared speak out against the regimes and in favor of democracy. It seems so far away in time. But it is impossible to overstate what a tremendous miracle and blessing it was for tens of millions of people when communism was finally brought to its knees.

My own father spent six years in prison--from the age of 20 to 26. Try to imagine today your twenty-year old son or grandson being put in prison simply because he believed in liberty. Imagine him trying to withstand two years of solitary confinement, as my father had to. Imagine him or her put to hard labor in prison camps. Miraculously my father survived all this. He was freed from prison by the Freedom Fighters in the revolution of 1956, but he had only a few days of liberty before he was forced to flee Hungary or be executed on capture. From the age of 26 to 60—virtually his whole adult life, he could not live in his own country. He could not return to Hungary and he was forced to live as an exile in England. Not unpleasant, to be sure, but it was not his country, not his home. He never stopped being a Hungarian, and when Communism finally fell, he and my mother went back. There was no question that they wouldn't return, and thankfully he was able to live the last ten years of his life in a free Hungary.

My family's is just one story. Millions of families share similar stories--lives that were cut short or ruined or compromised by the oppressive hand of our dictatorial regimes. Reagan brought that to an end. It should be little wonder then that his memory is universally revered in Central and Eastern Europe.

But unfortunately, Reagan ended his term in office just as his life's work was bearing fruit. His term ended on January 20<sup>th</sup>, 1989. Just a mere five months later, Poland held its first partially free elections in 40 years and shocked the world by trouncing the communists. That started a regional landslide that lasted seven months, and only stopped when every single Communist regime had been mortally wounded.

Yet it was a great shame that Reagan was not in power to see this through to its completion. Not because he did not get to reap the glory for his decades-long efforts, but because with him went his moral clarity. Reagan knew, unequivocally, that Communism was wicked. More importantly, he knew that Communism was not a faceless, nameless monolith, but that it was created and perpetuated by individuals, by people who were responsible for its atrocities. The crimes, the murders, the spying and the betrayals.

When Communism ended in 1989, there should have been a clear condemnation of those who were responsible for it and I am sure that if Reagan had stayed in office, that would have indeed happened. There should have been a Nuremberg process, as there had been after World War II. There should have been an unequivocal statement that what had happened under Communism was morally wrong and those who perpetuated it were culpable. In 1945 the world made it absolutely clear that Nazism was wrong, that Nazis were criminals. The fact that Germany is a healthy, thriving country today, a mere sixty years after the Holocaust and World War II, is due in large part to the Nuremberg process and with de-Nazification which together set Germany back on a morally sound course. No such process happened with the Communists of Central and Eastern Europe, even though they were responsible for the deaths of tens of millions, many times more murders than the Nazis ever committed.<sup>2</sup>

Some countries, notably East Germany, the Czech Republic, and Estonia did have a lustration process: they made public the names of those who had collaborated with the regime, and they put limits on the types of jobs those people might have after the changes (although few, if any went to jail). It was their belief that those responsible for perpetuating totalitarianism and oppression have no place in the leadership of a democratic country. It was their belief, and I strongly support this stance, that a person who helped maintain the Communist regime, a person who clearly was capable of betrayal, abuse of power and utter disrespect for the dignity and rights of others, does not change overnight—or even in a lifetime—and become a person who respects others, who respects the rule of law, who can credibly serve the ideals of liberty and justice for all in a democracy.

This question of what may seem the recent past has become the critical issue today. Those countries which formally and openly condemned Communism and held individuals responsible for what they had done under that dictatorship have flourished. But those countries that did not, such as Hungary, Croatia and Bulgaria, are today mired in corruption and economic stagnation.

Every country in Central and Eastern Europe continues to be deeply divided between those who collaborated with or supported the former Communist regimes, and those whose lives were compromised or cut short by those regimes. The West is always pushing us to have greater political dialogue, but in our eyes, to do so would be to talk with criminals.

The failure to deal with the past is significant for another reason. Communism was, above all, an attack on the values of Western civilization, on American values. It was an attack on the values that have been shaped over centuries by the Judeo-Christian religions, by Greek political thinking and philosophy, by Roman Law and the Western democratic model. Communism was a full frontal attack on the dignity of the individual, his beliefs, his property, his family, his community. We should have recognized how important it was to restore this system of values, to re-connect Western civilization to Central and Eastern Europe. Instead, we just rebuilt institutions and ended up crating “façade democracies.”

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<sup>2</sup> *The Black Book of Communism* edited by Stéphane Courtois (Harvard, 2000), places the conservative estimate for victims of Communism in the 20<sup>th</sup> century at 10,000,000 souls.

The result in Hungary, as in much of Central and Eastern Europe, is that we still live in a moral quagmire inherited from the Communism era. There is no commitment to higher principles. The only principle that matters is “Me.”

For example tax evasion is rampant—fully 50% of Hungarian taxpayers claim to be earning only minimum wage. So the government keeps raising taxes in order to generate the revenue it wants. That means there is more incentive to cheat on taxes. Price Waterhouse Coopers recently reported that the only growth industry in Hungary is the tax authority. They have just hired an additional 600 of the best and brightest to chase errant taxes. That is an additional 600 who now will not innovate or produce anything but merely put further budgetary strain on the dwindling numbers of those who are producing. Hungary’s growth rate, at under 2%, is now the lowest in Central and Eastern Europe. And less than a decade ago it had been the golden child of economic reform and political transition.

As a result, Hungary has become known as the *Land of No Consequences*. Year after year huge corruption scandals have been uncovered, yet no one ever goes to prison. Our prime minister, one of Hungary’s forint billionaires, was caught on tape admitting to having lied about the economy in order to get elected. Was he thrown out? Not at all. He went on to build a swimming pool at his villa and wrote it off as a business expense. Did he resign when this was uncovered? No. We have a saying in Hungary: a fish stinks from the head. When the leadership is corrupt, the whole country is corrupt. People ask themselves why should they pay their taxes when even the leaders of our government do not pay theirs? It is a fair question.

By all accounts, Hungary is a democracy. We do have free elections. But I will show you something about our democracy. These photographs<sup>3</sup> were taken last Autumn, one year ago. It was a momentous occasion for us. We were getting ready to celebrate the 50<sup>th</sup> anniversary of the revolution of 1956. This is one of great moments in Hungarian history, a moment when just a few thousand Hungarians had the courage to stand up to the Soviet Empire. They were not afraid to die for their freedom. Even though the Revolution was ultimately defeated, those days in October remain a sacred memory for many Hungarians and a source of great pride. But five weeks before those 50<sup>th</sup> anniversary celebrations of 1956, our prime minister was caught on tape admitting to lying in order to win the election. This is now a quite famous story so you may already be quite familiar with the details. He admitted to having lied about the state of the Hungarian economy in order to get re-elected, but what was equally upsetting to most Hungarians is the terrible language he used to do so. Numerous times he referred to Hungary as “this f---ing country.” Can you imagine George Bush, or even Tony Blair, saying such a thing about the country he leads? I don’t think so. So, the day after the tape was made public, people took to the streets. That first night, I went out to see what was happening. The demonstrators had gone over to the national television (just across the park from the American Embassy) because they had prepared a statement and they wanted it read on the television. But it led to a fight—cars were set on fire, the TV was barricaded, many police as well as demonstrators were injured, water cannons were turned on the people.

The demonstrations demanding Gyurcsány resignation continued for weeks. Hundreds of people took up permanent residence in front of the parliament. Thousands turned out every

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<sup>3</sup> See appendix.

evening after work to add their support. Then came the day before the 50<sup>th</sup> anniversary itself. The police cleared out the demonstrators illegally, saying they would be allowed back in, but they were not. The entire parliament was cordoned off for blocks around, and for the 50<sup>th</sup> anniversary celebrations, Hungarian citizens were not allowed to attend. Many people were angry at the prime minister about the tape, but now they were even angrier about this whole episode, especially because prior to 1989 he himself had been a member of the Communist leadership. Moreover, he was married to the granddaughter of Antal Apró, the man identified by the Soviet politburo as their most reliable contact during the 1956 Revolution and who was the person most directly responsible for the post-1956 persecution of revolutionaries. So for many, the prime minister's presence at an event celebrating the heroism of those who fought and died for Hungary's freedom from Soviet oppression seemed like pure hypocrisy.

But the day got worse. After the closed event held for just a few hundred Hungarians VIPs and foreign guests, there was another event in the afternoon where an estimated 400,000 people gathered for a commemoration organized by the leading opposition party, Fidesz. Here violence broke out between police and demonstrators. The police broke numerous codes of conduct and police regulations—they did not wear identity numbers, they wore ski masks, they fired rubber bullets and tear gas canisters directly at demonstrators, they carried steel truncheons. They beat up hundreds of demonstrators and attacked innocent tourists caught up in the events, as well as journalists and two priests. And this is why I have to say that principles matter. What may today be only a few lies can later become outright physical assault and brutality.

Well, I have probably told you a lot more about Hungary than you wanted to know, but I wanted to make a point. The primary lesson we have learned above all others in Hungary is that without a clear set of values, democracy does not work. Democracy and free markets do not, in and of themselves, lead to prosperity and growth. They are essential to it, without a doubt, but cannot, in and of themselves, generate a healthy, functioning society and economy. Only people can do that. Only individuals who go about their daily lives ethically, responsibly and honestly, can generate a healthy functioning society. American democracy, for example, does not succeed simply because you have free elections and a Supreme Court and a bicameral legislature and a good constitution. Those things help, to be sure, but they alone are not what makes American democracy still the greatest democracy in the world. American democracy works because the vast majority of Americans live by a set of values which says it is right to be honest, it is wrong to cheat, it is right to pay your taxes, it is wrong to steal, it is right to serve your community, it is wrong to cause harm to others.

Viewed from Central Europe, American democracy works because it says every individual life is sacred or, to use the exact words of the Declaration of Independence, “that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness.” America - as any other nation - is defined by the principles its citizens live by. Ronald Reagan, as president, embodied those principles better than any other president in recent history.

So why do some say America stumbling? Why all the recent talk of division? Because its leaders have strayed from those principles. I don't want to get into a discussion of the current president's policies or whether or not we should have gone into Iraq—personally I do think the war was justified, just not on the grounds that were actually cited—but I will

simply say this. I don't think Ronald Reagan ever would have tolerated a Guantanamo Bay. I don't think he would have allowed secret prisons for the rendition of prisoners. I don't think he would have permitted his vice president to lobby for an exemption to the no-torture regulation regarding captives in U.S. custody. And, most importantly for my part of the world, I don't think he would have done business with former Communists, no matter how expedient or profitable it might seem, even if they supported the Global War on Terror.

President Reagan's revolution, both at home and abroad, was a revolution to restore liberty to restore its place of primacy in the American hierarchy of political goals. He knew that this was critical both to America, but more broadly, to the world. "This is the last stand on Earth," Reagan said. "If we lose freedom here, there is no place to escape to."

I feel certain in saying that had Ronald Reagan not become president, Hungary would still be a Communist dictatorship, as would all of Central and Eastern Europe. For that reason, I believe that America must continue to be the flag-bearer for freedom and justice in the world. No other country can do it as well, backed by both history and strength. But it must be a liberty grounded in principles, grounded in a clear sense of right and wrong, not right and wrong shaded by expedience, short-term goals, or convenience.

How do we get ourselves back on track? How do we bring our respective countries back to the principles on which they can securely stand? The answer of course lies with us—the citizens of our countries. First, we should never take our freedom for granted, or assume that others will safeguard it for us. I recently received a refrigerator magnet from an American Hungarian that has a Hungarian flag on one side and an American flag on the other, and it says "1776–1956: Freedom does not come for free." Freedom is something we must constantly work for. We must always watch our political leaders and keep them from taking government into areas of our lives where government doesn't belong. Second, we must hold them to the same principles we ourselves live by. They should never be allowed to compromise the fundamental principles on which this democracy stands. Finally, we must know and understand what these principles are. Education is critical. Democracy does not survive without it. Because the tendency of every government, even those founded on the soundest principles, is to grow, to increase its powers, to extend its reach. One can clearly see that here in the United States, but what gives me hope here is that there are very strong efforts to fight that trend. Most states now have free-market think tanks. In Pennsylvania you have the Commonwealth Foundation, the Alleghany Institute for Public Policy, 'Let Freedom Ring', and the Club for Growth that all closely watch what the state government is spending and doing and all of which are pushing for smaller, more responsible government. By engendering the same in Central and Eastern Europe we are attempting to undo the damage of 40 years of Communism. Seventeen years have not been enough. Yet the lessons learnt in those seventeen years are very important for any area of the world where the United States wishes to see democracy and free markets flourish. Thank you for your kind attention.

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PHOTOGRAPHS TAKEN DURING THE 50<sup>TH</sup> ANNIVERSARY IN  
BUDAPEST OF THE REVOLUTION OF 1956



MASKED HUNGARIAN POLICE WITHOUT NUMBERED ID BADGES USING ILLEGAL STEEL BATONS, TEARGAS AND RUBBER BULLETS TO BRUTALIZE UNARMED, PEACEFUL CITIZENS WISHING TO COMMEMORATE THE 50th ANNIVERSARY OF THE HUNGARIAN REVOLUTION, Oct. 23rd 2006. AS THE FIRST PHOTO ALSO SHOWS THEY WERE ARMED WITH RIFLE GRENADES AND AUTOMATIC WEAPONS AGAINST UNARMED CIVILIANS