

Janos Goyak



Centesimus Annus, a challenge for East Europe

Dr. Goyak, a professor of social ethics who works with the Christian Democratic People's Party of Hungary, delivered this speech on Sept. 5 to a conference of the Schiller Institute in Vienna, Virginia. He refers principally to two encyclicals of Pope John Paul II, Sollicitudo Rei Socialis of 1988, and Centesimus Annus of 1991, written for the centenary of the first modern social encyclical, Rerum Novarum.

After the collapse of the totalitarian systems in central and eastern Europe, the peoples and nations of eastern Europe including my own country Hungary, are in a transition phase. They face the unique historical task of building from the ruins of communist dictatorship, a democratic state ruled by law, i.e., they confront the task of transforming a centralist planned economy into a free market economy. These countries face the unique chance of building a human economic order and society, based on the guidelines elaborated in the papal social encyclicals. I would like to elaborate this concept a bit further: I would like to elaborate on those questions pertaining to the future economic order by looking at the papal encyclical *Centesimus Annus*.

A) The democratic state under law and the representative parliamentary system with its different parties, is a fundamental concept with respect to society and the political system. According to *Centesimus Annus*, "Authentic democracy is possible only in a state ruled by law, and on the basis of a correct conception of the human person" (§46 CA).

Dear listeners. This short sentence, in particular its latter part, expresses the cornerstone of any true democracy, and it is precisely on the question of man, i.e., the image of man, where different conceptions are taken. We deal with two fundamentally opposing concepts: Either man is conceived of as a "freely creating demiurgos," in the way the Aristotelian philosophy conceives it, "or as a living image of God," as is expressed in the Platonic philosophy, or better, the Christian philosophy. These two opposing images of man dominate our western culture, definitely since the period of the Enlightenment, or better, since the French Revolution.

The first concept is based on pre-Christian or rather non-Christian ideas. It absolutizes man and everything that concerns man, including his ethical moral behavior. This can

have fatal consequences for our society and for our history. Because if man, who constantly changes, is conceived as the final authority concerning the truth, then "ideas and convictions can be easily manipulated for reasons of power" (CA p. 46). In such a democracy, it is possible that decisions in society "are not examined in accordance with criteria of justice and morality, but rather on the basis of the electoral or financial power of the groups promoting them" (CA ¶47).

This is the model of a degenerate, a deformed democracy, which unfortunately does exist this way today. Against this concept stands the Christian image of man, according to which man is a creative, dynamic image of God. This is the source of his inalienable dignity, as well as his rights. In the divine nature of man lies his social orientation "to the other." This is nothing arbitrary. Man realized himself in freedom by fulfilling his mission. The dignity of man which finds its end in transcendence does not allow man to be used as an object. Man is the carrier, the reason, and the aim of all being. From this standpoint, *Centesimus Annus* rejects the consumerist thinking and living style, which enchains man to his instincts and which makes man become the slave of his objects. I have only hinted at some of the problems, which we have to deal with, when we aim at liberating man, and when instead of appearance, we want to build a true democracy.

B) The biggest problem we have, is to build an economic order which is in conformity with man and his needs. But which system could this be? Are there any models? *Centesimus Annus* thinks it is wrong to say that after "communism, capitalism is the victorious social system" (CA p. 42). We should not be astonished about the fact that the average Hungarian during the 40 years of communist reign, constantly looked longingly toward the West, and only saw the glimmer and glitter, and the well-being of the system, but did not see the shadowy sides of the system he was longing for.

In the encyclical *Centesimus Annus*, the pope agrees with capitalism as a system "which recognizes the fundamental and positive role of business, the market, private property, and the resulting responsibility for the means of production, as free human creativity in the economic sector." But it rejects that type of capitalism "in which freedom in the econom-

ic sector is not circumscribed within a strong juridical framework, which it places at the service of human freedom in its totality," that is, an order in which the ethical and religious are at the center (CA ¶42).

The encyclical does not go into detailed questions concerning a just society or economic order. This is not the task of the church. It has "no models to present." Successful models "can only arise within the framework of different historical situations and through the efforts of all those who responsibly confront concrete problems" (CA ¶43). The church offers, on the other hand, a spiritual orientation, embedded in its social teachings. This question is very complicated. I can only give some hints and some orientation points. I want to refer to the last encyclicals *Sollicitudo Rei Socialis* and *Centesimus Annus*.

Equal access to markets

1) It is necessary on an international scale that the nations of the Second and Third Worlds have equal access to the world market. "Stronger nations must offer weaker ones opportunities for taking their place in international life and the later must learn how to use the opportunities" (CA ¶35). Of course, this must be done without exploiting their resources or their labor power. For decades, the countries of the Third World have faced these problems, but this question has now also become actual and acute for us in eastern Europe. We can also formulate the question this way: Is the capitalist world ready to have us participate as equal partners in economic development? How should the world economic order best develop for the well-being of all nations, i.e., the whole humanity? The future of eastern Europe and the whole world will depend on the solution of these questions.

2) An even bigger load on the shoulders of Hungary, as for many other countries of the world, is the question of the foreign debt. In the encyclical *Centesimus Annus*, the pope says that the debts in principle should be paid. But that it is not permitted to demand debt payments "when the effect would be the imposition of political choices leading to hunger and despair for entire peoples. . . . It cannot be expected that the debts which have been contracted should be paid at the price of unbearable sacrifices."

Dear listeners. The small country Hungary with its 10 million inhabitants has a foreign debt of \$21 billion, which our government inherited from the communists. Half of the debt is comprised of loans that the communists borrowed in the last phase of their government from foreign bank consortia, i.e., they borrowed the money at a time, when the failure of the centrally planned economic systems already was totally foreseeable. Now, dear listeners, just imagine how this debt problem bears on the already problematic restructuring of our economy.

3) I would also like to point out the problem of unemployment. This plague is being criticized harshly by all papal social encyclicals. We all know what the viewpoint of the

Christian social teachings is in respect to this problem. In Hungary, with almost 5 million employed, we have already 10% unemployed. For us this is a new phenomenon. You might know, that the communist system put a lot of emphasis on guaranteeing full employment. But even then there also was unemployment, but it was hidden behind the walls of the enterprise. In a sense, we can say that in eastern Europe the unemployment is more problematic since it was not caused by economic recession, but by the restructuring of the entire economy.

4) Finally, I would like to return to my initial remarks. All economic orders are based on a specific concept of man, a specific image of man. If in the economy profit is the highest purpose, then such an economic order is in the final analysis directed against man. In such economic conditions, man is nothing but a manipulable object. He is not a value in himself, not a person endowed with dignity and created in the image of God. It is self-evident that the papal encyclicals all start out from the notion of the inalienable dignity of man, of all men, and orient toward the well-being of all men. Our task in eastern Europe could be summarily outlined in the following way: We should build up an economy and a society which is neither capitalist nor communist, but which is based on the principle of private property and private enterprise, i.e., a free market economy, which leaves wide room for the fulfillment of the social demands. It should be an economic system which puts man in the center, man being conceived as a living image of God. As the pope says in *Centesimus Annus*, the "subjectivity" should dominate in such a social and economic system. That means it's not the mechanical functions of man, but his social orientation as a human being toward other human beings, which is fundamental.

Does Hungary have a chance?

We now have to answer the question whether the former socialist countries, whether Hungary under the present international conditions, has a real chance to reach that noble aim. Or whether my country has the necessary strength and capacity to realize that. Will we use the unique historical chance, or will we miss it? I want therefore to briefly show which political forces play what role in the ongoing restructuring effort.

You might know, dear listeners, that in the first free elections after the failure of communism, the opposition parties won with an overwhelming majority. The strongest political grouping out of the elections were the Democratic Forum, which together with the Small Farmers Party and the Christian Democratic People's Party formed a government coalition. In this coalition, the three parties represent altogether 58% of the parliamentary seats. It is very important to stress that these coalition parties base themselves on the Christian cultural heritage of Europe. They conceive the Christian values as fundamental for policymaking. But I also want to underline that such Christian social and economic

ideas are only explicitly represented by the Christian Democratic People's Party. The present opposition instead favors a free capitalist market economy based on such liberal ideology, which Pope Paul VI in his writing *Octogesima Adveniens* also sharply criticized. It seems that these people aim for an unlimited liberal capitalism, which dates back to the initial phases of capitalism.

There is a third force in my country represented by the former communists, or, better said, the former *nomenklatura*, which still has a lot of key positions in the economy. And this, despite the fact that in the elections the communists could not send any deputy into parliament, and its successor party only got 11% of the vote. We must stress that the former communists in respect to the economic order get very close to the liberal [free market] ideas and thus they form some type of united front against the coalition government. The deeper reason for this commonality is based on their common image of man. That is, the absolutizing of man. In such circumstances, the coalition wants to build a just, that is, a social economic order.

Finally, our chance depends upon resisting certain foreign influences, and those inside the country, who propose a liberal capitalist economy.

Interview: Dr. Janos Goyak

Why should we pay the communist debt?

Dr. Goyak, a professor of social ethics in Hungary, was interviewed by Ronald Kokinda in Leesburg, Virginia on Sept. 11.

EIR: What is your background?

Goyak: I am a priest, a Catholic priest. I studied at the Lateran University in Rome, and I have been teaching the doctrine of Social Ethics of the Catholic Church in the high schools for several years.

Under the communist system, the Catholic Church was not allowed to have a university; we were only allowed to have a school up to the level of academy or high school. But now we have been able to rebuild a university.

EIR: What is the name of the university where you teach?

Goyak: The Academy of the Science of Faith of Budapest. Also, I am a journalist. Some 10-12 years ago I was a copyeditor for the Catholic News Agency of Hungary. It is an agency that is 90 years old, founded before the First World War.

EIR: Are you a member of a political party?

Goyak: I am working with the Christian Democratic People's Party, but since I am a priest, I am not a member of that party; a priest is not allowed to be a member of a particular political party, but I work with them.

EIR: How did you come in contact with the Schiller Institute?

Goyak: Through very good friends of mine who are members of the Association of Former Political Prisoners—my father was one of them. And in Hungary I and others founded an observer group for human rights. I am one of the founders of that human rights observer organization, which is not limited to the political prisoners organization.

EIR: What brought you to the United States?

Goyak: I have found in my profession of teaching Christian social doctrine that many of the ideas in this Christian social doctrine, as I teach it, are the ideas that are in the mind of Lyndon LaRouche.

At present, not only among leaders but also among the general public, it is known that there are two possibilities, two choices, two ways that Hungary can proceed at this time. There are two groups pushing Hungary in two different ways. One, which is for a capitalist free market economy. The other group advocates for Hungary a social, humanist, Christian ideal in economics. We would say that what is needed, is that the decisive influence be of the European Christian tradition. The decisive influence would be better from this direction, rather than from the free market group. This is sufficiently clear to enough people in Hungary, including within the ruling government coalition.

Therefore, I am here because there is an equivalence, or the ideas are very nearly the same, between the Schiller Institute and those in Hungary who stand with the ideals of European Christian civilization.

EIR: Is this your first visit to the United States?

Goyak: I was first here five years ago, in Boston and Chicago, with a delegation of Christian journalists.

EIR: Are there any particular impressions you have of the United States, seeing it both five years ago and today?

Goyak: We had meetings with Bishop Weakland of Milwaukee, and he had given us an explanation and vision of the situation in America, and the trends. He said that America has a "superman" mentality.

A particular problem we have in Hungary is the many small Protestant religious sects which have come from America to proselytize, backed by much money. This is not good.

EIR: Are these groups backing the free market or the Christian approach on economics?