

Mark Palmer

Former U.S. Ambassador to Hungary



U.S. should loosen ties to Gorbachev, says Palmer

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Bartels lecture Mark Palmer, a former ambassador to Hungary, said last week that the United States should be less tied to Mikhail Gorbachev because the Soviet president is incapable of realizing needed political and economic reforms.

He said America suffered from an “inability to look beyond existing political regimes” and warned that to be too close to particular leaders is to sooner or later be on the wrong side.” His examples: Ferdinand Marcos, the Shah of Iran – and possibly, Gorbachev.

The United States should “give vigorous support to forces for democratic change... We don't want to extend the economic crisis by supporting the status quo,” he said.

Palmer praised Gorbachev for his accomplishments in foreign affairs and his contributions to the end of the Cold War, but he added that Americans should listen to the complaints of Soviet citizens when they talk about life inside the Soviet Union

Economic revolution is being held back by ideology, and old bureaucrats must be removed before economic reform will be accomplished, Palmer said.

Palmer, ambassador to Hungary from 1986 to 1989, is now president and chief executive officer of Central European Development Corp., which is encouraging Western investment in Europe. He visited Cornell as the 1990 Henry E. and Nancy Horton Bartels World Affairs Fellow.

Palmer said Poland, Czechoslovakia, Hungary and the reunited Germany will become “the tigers of Europe with annual economic growth rates of 6 to 7 percent. Democracy is being firmly established in those four nations, and Europe will not permit them to fail, he said.

In the Soviet Union, Romania, Bulgaria, Yugoslavia and Albania – where Communists still rule - the prospect for democracy and capitalism is more uncertain, Palmer said.

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He criticized two commonly held Western views of Eastern Europe – that there is no work ethic and that there is no experience with or desire for capitalism.

On the first point, he said that eastern workers often outperform their counterparts from the West. A team of Hungarian workers is most productive unit at a BMW factory in Munich, and a Levis Strauss plant in Hungary out produces Levi factories in Taiwan, Singapore, Scotland, Italy, Spain and some U.S.cities, Palmer said. Reports that eastern European workers are lazy may be based, he said, on Western trade unionists' fear over the low wages that Eastern workers are willing to accept.

On the second point, Palmer said none of the Eastern European countries could have survived the postwar years without an informal, capitalist-oriented economy.

He suggested that the government of Eastern European privatize government owned industries and services, included giving all citizens stock interests in the privatized companies to produce nations of 100 percent capitalists.

“This is the new frontier and will remain so for an entire generation,” Palmer said of Europe.