

POSTWAR HUNGARIAN POLITICS, 1944-1947

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PREFACE

A study of postwar Hungarian politics was selected because of the author's personal interest as a result of several months spent in Hungary as a member of the American Military Mission, observing at first hand the development of Hungarian affairs. This sojourn occurred during a portion of the period covered by this thesis. While in Hungary, I had an opportunity to see part of the postwar picture unfold.

The events treated cover the period from December, 1944 to June, 1947. It was during these years that Hungary established a reasonably democratic government and attempted to pursue a political path in line with Western ideals. This period was marked by the gradual encroachment of the Communists over the Government in Hungary, until Hungary became a satellite of Soviet Russia. By mid-1947 the Communist goal was realized. My thesis is concluded at that point, because this furnishes a terminal point.

I would like to express my gratitude to Major General William S. Key of Oklahoma City for his unceasing cooperation. General Key was the leading American military representative in Hungary during eighteen months of the period under consideration. He willingly expressed his opinion on numerous points, and added much to the authenticity of this work.

I also wish to thank Dr. Tibor Eckhardt for a very informative interview, in which he talked at length about Nagy, and related many interesting points about the tactics employed by the Communists in Hungary. Dr. Eckhardt was a key political figure in Hungary prior to World War II. He helped found the Smallholders party (the major opposition party to the Communists after World War II), and was leader of this party for eight years. Dr. Eckhardt has maintained close contact with Hungarian politics throughout the postwar period, and aided me

tremendously in clarifying some aspects of this picture.

I want to express my appreciation to Professors R. B. Oglesby and Robert E. Powers of the Political Science Department at Oklahoma A. & M. College for the endless assistance, advice, and encouragement given me while preparing this work. This aid was invaluable.

TABLE OF CONTENTS

PREFACE.....	iv
I. NATIONAL POLITICS IN HUNGARY, DECEMBER, 1944 TO NOVEMBER, 1945.....	1
II. THE NATIONAL ELECTION OF 1945 AND THE FORMATION OF A COALITION GOVERNMENT.....	26
III. TACTICS EMPLOYED BY THE COMMUNISTS TO INCREASE THEIR CONTROL IN HUNGARY -	
A. Hungary Under The Coalition.....	35
B. Growing Russian Control In Hungary.....	40
C. Hungary Becomes a Republic.....	45
D. Formation of The Liberal Party.....	46
E. The Financial Crisis.....	47
F. The Peace Treaty.....	50
IV. POLITICAL UNREST AND THE ALLEGED CONSPIRACY.....	52
V. EVENTS SURROUNDING THE OUSTING OF NAGY.....	68
VI. SUMMARY AND CONCLUSION.....	76

APPENDICES

A.....	80
B.....	82
BIBLIOGRAPHY.....	84

POSTWAR HUNGARIAN POLITICS, 1944-1947

NATIONAL POLITICS IN HUNGARY, DECEMBER, 1944, to NOVEMBER, 1945

The liberation from the Nazi yoke of a devastated and poverty-stricken Hungary in 1944-45 marked the beginning of a new chapter in Hungarian national politics. The story of Hungarian politics during the ensuing few years is interesting as an illustration of how the Communist party, astutely led and secretly working behind the scenes, takes over a national government.

The New York Times made these comments about the early Hungarian Provisional Government:

In Hungary, as in other small Eastern European nations, a coalition government or National liberation front took over. These coalitions varied as local conditions demanded, but always with intellectual Communist leadership and method at the top.¹

On December 24, 1944, the Moscow radio announced that a provisional Hungarian National Assembly had been set up in Debrecen, the third most populous city in Hungary. Budapest was still occupied by the German armies. According to the same source, delegates were elected by liberated eastern Hungary in voting December 13th through the 20th. Moscow radio said, "the Assembly represented all democratic parties, trade unions, local governments, local national committees, peasant unions, industrial associations and other public organizations in liberated Hungary."²

The Assembly called for an armistice, and denounced the pro-Nazi Szalasi regime as "usurpers imposed on the Hungarian people by the Germans." The Assembly offered a program guaranteeing "freedom and wide political rights to the working masses." Local reform was promised. Simultaneously, the Assembly offered to guarantee the "integrity of private property as the basis of our economic social structure."³

¹ New York Times, May 27, 1945, p. 12.

² New York Times, December 24, 1944, p. 12.

³ Ibid.

Professor Bela Zsedenyi of the Miskolc Academy of Law was unanimously elected president of the Assembly at the first session. In his inaugural address, the new president called on the Assembly to "lay the foundation for the creation of a new democratic Hungary." A resolution was passed by the Assembly which proclaimed a "war of liberation" against Germany, and asked the Allies for an armistice.⁴

A government was quickly formed which seemed reasonably representative. This Government was recognized by the Hungarian Minister to the Vatican, Baron Gabriel Apor, and apparently had the support of Hungarian movements outside the homeland. This new Government first took shape between December 13 and 20, when elections for a Parliament were held in the Soviet-occupied portion of Hungary. Approximately 230 delegates were elected to a "Provisional National Assembly."⁵

On December 24, the Assembly chose a provisional Government headed by Colonel General Miklos, a former Hungarian army officer who had spent some time in Russia.

The Miklos Government followed the pattern of a "popular front" plus army generals which the Kremlin is consistently fostering in areas under its influence. It comprises two more or less avowed Communists, three Socialists, and three members or sympathizers of the Smallholders' party; the three groups, all illegal under the Horthy regime, had been closely allied since November of 1943 in a "National Front of Independence."⁶

In a recent book, Rustem Vambéry said this new Government, although headed by one of Horthy's ex-generals, unquestionably represented a cross-section of non-Nazi political opinion in Hungary. Vambéry stated that the new Government was chosen by a National Assembly which had not been regularly elected but had

⁴ Newsweek, "Pattern of Hungary," XXV (January 8, 1945), p. 42.

⁵ Ibid., pp. 41-42.

⁶ Ibid., pp. 42, 47.

been organized by the local councils and was composed of their emissaries. He admitted that this was certainly not democracy in the Western sense of the term, but he thought the military emergency and the complete breakdown of communications excused the methods used and justified the Provisional Government in calling itself democratic.⁷

The new National Assembly swiftly confirmed a Provisional Government. This Provisional Government remained in power for almost a year, and bridged the gap created by the utter political confusion of the months immediately following Hungary's exit from the war.⁸

The Provisional Government declared a policy of liberal social action, including a promise to inaugurate a program of land reform and improvement of the lot of the Jews. It was also announced that old liberties suppressed by the Nazis would be restored.⁹

Another writer, Joseph S. Roucek, noted that while elsewhere in Central Europe the Communists dominated the Russian-sponsored governments, with control of such important offices as the Ministries of Propaganda and Interior, in Hungary there were only two known Communists in the Provisional Government. These were Imre Nagy, the Minister of Agriculture, and Gabor, the Minister of Public Welfare.¹⁰ The New York Times also pointed this out, calling attention to the developments which found most of the key governmental jobs in Eastern Europe occupied by Communists. Hungary was referred to as an "exception to the to the tendency."¹¹ The explanation for this exception in Hungary is unknown.

⁷ Rustem Vambéry, Hungary---To Be Or Not To Be, (New York: Frederick Ungar Publishing Co., 1946), p. 165.

⁸ Andrew Gyorgy, "Postwar Hungary," Review of Politics, IX (July, 1947), p.299.

⁹ British Society for International Understanding, Hungary, No. IV of British Survey Handbooks, ed. John Eppstein, (Cambridge University Press, 1945), p. 79.

¹⁰ Joseph S. Roucek, Governments and Politics Abroad, (New York: Funk and Wagnalls Co., 1947), p. 401.

¹¹ New York Times, May 24, 1945, p. 5.

Perhaps Roucek epitomized the questioning attitude of the Western powers when he made the following comment with regard to the new Government:

There was much discussion as to whether the regime in liberated Hungary was "democratic", as it called itself, or whether that patient word covered a mere dictatorship of the Communist party, acting in greater or less degree as the direct agents of Moscow. Certainly the Communists, and in part the Social Democrats, with whom the Communists were closely allied, were represented in the state and municipal offices far beyond their numbers. They also were the favored children of the Soviet authorities, who gave them support and facilities denied to the more conservative parties. The Communists, and especially their leader, Rakosi, repeatedly emphasized that they did not aim at dictatorship, but at collaboration in "a concentration of national forces."¹²

When this Provisional Government was formed, the British radio broadcast a statement by the Hungarian Council in Great Britain calling on Hungarian organizations outside Hungary to work for the establishment of a national government in the homeland "founded on the forces of internal resistance." The statement continued: "Such a government should be based on the Social Democratic party, the Smallholders party, the Communist party, and all other anti-German and anti-Fascist parties."¹³

Ferenc Nagy, exiled ex-premier of Hungary and former prominent leader of the Smallholders party, said that, after the Soviet liberation in 1944, fear of the Russians replaced fear of the Germans. In his recent book, Nagy said:

The Communist party, whose leaders the Red army had brought from Moscow, was the first party to come to life after the liberation. The Communist party had no roots in the Hungarian people, who always detested extremes. In Hungary, as in other countries of southeastern Europe, the Red army's occupation created a boom for the Communists.¹⁴

¹² Roucek, op. cit., p. 402.

¹³ New York Times, December 24, 1944, p. 12.

¹⁴ Ferenc Nagy, The Struggle Behind the Iron Curtain, (New York: The Macmillan Company, 1948), p. 82.

With reference to the return of the Communists to his native land, Nagy commented:

One could truthfully say that the Communist party conquered the country with the Red army. As the Russians advanced, Communists from Moscow arrived at once in the newly acquired territory; home-grown Communists often slipped through the lines to join leaders fresh from Russia. While the other parties were still in the dark about future events, the Communists went ahead, fully informed and with ready-made plans.¹⁵

General William S. Key, former head of the United States Military Mission on the Allied Control Commission for Hungary, considers Mr. Nagy as honest and reliable. General Key hastened to add, however, that Nagy was a politician, and that as a politician he probably employed or omitted some facts, depending upon how those facts served the best interests of the Smallholders party.¹⁶

An authority on Balkan affairs, Andrew Gyorgy, made the following statements about Hungarian Communist leaders in a recent book:

The core of the Hungarian Communist party is a group of about eighty trained leaders who wield almost all actual political power and direct the daily conduct of the nation's affairs. Most of them have managed to retain their original Soviet citizenship; all the influential members of the party have spent several years in Moscow, partly because the Horthy Government never tolerated their presence in Hungary, partly to complete the process of political indoctrination and education for eventual leadership.¹⁷

Jaszi corroborated the report that the major Hungarian Communist leaders had spent many years in the U.S.S.R., and said they had returned to Hungary with new ideas on how to foster a trend toward Communism. He said:

The many Communist exiles in Moscow witnessed quite a strange ideology in operation in the promised land. The Soviet schools no longer trained them in the Leninist religion of hundred percent

¹⁵ Ibid., p. 71.

¹⁶ Letter from Major General William S. Key, former Head of the American Military Mission on the Allied Control Commission for Hungary, June 5, 1950.

¹⁷ Andrew Gyorgy, Governments of Danubian Europe, (New York: Rinehart and Co., Inc., 1949), p. 118.

Communism and immediate world revolution, but in a ruthless Realpolitik imbued with the spirit of Stalin. They came to look on the many mistakes of Bela Kun's revolutionary fantasy in a cool, detached and critical temper; and returning to the old country at the close of this war, and to its splendid, gay capital, now completely in ruins and in the grip of acute famine, they saw clearly that the old heroic methods of unmitigated Communism should not be applied again. Only recently the best mind among the Hungarian Communist writers, Joseph Revai, emphasized in the official Communist paper the absolute necessity of close cooperation with the peasants and the creative intelligentsia on a strictly non-Communist basis.¹⁸

Among the Hungarian Communists returning to their native land with the advancing Russian armies was Matthew Rakosi.¹⁹ He immediately assumed the role of chief Communist leader in Hungary. Rakosi is the son of a village storekeeper. He attended school in Szeged, and was graduated from the Academy of Commerce. In World War I, he served in the army, and was a prisoner of war in Russia. While in Russia, Rakosi became an ardent Communist.²⁰

Matthew Rakosi spent most of the inter-war period either in the Soviet Union or in Hungary's jails, which were unusually receptive to Communist leaders in the years following the failure of the short-lived dictatorship of Bela Kun. Rakosi's first major political role was participation in Bela Kun's ill-fated revolution of 1918-1919. In 1920 he quietly emigrated to Russia, returning to Hungary in 1925 as leader of the illegal Communist party. He was arrested soon after his return and sentenced to eight years in prison. After completing his first prison term, another suit was filed against him on charges of "uninterrupted revolutionary activities"; this time---in January, 1937---he was condemned to life imprisonment. As a result of Soviet pressure, the Hungarian

¹⁸ Oscar Jaszi, "Choice In Hungary," Foreign Affairs, XXIV (April, 1946), pp. 456-457.

¹⁹ Sometimes referred to as Matyas or Matthias Rakosi.

²⁰ Nagy, op. cit., pp. 82-83.

Government finally released him, and in 1940 exchanged him for several Hungarian agents held in the prisons of Soviet Russia. Rakosi again returned home in January of 1945, when he came with the advancing Red armies as official leader and Secretary-General of the Hungarian Communist party.²¹

Rakosi read much during his prison years. His sense of political tactics was developed by his Moscow training. Nagy sums up his impression of this outstanding Communist leader in the following paragraph:

Rakosi is a well informed and cultured man with a tenacious memory. It is beyond question that among the Communist agents turned loose in southeastern Europe, Rakosi is of the greatest political caliber.²²

A New York Times correspondent, noting the significant position of Rakosi in Hungarian politics, gave this brief description of him: "He is a short, bald, burly and vigorous man with twinkling brown eyes and something of the aspect of Benito Mussolini but with less pretension and more charm."²³

A number of other Hungarian Communists returned with the Red army. Chief among these was Ernest Gero, who led the Communists in the earlier stages of postwar political development in Debrecen. In describing this ranking Communist leader, Nagy said: "He is a man of great energy, a resolute and fanatical Communist willing to serve the cause even to the limits of asceticism."²⁴

A third Communist leader during this period immediately following the end of the war for Hungary was Josef Revai, whom Nagy termed the publicist and foreign policy leader of the Communist party. Another well-known leader returning

²¹ Gyorgy, "Postwar Hungary," op. cit., pp. 306-307.

²² Nagy, op. cit., pp. 82-83. Cf. H.F.A. Schoenfeld, "Soviet Imperialism In Hungary," Foreign Affairs, XXVI (April, 1948), p. 558. Cf. H.F.A. Schoenfeld, "What Russia Has Done In Hungary," Vital Speeches, XIV (October 15, 1947), p. 29.

²³ New York Times, August 14, 1945, p. 14.

²⁴ Nagy, op. cit., p. 83.

to his native land with the Red army was Zoltan Vas. Like Rakosi, he had a prison record, and had originally gone to Russia as an exchange prisoner. He became the economic and financial expert of the Communist party, and soon became mayor of Budapest. Of him Nagy said: "He is known to be a high-ranking officer in the Russian army."²⁵

Nagy, in a comparison of the utterances of the Hungarian Communists as contrasted with their later actions, made the following statement.

Revai, as their spokesman, said that they wished for a democratic, independent Hungary; that they did not wish to force their views on the country, but would fight against the return of fascism and reaction side by side with the other democratic parties. He also stated that the Soviet had no intention of interfering in our internal affairs, nor would it seek to force its own way of life on Hungary. It sought, he said, only friendship between the two countries.²⁶

Apparently the Communist party in Hungary and other Soviet-occupied countries did not follow the Russian policy of admitting only proven and selected men to its ranks. According to Nagy, the communist leaders initiated a country-wide drive for membership in the Soviet-occupied countries, with the exception of Yugoslavia. Nagy observed:

In Hungary the Reds were not finicky as to whom they admitted to membership, knowing that they could keep members in line by strict party discipline and, if necessary, with the help of the NKVD. Their motto was, "Everyone should join a party"---those who do not are not real democrats, but only waiting for an opportune time to support some antidemocratic movement.²⁷

Nagy stated his views concerning the strategy followed by the Communist party leaders during the early months under the new Government in the following paragraphs:

²⁵ Nagy, op. cit., p. 83.

²⁶ Ibid., p. 87.

²⁷ Ibid., p. 114.

From the very first days of liberation, well-trained leaders of the Communist party were active in carrying out their instructions: they knew exactly what they were after. The other parties had to accommodate themselves as best they could to any conditions established by the Communists and the Red army.

It was part of the tactics of the Communists to seem generous at first. They early pretended unselfishness, encouraging other parties to organize, too. They praised members of other parties still in prison or hiding. But they quickly gained decisive influence for themselves. Soon they had the backing of the Inter-Allied Control Commission through its chairman, as Russia had the deciding vote.²⁸

Taught by their failure of 1919, when a frontal attack against the church and an open war on private property had proved unwise, the Communists now altered their tactics among the people of the villages. First of all, they restrained their attacks on the church and posed as a patriotic organization ready to defend national interests and private property. Nothing was said about Communism, or even Socialism. They talked only of democracy. Doubtless this was the order from Moscow.²⁹

The Communist leaders sought to be encouraging about the future and vied with Russian military leaders in proclaiming Hungary's freedom and independence. They promised national resurrection and a life of individual opportunity.³⁰

As a result of these early Communist tactics, Nagy said the Hungarians in general came to assume that the Communist party would work shoulder to shoulder with the other parties in reviving the country, although it was generally regarded as only natural that the Communist party should be more radical than other parties.³¹

It seems that the Communists displayed the utmost opportunism in handling

²⁸ Nagy, op. cit., p. 72.

²⁹ Ibid., pp. 71-72.

³⁰ Ibid., p. 72.

³¹ Ibid.

political patronage, using anyone who could be regarded as a reliable instrument for their purposes. Jaszi stated that even men with reactionary records were accepted in public service if their cooperation seemed to serve a useful end. He cited the following examples: "A routine Horthy diplomat was sent to Washington, and the able counter-revolutionary historian, Julius Szekfu, who served the Hapsburgs and the Horthy-Bethlen regimes with equal ardor, was sent to Moscow as ambassador." Jaszi also stated that a great many less notable "old-timers" were in influential positions.³²

Nagy made the following observation of Communist strategy:

The Communists were very careful in one respect. At every step they sought to clothe their acts in a show of constitutionality, in order to invest with a semblance of legality all their terroristic activities, until such time as they could gain absolute power.³³

The New York Times reported in mid-August of 1945 that the long-term intentions of Soviet Russia toward Hungary were the subject of much speculation in Budapest. The article pointed out that Hungary is nominally governed by a provisional regime and a provisional parliament chosen by the popular front of the four major parties. This government exercised power under the supervision of the Allied Control Commission, of which the Russian member, Marshal Voroshiloff, was chairman. The article continued:

But the strongest men in Hungary are not members of the Government, but the leaders of the parties. Ultimate power is wielded by Moscow acting directly through Marshal Voroshiloff and indirectly through Matthew Rakosi, Secretary General of the Hungarian Communist party.³⁴

Since the attitude of the Hungarian people toward the Russian troops that occupied their country is of great importance because of its relation to the

³² Jaszi, op. cit., p. 458.

³³ Nagy, op. cit., pp. 72-73.

³⁴ New York Times, August 14, 1945, p. 14.

general attitude toward the Communist party, the report of John Murray is of interest:

The Russians can scarcely hope for popularity. The wild indiscipline of their troops in early 1945 has left bitter memories as well as anxious fears. Though discipline has been improved and the numbers of the occupying forces reduced, there can be no question of friendliness.³⁵

Murray gave his opinion of the popularity of the Communist party in Hungary, and discussed the sources from whence this party secured its membership:

Nor have the Communists popularity or prestige. They are a very mixed collection. Some of them are former Social Democrats who have changed their colors from pink to red and marched off further to the left. Opportunists many of them, though not all, they are the most moderate element in the party. With them are a large number of rowdies and ex-Fascists, many of whom two years back were wearing the uniform of the Arrow Cross³⁶ party and some of them released from prison and punishment, on condition that they gave their valuable services to the Communist party.³⁷

In addition to the fact that the strong Communist minority in Hungary during the early months following the war was strongly supported by the occupying Russian forces, Nagy listed another factor which he felt favored the Communists:

The disintegration of the government of the country opened the way for Communist penetration. None of the old town councils or municipal assemblies remained; the new political order substituted for them transitory administrative bodies called "national committees," with unlimited power. Assuming control of the municipalities, townships, and even cities, they appointed their own men as elders, councilors, and committeemen to pass judgment upon the political past and present of each citizen. The national committees managed the scant food supply; few aspects of daily life escaped their control.³⁸

Nagy accused the Communists of using the labor unions as political tools. He claimed that many workers in Hungary were forced to join the Communist party

³⁵ John Murray, "The Significance of Hungary And Its Present Flight," Studies, XXXV (September, 1946), p. 321.

³⁶ The former Hungarian pro-Nazi party.

³⁷ Murray, op. cit., p. 321.

³⁸ Nagy, op. cit., p. 95.

as a result of intimidation by this means. His bitter indictment of the Communists on this point is given in the following paragraphs:

A handy political tool for the labor unions developed with the establishment of "political clearance" committees. In all Soviet-controlled countries, every public servant, professional worker, clerk, and laborer had his political past scrutinized by these clearance committees, on which, next to the representatives of the political parties, sat a union man with equal voice. They usually voted the straight Communist line, and a great number of persons lost their livelihood through the rulings promulgated. The clearance committees urged the public to report on anyone who appeared before them, and a flood of accusations engulfed all who were not members of the Communist party.³⁹

These clearance committees used great pressure against government employees; any mistake would be reprimanded, and a man with a tainted past could be transferred or forcibly retired. Against the decision of the clearance committees an appeal could be made to the Peoples' Court, which was the only recourse for old-time, reliable public servants with no unsavory political past. Thus a few were saved from dismissal despite the radical methods of these clearance committees.

As every individual appearing before these panels knew that the Communist party had the majority vote, many accepted the hint that clearance would proceed smoothly for party members.

Thus the respected, long-standing institutions of labor became tools of the Communists, halting the advancing consolidation and serving as springboards for the onsurge of the united forces of the Soviet and local Communists.⁴⁰

Nagy accused the Communists of seizing upon the execution of the very important and long-overdue agrarian reform as an opportunity for the expansion of the party membership in Hungary. On tremendous posters the party proclaimed that the Communist party was giving the land. The exiled premier described the results of this move:

In many districts applicants joined the party en masse in order not to be overlooked. It was true, the Communist-dominated land distribution committees were generally less interested in the applicant's ability and experience as a farmer, than in whether or not he was a party member. Thus men with no farming experience whatsoever---

³⁹ Ibid., p. 99.

⁴⁰ Ibid.

tradesmen, new-fledged policemen, and party officials--suddenly became owners of farms.⁴¹

Another means by which Nagy charged the Communists with increasing their control in Hungary was through control of the political police. Nagy said:

In every larger community and town a political section of the police was organized, unbound by any rules or restrictions and with rights and duties undefined. Free in every respect to do as it pleased, it favored in every way the members of the Communist party and hunted down those opposed to the extremes of the far Left. From all parts of the country came reports of its terrorist activities.⁴²

The only party in Hungary during this period that was strong enough and apparently desirous of giving strong opposition to the Communists was the Smallholders party. This party was formed in 1930 in opposition to the Horthy regime, and had always relied on the support of certain broad segments of the population, such as a conservative agrarian class and the more liberal urban intellectuals. Therefore, it was chiefly a bourgeois and middle-class bloc held together by the reluctance of its members to accept the ideas and leadership of either the extreme Left or the extreme Right. The Smallholders party, on the whole, represented the conservative-democratic interests of the country.⁴³ This viewpoint is supported by General Key, who said: "I considered the Smallholders party a progressive group, but more conservative than either of the others."⁴⁴

It is the opinion of Gyorgy that the Smallholders party proved so powerful after the war because of its decidedly mixed membership, which he said "ranges in its elements from 'progressivism' to 'reaction'."⁴⁵ He thought the party

⁴¹ Ibid., p. 111.

⁴² Ibid., p. 116.

⁴³ Andrew Gyorgy, "Postwar Hungary," op. cit., pp. 304-305

⁴⁴ Letter from General Key, June 5, 1950.

⁴⁵ Gyorgy, "Postwar Hungary," op. cit., pp. 304-305.

sought to maintain an internal political balance by basing its policy on tolerance and moderation.

As a former leader of the Smallholders party, Ferenc Nagy stated that only this party possessed the facilities for mass organization in 1944-45. According to Nagy, branches of the party had been established in twenty-four hundred villages prior to the war. After 1941 the party leadership was vested in four men---Zoltan Tildy, Bela Varga, Bela Kovacs, and Ferenc Nagy. These four men were personally known by most of the party members throughout Hungary. No statistics on the membership of the Smallholders party were available in 1944-45 since no dues had been collected and no membership lists had been kept because the leaders had feared that party adherents might be persecuted by the Horthy regime.⁴⁶

Nagy stated that the political scale in Hungary approached a balance soon after the German armies were driven from the country, when the old leaders of the Smallholders party emerged from their prisons and hide-outs and began exerting their influence on national politics.⁴⁷

The ex-premier maintained that it was easy to see by the attitude of the people during this period that the Smallholders party represented the principles supported by most Hungarians. To support this contention, he said: "Substantiation for this lies in the fact that religious, creatively minded free men were quick to join us."⁴⁸

In expounding one of the tenets of the Smallholders party, Nagy said:

We of the Smallholders party believed that it was proper for free men to join whatever party they pleased, but that it was not fitting

⁴⁶ Nagy, op. cit., p. 86.

⁴⁷ Ibid., p. 97.

⁴⁸ Ibid., p. 87.

for men in state employ to do so. It would be best if the soldier, policeman, and government official were nonpartisan, because it was their duty to serve the citizenry without discrimination.⁴⁹

As one example of the way the Communist party treated the Smallholders party in the early months after the war, Nagy told of the joint enterprise in the publishing field. It was desirable that the public be kept informed of events, but the supply of newsprint in the country was meager, and importing had stopped. As a result, the Communists proposed that all parties should unite in publishing a single newspaper in each of the cities. The parties agreed. Nagy said: "Suddenly we awoke to the fact that our joint newspapers were attacking us, and the Communists were maligning the leadership of the Smallholders in the press in which we owned an equal share."⁵⁰ After that episode, the Smallholders published their own newspaper.

In an article published early in 1946, Jaszi said of the Smallholders party:

It should not be forgotten that the Small Landholders party⁵¹ is not reactionary, nor even conservative; it is a progressive party in favor of social and cultural reforms. It was the strongest in the country after the advent of Horthy, and though it was demoralized during the Bethlen period, and later became infected with adventurers, it has always remained healthy at the core.⁵²

It was the conclusion of Jaszi that the Smallholders party might perform great deeds in the future.

A third political party which apparently had less strength than either the Smallholders party or the Communist party was the Social Democratic party. This party had entered into an alliance with the Smallholders party in 1943, in opposition to the Horthy regime. Nagy commented that the Social Democrats could

⁴⁹ Ibid., pp. 114-115.

⁵⁰ Ibid., p. 97.

⁵¹ The Smallholders party.

⁵² Jaszi, op. cit., p. 462.

doubtless have influenced the development of democracy very favorably after the liberation----"had it not hurried to make a pact with the Communist party which assigned it a very subordinate role."⁵³

The party's former leader, Charles Peyer, was in a German concentration camp when the war ended in Hungary, and Szakasits seized control of the party. This new leader displayed an unexpected friendship for the Communists.⁵⁴

Gyorgy apparently disagrees with Nagy about the part played by the Social Democratic party immediately after the liberation. Gyorgy said the Social Democrats originally assumed the role of bridging the gap between Left and Right, and thus helped to stabilize and unify the divergent elements of political leadership in Hungary. He considered the maintenance of a strong center in Hungarian domestic politics quite vital. He continued:

The Socialist members of the coalition cabinet have in the beginning ably performed the role of economic and political mediation. They held the portfolios of Justice, Industry and Commerce, in an attempt to balance well-entrenched Communist power, manifested in the key posts of the Ministries of the Interior, Popular Welfare and Communications.⁵⁵

In addition to the three strong political parties already noted, two minor parties existed in Hungary in 1944-45 that should be mentioned. These were the National Peasant and Civic Democratic parties. The National Peasant party was the stronger of these two parties. A group of peasants had announced the formation of this party in 1939, but it was really not organized until after hostilities ceased. At that time, a Left-Wing, Communist-dominated party leadership was established.⁵⁶

⁵³ Nagy, op. cit., pp. 83-84.

⁵⁴ Ibid., p. 85.

⁵⁵ Gyorgy, "Postwar Hungary," op. cit. p. 305.

⁵⁶ Nagy, op. cit., pp. 85-86.

Nagy referred to this National Peasant party in his recent book:

This radical Peasant party was organized in two ways. While I was still in hiding in Budapest, many village leaders were deceived by a rumor spread to the effect that the Peasant party was identical with the Peasant Alliance which I headed. But from the standpoint of organization it was of even greater significance that the Peasant party was organized by the Communist party. In hundreds of villages the Peasant party was formed without a single one of their executives present; the work was done by the local secretary of the Communist party.⁵⁷

An article published in the autumn of 1945 indicated that Nagy was apparently not alone in his belief that the National Peasant party was closely connected with the Communist party. This article stated that the National Peasant party would be competing with the Smallholders for the farmers' votes in the approaching November election. This correspondent reported that critics of the Peasant party represented it as virtually a rural branch of the Communist party, and that the party members in the existing Provisional Government followed the Communist party line. Emmerick Kovacs, vice-president of the Peasant party, vigorously denied any connection with the Communist party. The party leader said:

There is no political alliance between the National Peasants and the Communists. Neither do we want the Russian system of State farms for former serfs who have been given farms under the land distribution scheme and whom I represent.⁵⁸

Gyorgy referred to the formation of the Peasant party by noting that a young and intellectually alert group of "village explorers" had combined in a promising new National Peasant party. He also said that the Communists encouraged this group.⁵⁹

The weakness of the native liberal peasant movement was a disturbing element in the post-war situation. The majority of the peasantry in Hungary was not

⁵⁷ Ibid., p. 86.

⁵⁸ New York Times, October 19, 1945, p. 6.

⁵⁹ Gyorgy, "Postwar Hungary," op. cit., p. 304

adequately represented by the parties of either Left or Right; in fact, the peasantry had no more political representation than it had had under various pre-war regimes.⁶⁰

The fifth political party in Hungary, and apparently one of extremely minor importance, was the Civic Democratic party. Nagy said this party was supported chiefly by a very small group, the city intellectuals. This party was formed in Debrecen after the war ended. Its membership was drawn from the former Democratic party of Charles Rassay. Nagy stated that since the party stood for the establishment of order, democracy, and consolidation, the Smallholders approved its formation.⁶¹

It is significant to note what classes joined the various political parties after the liberation. Nagy reported that the small-fry Nazis rushed first of all to seek haven under the wing of the Communist party, so they could enjoy the protection of the Red army. Opportunist officials who did not want to break completely with their social traditions sought safety with the Socialists. The peasant members of the old government party and the more resolute middle-class elements joined the ranks of Smallholders. Nagy continued: There were naturally Arrow Crossists and members of the Volksbund who joined the Smallholders and Social Democrats, but only a fraction of the number who joined the Communists.⁶²

Vambery reported a slightly conflicting story. He said the "smaller fry" of the Arrow Cross party had joined the Communist and Socialist parties, while the "higher-ups" had found a haven of refuge in the Smallholders party.⁶³

General Key spoke favorably of Mr. Vambery, but felt inclined to agree

⁶⁰ Ibid., p. 303.

⁶¹ Nagy, op. cit., p. 87.

⁶² Ibid., p. 86.

⁶³ Vambery, op. cit., pp. 191-192.

with Mr. Nagy in this conflict of opinion noted in the preceding paragraphs.

He said:

The Smallholders party became the conservative party in fact after the war but I do not believe that any of the "higher-up" Arrow Cross leaders were accepted knowingly in its membership.⁶⁴

Vambery said that the intellectuals, professional men, and business men—those who had been listed as the middle class in the past—joined the Smallholders party or the Social Democrats rather than the Civic Democratic party, the successor to the pre-war Democrats. He continued:

These parties, especially the Smallholders, are suspected of being the hiding place of reactionaries who still cherish the hope that the "good old days" of the squirearchy and of the "liberalism", that meant liberal profits, may return. Under the influence of this delusion they threaten the reasonably balanced stability of the government much more than the Communists do.⁶⁵

Gyorgy commented that most of the Left-Wing peasant leaders joined forces with the Social Democrats and the Communists.⁶⁶

The first real test to determine the actual strength of the parties among the masses came on October 7, 1945, in the municipal election of Budapest. Voters turned out in large numbers to choose a City Council, using the secret ballot for the first time in the history of Hungary. Smallholders party headquarters estimated that 65 per cent of the city's 600,000 registered voters had gone to the polls by 4:00 P. M. No violence was reported.⁶⁷

Over a month before the election, the Social Democrats and the Communists had announced that they would submit a common list of candidates for the

⁶⁴ Letter from General Key, June 5, 1950.

⁶⁵ Vambery, op. cit., p. 182.

⁶⁶ Gyorgy, "Postwar Hungary," op. cit., p. 304.

⁶⁷ New York Times, October 8, 1945, p. 6.

Budapest municipal election.⁶⁸

When the election results were tabulated, it was found that the conservative Smallholders party had won an overwhelming victory over the Left-Wing coalition. The Smallholders won 122 seats in the City Council, while the Communist-Social Democratic merger got 103, the Civic Democrats got nine, the National Peasant party got four, and the Radical Democrats secured two seats. This victory led the Smallholders leaders to predict a sweeping triumph in the first postwar national election, tentatively scheduled to be held November 4. Zoltan Tildy, leader of the Smallholders party, predicted victory by a 70 per cent majority in November. After the city election, celebrations occurred in Budapest. Crowds shouted in Hungarian: "Budapest will not be red." During the celebration, two British officers were dragged out of an automobile and hugged and kissed.⁶⁹

Less than two weeks after the municipal election, a New York Times correspondent reported the following:

After the Budapest election, the Communist daily Dzabad Nep remarked sarcastically that it was surprising to find so many small landholders in the metropolis. The explanation of the Social Democratic organ, Nepszava, was that reaction had come out into the open.⁷⁰

Zoltan Tildy, leader of the Smallholders, admitted to this correspondent that the completeness of the victory against the Left-Wing coalition was a surprise, but claimed that it proved the Smallholders were universal and not merely a rural party.⁷¹

This correspondent also reported the reaction of Szakasits, leader of the

⁶⁸ New York Times, August 30, 1945, p. 11.

⁶⁹ New York Times, October 9, 1945, p. 1.

⁷⁰ New York Times, October 19, 1945, p. 6.

⁷¹ Ibid.

Social Democrats. Szakasits commented that his party would have secured a majority if a separate list of candidates had been offered the electorate. He intimated that the Social Democrats would have their own list in the approaching national election. However, Szakasits said he did not regret having to unite with the Communists in Budapest, since this association had kept the workers quiet and had laid the basis for continued cooperation between the two parties after the national election.⁷² The correspondent called attention to an "open secret" though—that the Socialists had consented to the common list under considerable pressure by the Russian occupation authorities.

The British and American Governments were pleased by the election results won by the moderates in the Budapest municipal election. At this early date, however, it was reported that Communist demonstrations had begun in the provinces, and that a coup was not to be excluded at a future date.⁷³

As a former satellite country, Hungary was subject to the Yalta declaration on liberated Europe, and its Provisional Government was thus required to hold free elections on the basis of universal suffrage and the secret ballot at the earliest possible time.⁷⁴

In 1945 a new electoral law was passed. The new law assured the right to vote to every Hungarian citizen over the age of twenty, regardless of religion, education, sex or social standing.⁷⁵ However, persons sentenced or under sentence by People's Courts, those whose estates were confiscated for war guilt,

⁷² Ibid. Cf. H.F.A. Schoenfeld, "Soviet Imperialism In Hungary," Foreign Affairs, XXVI (April, 1948), p. 559.

⁷³ New York Times, October 17, 1945, p. 2.

⁷⁴ Isaac A. Stone, "American Support of Free Elections In Eastern Europe," The Department of State Bulletin, XVII (August 31, 1947), p. 411.

⁷⁵ Gyorgy, "Postwar Hungary," op. cit., p. 299.

high treason or anti-democratic activity, and members of the former Fascistic parties and of German organizations were barred from voting.⁷⁶

In late August, it was reported that the Hungarian general election, which was originally scheduled for some time in September, had been postponed until the last Sunday in October. This source said:

Observers believe this is a result of disapproval of the earlier date by the Western powers. As a result of Western influence, it is hoped the election will be completely free. This interest shown by the Western powers has undoubtedly encouraged the Social Democratic and Smallholders parties, which represent the Center and the Right in the present Leftist Government.⁷⁷

The date for this general election was finally set for November 4.

On September 22, 1945, the United States informed the Hungarian Government that it was willing to establish diplomatic relations with Hungary if the latter would:

Give full assurances for free and untrammelled elections for a representative government and if, in the meantime, it would provide to the full measure of its responsibilities under the armistice regime for freedom of political expression of democratic parties and right of assembly, such conditions being essential to permit the holding of free elections.⁷⁸

The Hungarian Government gave the required assurances three days later. On November 2, 1945, the United States informed the Hungarian Government that it might designate a Minister to the United States. This was just two days before the national election was actually held in Hungary.⁷⁹

As late as mid-October, only some three weeks before the election was finally held, the New York Times reported that the national election might be postponed

⁷⁶ New York Times, August 30, 1945, p. 11.

⁷⁷ Ibid.

⁷⁸ Stone, op. cit., p. 411.

⁷⁹ Ibid.

until May. The Communists appeared to be nervous about the issue of a general election.⁸⁰

John Murray reported that the Russians were hesitant about permitting the election to be held, after the resounding defeat of the Communists in the Budapest election. The Russians finally allowed the election to proceed when the parties gave assurance that, whatever the result, they would continue in a coalition government.⁸¹

In October, Russia's Marshal Voroshiloff, chairman of the Allied Control Commission for Hungary, urged that the parties present a combined list of candidates in the national election.⁸² Since a combined list would give the Communists a voice in the new government disproportionate to their popular support, the Smallholders and many Social Democrats demanded independent party lists. The leading Communist, Rakosi, maintained that a joint list would prevent "excesses of party rivalry."⁸³

With regard to the reported desire of Marshal Voroshiloff that a combined list of candidates be presented, General Key said:

Marshal Voroshiloff did not ask me to agree on behalf of the United States to a common slate of candidates in the first national election of November, 1945. However, it was general knowledge that such was the desire of the Communist leader who doubtless had the implied backing of Voroshiloff.⁸⁴

On October 21, it was reported from Budapest that the five Hungarian political parties making up the Government coalition had agreed to present a single

⁸⁰ New York Times, October 19, 1945, p. 1.

⁸¹ Murray, op. cit., pp. 318-319.

⁸² New York Times, October 19, 1945, p. 1.

⁸³ Time, "New Voices; Shape of Politics in Russian-Occupied Hungary," XLVI (November 5, 1945), p. 35.

⁸⁴ Letter from General Key, June 5, 1950.

slate "to avoid violence between Communists and the Smallholders party." Under this reported agreement, the Smallholders would get 42 per cent of the parliamentary seats, and the Civic Democratic party would get 8 per cent. These were the parties representing the Right. On the Left, the Social Democrats would get 26 per cent of the seats, and the Communists 15 per cent. The remainder would be divided among the Peasant and Radical parties.⁸⁵ This report proved untrue, as no final settlement of the question had been reached at that time.

At this juncture there was speculation as to how the United States and Great Britain would view the Russian interference in Hungarian politics. From London came this report:

The Russian action was viewed in London as the first attempt to impose the Soviet form of "democracy" against the Western concept, which has been reportedly gaining ground in Hungary recently.⁸⁶

Three days later a dispatch from London said the British felt that nothing could be done about the Soviet action in Hungary except to withhold recognition of any government formed under what they considered highly undemocratic processes. The same report stated:

It has been noted here that Russian interference in Hungarian elections followed closely upon the announcement that Britain and America were ready to recognize the Budapest Government "on the assurance that free elections be held."⁸⁷

After much bickering on the question of a common slate of candidates, the four leading parties reached a compromise on October 23.⁸⁸ The smallholders, Communists, Social Democrats, and National Peasants agreed that there would be separate party slates, and that, regardless of the outcome, there would be a

⁸⁵ New York Times, October 21, 1945, p. 9.

⁸⁶ New York Times, October 19, 1945, p. 6.

⁸⁷ New York Times, October 22, 1945, p. 1.

⁸⁸ New York Times, October 24, 1945, p. 1.

coalition government.⁸⁹ Under the agreement, there would be a "national independence front" under which the four major parties would submit separate party lists. However, a coalition government of the four major parties would be formed after the election.⁹⁰

The Communist party secretary, Rakosi, reported that the common list plan had not materialized, but he added: "At the same time, great efforts are in progress to give the nation a guarantee before the elections that national unity will be maintained regardless of their outcome."⁹¹

The stage was now set for the first postwar national election in Hungary. The political picture had cleared up considerably during the closing days of the campaign. Two facts emerged: (a) there was a strong, effective opposition; (b) the Hungarian Communists were on the defensive, despite strong support from the Russians.⁹²

⁸⁹ Time, op. cit., November 5, 1945, p. 35.

⁹⁰ New York Times, October 24, 1945, p. 1.

⁹¹ Ibid.

⁹² Time, op. cit., November 5, 1945, p. 35.

CHAPTER II

THE NATIONAL ELECTION OF 1945 AND THE FORMATION
OF A COALITION GOVERNMENT

On the eve of the national election in 1945, the Smallholders party appeared nervous over its prospects of gaining an even greater majority that it had secured in the recent Budapest municipal election. Doubtless this nervousness was due to the thought of taking over exclusive responsibility for governing Hungary at a time when the political and economic problems facing the nation were indeed monumental.¹ Perhaps that is why no single party, even with a majority, wanted to assume full responsibility for Hungary's Government in the midst of ruinous inflation, with hunger and cold just around the corner.²

One of the most effective stunts used in the campaign was the widespread distribution of handbills saying: "If you want the glorious Red Army to stay in Hungary, vote for the Communists." Since the Communists had so many advantages over the opposition in this campaign and yet lost by such a decisive margin, it is highly probable that the close identification of the Communists with the occupying Russian forces was the outstanding cause of this overwhelming defeat.³

The Primate of Hungary, Archbishop Joseph Mindszenty, issued a pastoral letter less than a week before the election. He strongly condemned the Government's new marriage law facilitating divorce, and also the "vindictive nature" of the new land reform legislation. In addition, he charged that atheism was to be the leading principle in future education. This letter, of course, was greatly disliked by the Leftist parties.⁴

¹ New York Times, November 2, 1945, p. 2.

² Ibid.

³ H. Lehrman, "The Plight of Hungary," Fortnightly, CLXV (April, 1946), p. 259.

⁴ New York Times, November 6, 1945, p. 9.

Election day, November 4, was conspicuous for the absence of Red army troops. Marshal Voroshiloff had been accused by London newspapers of attempting to prevent the election altogether, so he apparently gave orders that his troops keep out of sight and out of mind. A Hungarian reportedly remarked: "You Americans and British seem to be more excited about our elections than we or the Russians."⁵

On November 4, the people of defeated and occupied Hungary participated in the first wholly free national election in the country's history.⁶ The result was a decisive majority for the conservative Smallholders party, as had been predicted after the surprise victory of that party in the Budapest election a month previously.

One observer reported that this election "proves that supposedly politically apathetic people seize the first opportunity to assert themselves. In both cases the vote was against the Communists rather than for other parties." Overworked people in rural areas walked miles in old shoes or without shoes to vote. Many women voted. Such evidence indicated that even the more backward elements of the population were interested in the political future of their country. "Their vote is not against Communism as such. It is not against Russia. . . It is against requisitions, subjugation, and alien ways. . . The Hungarians have no illusions about their position in respect to the Soviet Union."⁷

As a result, no doubt, of the pre-election agreement on a coalition government regardless of the election returns, the election was unique in two ways--- it was a free election, and it was almost absolutely quiet. The atmosphere in

⁵ Ibid.

⁶ New York Times, November 6, 1945, p. 1.

⁷ New York Times, November 28, 1945, p. 26.

a number of polling booths, both urban and rural, throughout the country was reported to be very peaceful. Election-day complaints were few in number:

The only complaint made by the Small Landholders party was that in the Zala district, in Trans-Danubia, in the town of Gyok, faked instructions to the Small Landholders party supporters to vote Communist for the sake of their families had been issued and that at Paks, in the south, leaders of the Small Landholders and Social Democratic parties had been arrested by the police of Communist sympathizers.⁸

When the ballots had been tabulated, it was found that some 4,717,256 persons had voted. Of these, the Smallholders received 2,688,101 (an absolute majority), the Social Democrats received 821,566, the Communists got 800,257, the National Peasant party 322,988, the Citizens Democratic party got 78,522, and the Radical party received 5,762 votes. The National Assembly was comprised of 409 members, with the majority Smallholders party securing 245 seats, the Communists getting 70, the Social Democrats winning 69, while the National Peasants acquired 23 seats and the Democrats only 2. These returns probably reflected the political forces in Hungary rather accurately as of November, 1945.⁹

Great Britain appeared satisfied with the election, and the return of a majority for the Smallholders. However, it was reported that there was some anxiety in Britain about what the Communists were likely to do next in Hungary after this defeat.¹⁰

Immediately following the election, Mr. Tildy, the leader of the Smallholders party, expressed his regret that the British Broadcasting Corporation had alleged that Marshal Voroshiloff had brought pressure on the Hungarian Government to postpone the election. Tildy also denied that the Marshal had proposed a common

⁸ New York Times, November 6, 1945, p. 9.

⁹ Jaszi, op. cit., pp. 460-461. Cf. Labour Research, "Elections in Europe," XXXV (January, 1946), p. 12.

¹⁰ New York Times, November 10, 1945, p. 3.

slate of candidates for all parties, as had been previously reported.¹¹ The amount of pressure exerted by Voroshiloff prior to the election is questionable, but it appears that Tildy was under pressure to make this statement. At any rate, Voroshiloff did return to the Soviet Union soon after the election.¹²

Why did the Communist party poll such a small percentage (only 17 per cent) of the votes? They had innumerable advantages during the campaign. They had the money, the campaign machinery, the automobiles, the loudspeakers, and other propagandistic advantages. They had factory "committees" to exert pressure on workers, house and block "captains" to influence tenants. They even had the police to lock up opponents. In addition, the Communists reportedly had thousands of strong arm experts who were formerly affiliated with the Nazi Arrow Cross party in Hungary. Another factor favoring the Communists was the revulsion of the masses against a reactionary ruling class which had failed in two wars. But the Communists lost. Why? "They lost because the Hungarian people were sick of getting pushed around by the Communists and were sick of the Russians who helped them do it."¹³

Even Szakasits, the Socialist leader and friend of the Communists, complained that his party could have won 400,000 more votes if they had been able to get around in cars as the Communists did. The transportation and communications problems were extremely acute in Hungary in 1945, and greatly hampered political activity in the campaign of the fall of 1945.¹⁴ It is difficult to measure the relative advantages in this area of the Communists over the opposition, but most

¹¹ New York Times, November 7, 1945, p. 15.

¹² John Lukacs, "Communist Tactics In Balkan Government," Thought, XXII (June, 1947), p. 235.

¹³ Lehrman, op. cit., p. 259.

¹⁴ New York Times, November 28, 1945, p. 26.

assuredly these advantages were quite important.

Foster Hailey, in an editorial in the New York Times, said that the election results in Hungary were encouraging, showing that the people wanted a change from pre-war standards, but wanted an orderly and constitutional change rather than a revolution from the Right to the Left. He pointed out that the swing to the Left had not been as great as many had expected, and said: "The victory in Hungary of the Small Landholders party was particularly significant because the country is in the so-called zone of Soviet influence. . . Even though Russia will continue to be the strongest country on the Continent, the people of Europe quite obviously are determined to be more than puppets on which Moscow pulls the strings."¹⁵

Apparently all observers agreed that the Hungarian election was free, perhaps the freest election ever held in a country controlled by the U.S.S.R. The election day itself, at least, was certainly conspicuous for the absence of any Russian interference. But it was pointed out that this new Parliament was freely elected to powerlessness, and that without outside aid the new Government would be helpless to control inflation, preserve order, and rebuild the shattered economic structure of the nation.¹⁶

General Key is in agreement with other observers with regard to the freeness of this first national election in Hungary following the cessation of hostilities. The General also substantiates some of the aspects of the campaign noted above: "The advantages were with the Communists because they had more funds, transportation and newsprint than the other parties and the moral backing of the Russians."¹⁷

¹⁵ New York Times, November 28, 1945, p. 26.

¹⁶ New York Times, November 26, 1945, p. 20

¹⁷ Letter from General Key, June 5, 1950.

Why did the Soviet Union permit a relatively free election in Hungary, as compared with Rumania and Bulgaria? Lukacs attributes this to two factors:

(1) bad judgment on the part of the Communist leaders, who seriously thought the Communist-Socialist coalition would gain a majority even in a free election; and, (2) a free election was permitted because of a Communist desire to gain recognition of their respective governments by creating an impression of a just "people's democracy" abroad.¹⁸

The following explanations of the overwhelming Smallholders' victory were accepted by some as the major reasons for this victory: (1) It was a result of the vote of feudal and capitalist reactionaries who had been dispossessed by the revolution and prohibited from building up a new party; and, (2) The Smallholders party offered a chance for the electorate to register a protest against the Russian occupation which was, indeed, an enormous burden upon the nation.¹⁹

Jaszi agreed that these were important factors, but he said that this was an oversimplified explanation of the Smallholders' victory. He explained this victory in this manner:

Terrible as is this economic and hygienic situation, however, it is only a contributory influence in the political situation. The real cause of the success of the Small Landholders party is that none of the Marxist parties could offer a real program to the peasants, the small bourgeoisie or considerable numbers of the intelligentsia---in short, to a majority of the country. The rigid class doctrine of the Marxist parties is alien to the traditional mentality and widespread religious feeling of the masses. In the election campaign, the Communists said not a word about the issue of private property versus Communism, and made no mention of the collectivization of land. Yet the issue was the village and small-town way of life versus vast bureaucratic organizations. Marxist Socialism's total disregard and misunderstanding of the values of rural life made it, in all its forms, unacceptable to the greater half of the population.²⁰

¹⁸ Lukacs, op. cit., p. 232.

¹⁹ Jaszi, op. cit., p. 461.

²⁰ Ibid., pp. 461-462.

Obviously, the election of November, 1945, inflicted a clear and quite significant defeat upon the two major Leftist parties in Hungary, particularly on the Communists. This defeat of the Leftists temporarily assured the middle-of-the-road Smallholders party of a decisive governmental majority. One unexpected development in this election was the fact that the Smallholders party secured an even greater percentage of the votes over the Communists in Budapest, the great urban center of the nation, than in the country as a whole.²¹

Jaszi interpreted the national election in Hungary as containing a great lesson for the progressives of all parties in all countries. He pointed out that it is often said that people who have once lived under an oligarchic rule, or, more recently, under a Fascist dictatorship, are not ripe for democracy—that after centuries of servitude they are unable to make proper use of the vote. Jaszi said: "The Hungarian people at their first fully free elections proved that their natural intelligence and sense of decency shows them the right political path."²²

The constitutional significance of the national election was greatly deflated by the agreement reached shortly before the election by the major political parties---the agreement to continue their coalition regardless of the outcome of the election.

This partisan maneuver gave the Communists an opportunity to exercise undue power, also displayed a strange "ballot-proof" version, a disappointingly autocratic appraisal of the role of national elections in parliamentary forms of government.²³

Tildy, as leader of the Smallholders, was so confident of victory just before the election that he had predicted a 60 per cent vote for his party. Even his

²¹ Gyorgy, "Postwar Hungary," op. cit., p. 302.

²² Jaszi, op. cit., p. 462.

²³ Gyorgy, "Postwar Hungary," op. cit., pp. 302-303.

opponents had resigned themselves to a smashing Smallholders' victory, and had sounded Tildy in advance about getting him to assume the premiership.²⁴

Tildy, a Calvinist clergyman as well as a political leader, was reported to be the expected selection to head the new Government.²⁵ The coalition Government which was formed about ten days after the election was comprised of six Smallholders, three Communists, three Social Democrats, and one Peasant party member. Those posts controlled by Smallholders were: Premiership, Foreign Ministry, and the Ministries of Interior, War, Food, and Reconstruction. The Social Democrats obtained the Ministries of Justice, Commerce, and Industry; the Peasant party filled the Ministry of Education; the Communists secured the Ministries of Finance, Communications, and Welfare.²⁶

As spokesman for the majority party after the election of November 4, Tildy said: "I hope and expect that the Western powers and Soviet Russia will reach a basis of agreement, and, broadly speaking, Hungary's foreign policy will be to preserve good relations with all three."²⁷

On November 17, 1945, Great Britain announced that she was extending recognition to Hungary. The Hungarian representative in London was to have the same status as the Italian representative. This entitled him to diplomatic facilities but without Ambassadorial or Ministerial rank.²⁸

On November 22, the Hungarian Government announced that the two leaders of the major opposition parties, Szakasits of the Social Democrats and Rakosi of

²⁴ New York Times, November 6, 1945, p. 1. Cf. Gyorgy, "Postwar Hungary," op. cit., pp. 302-303.

²⁵ Scholastic, "Middle-Road For Hungary," XLVII (November 26, 1945), p. 12.

²⁶ New York Times, November 14, 1945, p. 10.

²⁷ New York Times, November 7, 1945, p. 15.

²⁸ New York Times, November 18, 1945, p. 9.

the Communists, had been named Deputy Premiers.²⁹

Gyorgy did not think this new coalition Government was as democratic and as representative as it appeared to be on the surface. He said:

This somewhat prematurely formed Government was under the titular leadership of Zoltan Tildy of the majority Smallholders party, but in reality the reins of power were tightly controlled by two new political leaders. Through a flexible "general staff" arrangement which permitted them to become Deputy Prime Ministers without portfolio, Arpad Szakasits of the Social Democratic and Matyas Rakosi of the Communist party have wielded the decisive balance of power in the cabinet ever since the formally correct but politically meaningless national elections of November, 1945.³⁰

In the spring of 1946 the Communists gained control of the Ministry of the Interior, and with it the control of the police, when Ladislas Rajk was named to the Interior post. The Communists now dominated Hungary's six-man Supreme Economic Council, with three top party members on the Council. These three were: Deputy Premier Rakosi, Ernest Gero, Minister of Communications, and Zoltan Vas, former mayor of Budapest and now Secretary of the Supreme Economic Council.³¹

Reporting on the political situation and the coalition Government in Hungary in the autumn of 1946, one observer said:

It is a coalition, with Communists in many of the key positions and exercising an authority far in excess of their popular support. The greatest political problem of present-day Hungary is just this privileged position of the Communists, enjoying Russian protection and controlling the country through a political police, largely under their jurisdiction.³²

²⁹ New York Times, November 23, 1945, p. 3.

³⁰ Gyorgy, "Postwar Hungary," op. cit., p. 303.

³¹ New York Times, April 24, 1946, p. 14.

³² Murray, op. cit., p. 319.

CHAPTER III

TACTICS EMPLOYED BY THE COMMUNISTS TO INCREASE
THEIR CONTROL IN HUNGARYA. Hungary Under The Coalition

In January, 1946, a correspondent interviewed Tildy, and asked him about recent criticism from his own party about catering to the Left. Tildy emphatically replied:

But the Government is not being led by the Left but by me. Many of the radical measures it has taken, I initiated myself, though they have been attributed to others.

When I became Premier I knew I would have to take unpopular steps. But in the six months that are to come, all classes will have to make sacrifices—capitalists, peasants, and workers—and at the end of those six months the people will realize why we had to do many of the unpopular things we have done.¹

Tildy said that one of the Government's measures that was not popular with the Right Wing of his majority party was the decision to nationalize industries. He refused to divulge just how far the Government planned to go with this nationalization program.²

In the Spring of 1946, reports emanating from Hungary indicated that Communist control of the coalition Hungarian Government had become fairly complete in recent weeks. The same source attributed the increasing domination of the majority Smallholders party by the minority Communist party to two reasons: (1) the fact that Russia was the occupying power; and, (2) the desire of conservative leaders to retain office and at the same time to share responsibility in the trying times by continuing the coalition.³

In April of 1946, the majority Smallholders party was forced to expel twenty

¹ New York Times, January 12, 1946, p. 12.

² Ibid.

³ New York Times, April 24, 1946, p. 14.

of its members. These twenty members were led by Dezso Sulyok, who had recently made a speech in Parliament attacking the Supreme Economic Council, and had charged Leftist control of the police. The demand for expulsion was made by the Communists, who backed this demand by threatening to leave the coalition Government and simultaneously call workmen into the streets in mass demonstrations.⁴ The Communists first demanded that about a hundred prominent Smallholders be dismissed from Parliament, and a compromise was finally reached with some twenty members of Parliament being expelled from the Smallholders party.⁵ Correspondent MacCormac of the New York Times blamed Russian pressure for this expulsion, and indicated that the Russians were not remaining aloof from Hungarian political affairs. MacCormac said:

In Hungary, by compelling the Smallholders party to expel twenty of its members and by encouraging the dominance of the Socialist party by the Communist party, the Russians have to a substantial extent made negative the results of the general election.⁶

Another observer reported in the summer of 1946 that although a majority of the Hungarian electorate had voted for a middle-of-the-road party and against the Communist party in the fall of 1945, the Soviets had exercised such strict military and economic control that the Hungarian Government had been forced to follow closely dictation from Moscow.⁷

When a leading member of the Smallholders party was asked in March of 1946 why his party, though possessing an absolute majority, continued to maintain a coalition with the Communists who were well-known advocates of the single party state, the Smallholders' leader replied: "When you are playing poker with another

⁴ Ibid.

⁵ Douglas Graham, "Report on Hungary," Nineteenth Century, CLX (September, 1946), p. 136. Cf. H.F.A. Schoenfeld, "Soviet Imperialism In Hungary," Foreign Affairs, XXVI (April, 1948), p. 560.

⁶ New York Times, May 18, 1946, p. 7.

⁷ S. B. Fay, "Ebb In The Communist Tide," Current History, XI (August, 1946), p. 83.

man and you know he is cheating it is advisable to go on playing if there is a large man with a gun at the door."⁸

The interrogator referred to in the above paragraph said that he was in Hungary while such a poker game was in progress. He said the Parliament was a "rubber-stamp", and that not only the day to day administration, but all decisions of any importance were made by inter-party conferences, and not by Parliament.⁹

Yet another observer reported in mid-1946 that the situation in Hungary was rendered more difficult and depressing by the pervading atmosphere of insecurity. A heavy air of malaise hung over the land. He attributed this atmosphere to four factors: (1) the political trials, (2) the purge of the civil and other services, (3) the ubiquity of the political police, and (4) the appalling material conditions. He concluded:

It is felt that, while the Russians cannot risk replacing the present Government by one more avowedly Communist, they are bringing pressure upon the Government, either directly or through its Communist members, which largely negates the results of the November elections and the popular will.¹⁰

The degree of freedom of the press in existence in a country may be considered as a barometer of political freedom. In late November, 1945, the twelve daily newspapers in Budapest were closely scrutinized, but had a surprisingly lively and critical tone. It was pointed out that these newspapers did not criticize Russia, but this might be expected in an occupied country. In general, the press supported the coalition Government. The situation was summarized favorably: "While the press is certainly not free in our (the American) sense,

⁸ Graham, Op. cit., p. 136.

⁹ Ibid., p. 137.

¹⁰ Murray, op. cit., p. 321.

it is as free as in any occupied country and shows a spark of returning life that distinguishes Budapest from other prostrate cities in this area."¹¹

In mid-January of 1946, official censorship was imposed on Budapest newspapers on items dealing with foreign policy. This resulted from an article printed in the Communist daily, Free People, suggesting that the Americans and British in Hungary lived too well while the Hungarians were starving. This article had even quoted the American menu for two days in October, but had failed to mention that the Americans supplied much of their own food.¹²

In early 1947, just before Premier Nagy was forced to resign, and the Communists tightened their control over the Government, the Hungarian press was again reported to be enjoying much freedom. This observer said: "I have seldom seen as friendly an attitude toward the Western democracies and, particularly, the United States, as in Budapest newspapers." He also said that one of the most popular Budapest papers was a satirical weekly which had a very critical attitude toward the Government.¹³

In early 1947, Hungary definitely had a government of her own, which had a great deal of freedom in determining its policies and actions. This statement is supported by a man who visited Hungary during this period. He said he had been told in Vienna that "if a member of the cabinet wanted to have his shoes shined he had to apply for the permission of the four occupying powers."¹⁴ To illustrate how erroneous this information was, he related the following experience:

¹¹ New York Times, November 28, 1945, p. 26.

¹² New York Times, January 14, 1946, p. 3.

¹³ Emil Lengyel, "A Visit to Hungary," Soviet Russia Today, XV (April, 1947), p. 11. Cf. H.F.A. Schoenfeld, "What Russia Has Done In Hungary," Vital Speeches, XIV (October 15, 1947), pp. 30-31.

¹⁴ Lengyel, op. cit., p. 11.

In Hungary I attended a session of Parliament. The bill discussed on that day was a highly controversial one, and the Government ran into a storm of protest. In deference to the opposition, the Government amended the bill before it re-submitted it to the legislature for the final vote.

I do not say that there was nothing more to this than met the eye. But Hungary is an occupied ex-enemy country and considering that, the latitude of free movement allowed the Parliament was remarkable, indeed.¹⁵

While visiting Hungary early in 1947, Lengyel was asked to speak to a group of several hundred iron and steel labor union leaders. He was permitted to choose the subject he wished to speak about, and decided to speak as an American on American labor questions. No one told him what he could or could not speak about, the question and answer period after the lecture was as free as any in the United States, and he feels quite sure that he could have criticized the Soviet Union if he had been so inclined. With reference to this inclination, Lengyel said: "I was not (so inclined), because I have never thought that 'Red baiting' was conducive to peace nor that it was customary to criticize the occupying forces in an ex-enemy country."¹⁶

The evidence presented above with regard to the degree of political freedom existent in Hungary under the coalition is borne out by another source, also.¹⁷ Very frank speeches were made in Parliament, and the press could discuss any subject except Soviet Russia without hindrance. However, political democracy was not as complete as it appeared on the surface. The Communist party, by the usual infiltration tactics, had obtained a share of the key posts---particularly among the police and the armed forces---disproportionate to the strength of the party. On the other hand, intellectual life was incomparably more flourishing in Hungary

¹⁵ Ibid.

¹⁶ Ibid.

¹⁷ Economist, "Turning Point in Hungary," CLII (June 28, 1947), p. 1030.

than in the countries to the southeast.¹⁸

B. Growing Russian Control in Hungary

Since the Russians occupied Hungary near the end of the war, it has been necessary for persons desiring to enter Hungary to secure permission from the Soviet authorities. The usual procedure for Americans desiring entrance was to request clearance through the American Military Mission in Budapest, which in turn would contact the Russians. Application for a clearance usually meant a five to seven day delay, and the clearance was not always granted. In November of 1945 the Russians claimed they had not turned down requests from journalists to enter Hungary. They also claimed that there was no press censorship in Budapest. Foreign correspondents agreed that there was no censorship, but said that dispatches were read, and sometimes delayed as much as forty-eight hours.¹⁹

At the end of 1945, a report from Vienna said it was thought that the main reason for the continued presence of the Russian armies in Southeastern Europe was because of Russia's own inability to feed them. It was generally believed that the troops would return home after the next harvest. By that time, it had become a commonplace remark in Vienna that the presence of the Red army had cured Eastern Europe of Communism, and its absence had enabled Communism to flourish in Western Europe. The report concluded:

Presumably Moscow's long-term objective is the establishment in Southeastern Europe of a chain of friendly or dependent states. But it has made no friends. Where it has allowed free elections governments of the Right have been returned.²⁰

In October, 1945, the Hungarian Provisional Government ratified a "fifty-

¹⁸ Ibid.

¹⁹ New York Times, November 28, 1945, p. 26.

²⁰ New York Times, December 31, 1945, p. 3.

fifty" Russo-Hungarian economic pact.²¹ This meant that Russia was drawing nearer, economically speaking, to Hungary, and that the economy of this small Central European country was becoming more dependent upon relations with the U.S.S.R. Another way the Russians used to gain control of the Hungarian economy was through the formation of Russo-Hungarian companies, in which the Russians would control 50 per cent of the stock.²² A bauxite company was set up in April of 1946 in this way.²³ When an occupying country enters into such agreements, one is inclined to suspect that it will practically direct these companies.

As the Russians increased their control, indirectly or otherwise, over various aspects of Hungarian life, they aroused more and more antagonism from the prominent anti-fascist leaders. These leaders had looked forward expectantly to a better Hungary in those days immediately following the war. They discovered that they could not work with the Communists as they had anticipated, and that their expectations did not come true. About a year after the war ended in Hungary, most of the leading anti-fascists were in jail, exile, disgrace, or the grave.²⁴

In the summer of 1946, the Russians demanded a purge of Hungarian political life and youth organizations. In a note dated June 28, Lieut. General Sviridov, Acting Chairman of the Allied Control Commission for Hungary, demanded that three

²¹ M. T. Florinsky, "Case of Hungary," Current History, XIII (September, 1947), p. 154. Cf. Current History, "Chronology," IX (December, 1945), p. 575.

²² Murray, op. cit., pp. 320-321.

²³ Current History, "Chronology," X (June, 1946), pp. 559-560. Cf. H.F.A. Schoenfeld, "What Russia Has Done in Hungary," Vital Speeches, XIV (October 15, 1947), p. 30.

²⁴ Overseas Press Club of America, As We See Russia, (New York: E. P. Dutton and Co., Inc., 1948), p. 48.

Catholic Youth organizations be suppressed, and that Hungary lift the immunity of two members of Parliament charged with anti-Soviet political agitation.²⁵

Charges were also made against other youth groups. General Sviridov accused the Boy Scouts of Fascist activities and the Catholic clergy of carrying out "propaganda against the Soviet Union and the Red army."²⁶ On July 11, the Hungarian Government yielded to the Russian demands and agreed to disband certain Roman Catholic groups, the Boy Scouts, and other organizations that the Soviet note of June 28 had denounced as "Fascist" organizations. The Hungarian Government also requested the clergy of the Roman Catholic Church to refrain from any anti-Russian propaganda.²⁷

Brig. General George H. Weems, the United States military representative in Hungary, protested to the Russian authorities for the unilateral action taken in the note of June 28. Weems said that such a request should have been made only upon the approval of the three nations represented on the Allied Control Commission. This protest, however, was made shortly after the Hungarian Government had yielded to the Russian note.²⁸

The Communists promoted a definite policy of action against the Roman Catholic Church in 1946. They had to move slowly and carefully because the Church was quite strong in Hungary. The Communists apparently centered their attack against Catholic schools and against Catholic organizations. As has already been pointed out, they succeeded (with the help of the Russians) in bringing about the dissolution of many Catholic groups in mid-1946.²⁹

²⁵ New York Times, July 8, 1946, p. 5. Cf. H.F.A. Schoenfeld, "Soviet Imperialism in Hungary," Foreign Affairs, XXVI (April, 1948), p. 561.

²⁶ New York Times, July 20, 1946, p. 9.

²⁷ Ibid.

²⁸ New York Times, July 19, 1946, p. 10.

²⁹ Lengyel, op. cit., pp. 11-12.

As this battle waxed stronger in 1946-47, the head of the Catholic Church in Hungary, Cardinal Mindszenty, spearheaded many anti-Soviet movements. Mindszenty certainly possessed plenty of courage, and he constantly waged war against the Hungarian Government directly and against the Russians in a less direct manner. He spoke against the land reform, which had been led by the Communists and had taken away much land from the Catholic Church, and he had much to say about the persecution of the Church.³⁰

The political situation in Hungary in mid-1946 seems to be aptly described in the following paragraph:

Political leaders cannot help seeing in the presence of the Red army the most decisive factor in Hungarian politics. They are aware that this army, content for the moment to allow Hungarian statesmen a measure of self-determination, would not hesitate to back the more revolutionary movements if it seemed expedient. They also see their country's economic future inescapably linked up with the East, however much some of them would prefer closer bonds with the West. The Communist Deputy Premier, Rakosi, a dynamic and experienced politician, is believed to dominate his less astute colleagues in the Government by sheer strength of personality.³¹

Another means by which the Communists discriminated against other groups in Hungary came about as a result of the paper shortage. Because of this shortage, the Communist Under-Secretary of State for Propaganda had full control of paper distribution. In addition, the Russian-headed Allied Control Commission gave many newspapers to the Communist and Socialist parties, more than their strength as evidenced in the election of 1945 indicated they deserved. However, the Catholic Church had had two daily newspapers before the war, and was permitted none in 1946.³²

The Communist party seemed to gain more and more control over the Hungarian

³⁰ Lengyel, op. cit., pp. 11-12.

³¹ H. Spiel, "Hungarian Holocaust," Nation, CLXIII (August 24, 1946), p. 212.

³² Graham, op. cit., p. 137.

Socialist party as the months went by. As early as April, 1946, an observer reported that the Leftist leader of the Socialists, Szakasits, had notably failed to make his party a national party, and seemed to have fallen completely under the spell of the Communists.³³

In February, 1947, the Social Democratic party convened in Budapest. This meeting ended with a spectacular victory of the extreme Left-Wing leaders over the more conservative party members. It was reported that the final outcome of this party meeting was a decision of the party leaders to "liquidate its moderate members and to integrate its activities with those of the Communist party." As a result, for all practical purposes, the Social Democratic party ceased to exist independently and pledged full cooperation with the Communist party. As leader of the Social Democratic party, Szakasits publicly proclaimed at this time:

The trend of our foreign policy is deeply influenced not only by our geographical proximity but to the obvious recognition that the Soviet Union is the defender of world peace and the friend of all free peoples. In domestic politics we shall follow a similar course; if there is a change, it will be in a positive direction. Our alliance and cooperation with the Communist party will be drawn even tighter than it has been in the past.³⁴

Many Hungarians had looked forward to the time when the Russians would evacuate Hungary following the signing of the peace treaty. This treaty was signed in early 1947, yet it was reported that more than 100,000 Red army troops continued to occupy Hungary and Rumania. The ostensible purpose of this occupation force was to defend communication lines with Austria until a peace treaty could be concluded with that country. The Hungarian peace treaty had stated that this would be permitted. But Lehrman said:

³³ New York Times, April 24, 1946, p. 14.

³⁴ Gyorgy, "Postwar Hungary," op. cit., pp. 305-306.

The real purpose was obviously to fortify the native Communist hand against internal upheaval and keep a striking force available as a club over the heads of the "fascist" states on the other side of the Curtain.³⁵

C. Hungary Becomes A Republic

On February 1, 1946, the Hungarian National Assembly proclaimed the end of the 1,000-year-old Hungarian monarchy (there had been short-lived republics in 1848 and 1918) and elected Premier Tildy as President of the Third Hungarian Republic.³⁶ Early in the preceding month it was reported that an inter-party meeting had agreed to the selection of a Smallholder to head the projected republic. At the time, the President of the National Assembly, Forenc Nagy, was mentioned as the most likely choice for the post.³⁷ Premier Tildy was also a possible choice for the Presidency. The conservative wing of the Smallholders party expressed the fear that if Tildy should accept the Presidency, the Leftist parties might demand the Premiership. If that should happen, Rakosi would probably obtain the Premiership, since he headed the Communist party, and that party was the second strongest party in the nation. When Tildy was interrogated about this possibility, he stated that such a question had not arisen, and that the Leftist parties had not even hinted at such a demand. At this time Tildy was being criticised more and more openly from within his own party because many Smallholders felt that he yielded too easily to pressure from the Left Wing within the coalition and as a result was frustrating the popular demand for a conservative Government.³⁸ Nevertheless, Tildy was chosen to head the new republic.

Two weeks before the republic was proclaimed, Tildy announced that the

³⁵ Overseas Press Club of America, op. cit., p. 46

³⁶ New York Times, February 2, 1946, p. 4. Cf. H.F.A.Schoenfeld, "Soviet Imperialism In Hungary," Foreign Affairs, XXVI (April, 1948), pp. 559-560.

³⁷ New York Times, January 5, 1946, p. 6.

³⁸ New York Times, January 18, 1946, p. 12.

French form of state would be adopted by Hungary, rather than the American form. He explained this decision by saying that Hitler furnished an example of the danger of putting too much power into the hands of one man.³⁹

As President of the new republic, Tildy was to serve a four-year term. His powers were limited. Now the vacant post of Premier had to be filled. Two members of the Smallholders party were listed as the leading candidates for this position---Father Stephen Balogh, a Catholic Priest, and Sulyok, a member of Parliament who had also served in that body before the war.⁴⁰ However, it was announced on February 4 that the President of the National Assembly, Ferenc Nagy, had been elevated to the Premiership. He immediately confirmed all members of the former Cabinet to their posts.⁴¹

D. Formation of The Liberal Party

Immediately after twenty members of Parliament led by Sulyok were expelled in April, 1946 (as related above), Mr. Sulyok tried to form a party of his own called the Hungarian Freedom party. It was generally agreed that Sulyok was no reactionary. He had served time in prison as an anti-Nazi. The Soviet representatives in Hungary informed Sulyok that his party could not be recognized because he had not obtained a permit. When interviewed by a correspondent, Sulyok said:

The armistice treaty said nothing about the necessity of obtaining permits to form new parties. What is happening in Hungary now is what happened under the Nazis, but now it is coming from the Left and then it came from the Right.⁴²

³⁹ Ibid.

⁴⁰ New York Times, February 2, 1946, p. 4.

⁴¹ New York Times, February 5, 1946, p. 7.

⁴² New York Times, April 24, 1946, p. 14.

On July 7 it was announced from Budapest that Lieut. General Sviridov had authorized Sulyok that he might form a new party.⁴³ The new party which was then formed came to be called the Liberty party.⁴⁴

E. The Financial Crisis

The economic plight of Hungary was indeed acute following the war. This plight had been intensified by the withdrawal of Hungarian property and resources in two opposite directions---the Russians seized much property and took it eastward, while the Germans had also removed much from Hungary. What the Germans had taken had fallen into American hands, but the Americans were very slow to send the property back home because it was feared the Russians would immediately confiscate it and abscond with it.⁴⁵

Throughout the first seven months of 1946, Hungary was suffering from the serious effects of a tremendous inflationary spiral. The pengo was rapidly falling in value. Before the war, the pengo was worth approximately twenty cents in American money; on April 29, 1946, it could be purchased at the rate of 220,000,000 to the American dollar.⁴⁶ The situation continued to grow worse, and by June 25 a 100,000,000,000,000 pengo note had been placed in circulation. This huge sum was only sufficient to buy a cup of coffee in a Budapest restaurant. On June 25, the Government inaugurated a program to fight the growing inflation. Under this program, prices were to be set at six o'clock each morning and could not be changed during the day. A plan for point rationing was also drawn up, and the Government hoped by these means to prevent the

⁴³ New York Times, July 8, 1946, p. 5.

⁴⁴ New York Times, September 30, 1946, p. 11.

⁴⁵ Murray, op. cit., pp. 320-321.

⁴⁶ Current History, "Chronology," X (June, 1946), p. 560.

nation's economic plight from becoming more desperate. A week later, however, it was reported from Budapest that the Government's price policy had been shattered by the increasing inflation.⁴⁷ It was quite evident that Hungary was in a desperate situation, and the Government seemingly was unable to cope with the rapidly mounting economic instability.

It was during such an unstable time in Hungary that a party of Government officials visited the United States. This party was comprised of Premier Nagy, the Foreign Minister, Vice Premier Rakosi, and the Minister of Justice, Riesz, who represented the Social Democratic party.⁴⁸ The Hungarians needed economic aid, and they pleaded with U. S. officials for: (1) the return of some \$33,000,000 in gold which the Nazis had stolen, and which the United States now held in Germany; (2) the return of a number of Danube barges which had fallen into the hands of the United States in the same manner; and (3) the sale of some American Army surplus property.⁴⁹

While in Washington, D. C., Premier Nagy was queried by newspapermen on June 12. He told the newsmen that Russian occupation troops in Hungary had been "considerably reduced," although he said the exact number remaining in Hungary was a "military secret." Nagy also said that the Russians did not "live off the land" but brought their own food with them.⁵⁰

When asked if the Russians had not plundered Hungary in much the same manner as the Nazis, Nagy replied: "The Germans plundered Hungary while the Russians merely collected reparations." This brought a chorus of laughter from the

⁴⁷ Current History, "Chronology," XI (August, 1946), p. 148.

⁴⁸ New York Times, June 13, 1946, p. 6.

⁴⁹ Newsweek, "Gold, Please," XXVII (June 24, 1946), p. 47.

⁵⁰ New York Times, June 13, 1946, p. 6.

newsmen, which caused Nagy to shoot a worried glance at his Communist Deputy Premier, Rakosi. Nagy appeared relieved when Rakosi's face broke into a reassuring gold-toothed grin.⁵¹

During the same press conference, Nagy scoffed at Churchill's declaration that a Soviet "iron curtain" hid Hungary from the Western world. In ridiculing such an idea, Nagy said:

If there were an iron curtain around my country, do you think I would be sitting in this room talking with you now? Most of my time in Budapest is spent giving interviews to American and British journalists---behind this so-called iron curtain.⁵²

Soon after the Hungarian delegation left Washington, D. C., the United States Department announced that the Hungarian gold seized by the Germans would be returned to the Hungarian Government, and that the United States was willing to increase a \$10,000,000 credit already granted to Hungary to buy surplus American property in Europe.⁵³

As the inflation in Hungary reached its astronomical climax late in July of 1946, the situation was further complicated, in addition to the information related above, by the fact that the Russians were printing their own money in Hungary to pay their soldiers, and thus increasing the amount of currency in circulation. All of these factors, coupled with the political anomaly of a Government composed of four parties with conflicting aims, indicated the seriousness of Hungary's plight.⁵⁴ It was certainly not difficult to see why any government would have a terrific time remaining in power.

The pengo was discontinued as the currency unit in Hungary on August 1, 1946. It was replaced by the forint. It was anticipated that the Government

⁵¹ Newsweek, "Gold, Please," p. 47.

⁵² New York Times, June 13, 1946, p. 6.

⁵³ Current History, "Chronology," XI (August, 1946), p. 148.

⁵⁴ Spiel, op. cit., p. 211.

would have all it could do to enforce the drastic measures necessary if it hoped to keep the new currency from going the way of the pengo.⁵⁵ The attempt of the Government to bolster its shattered economy and maintain the stability of the newly introduced currency unit was aided when, on August 6, the entire captured reserves of the Hungarian National Bank, about \$33,000,000 in gold, arrived in Budapest. On August 15, the United States granted the Hungarian Government an additional \$5,000,000 credit to purchase army and navy surplus property overseas.⁵⁶

F. The Peace Treaty

During the closing days of 1945 the Hungarian Government expressed its belief that Hungary might be able to sign a peace treaty within the next six months. If a treaty could be agreed upon, it should mean the departure of the Russian occupation forces of over half a million men. This would relieve the small nation of the terrific burden of occupation costs.⁵⁷

A report from Vienna in May of 1946 noted that Moscow appeared to be antagonistic to all Hungarian territorial aspirations. It was pointed out that this was also true in the case of Austria, and attention was called to the fact that these two nations had voted for conservative governments in free general elections.⁵⁸

In early August an observer mentioned the perilous political position of the Government in Hungary as a result of the bad economic situation, and intimated that this Government would not long remain in office if it returned from the approaching peace conference empty-handed.⁵⁹

⁵⁵ New York Times, August 1, 1946, p. 3.

⁵⁶ Current History, "Chronology," XI (October, 1946), p. 345.

⁵⁷ New York Times, December 31, 1945, p. 3.

⁵⁸ New York Times, May 18, 1946, p. 7.

⁵⁹ New York Times, August 1, 1946, p. 3.

The Hungarian peace treaty was drawn up at a conference in Paris in early September, 1946. At the time, Hungary had, at least nominally, the only conservative government in the Soviet Union's sphere in Eastern Europe. There was widespread belief that the Soviet Union would like to get rid of this remaining conservative government. A dispatch from Paris said:

Certainly the Russian bloc at the Paris Conference has done all in its power to prevent the Hungarian delegation from succeeding in the mission and even in getting a hearing.⁶⁰

On September 8, an observer said that it was a question as to whether the Hungarian Government would sign the peace treaty being worked out or resign. At that date, he reported that Hungary had fared worse than any of the five former enemies involved in the Paris Peace Conference, with the possible exception of Italy. Apparently Premier Nagy intended to resign if Hungary should get a harsh treaty at Paris. This belief was based on a statement made by Nagy in Paris.⁶¹

Hungary did not gain her territorial aspirations, and Nagy was forced to return home and tell his country that the Hungarian delegation to the peace conference had failed. He said that unless the country united to overcome her obstacles she might face civil war, and, in calling for unity, said that, in view of developments at Paris, unity was needed more than ever.⁶² The treatment of Hungary at the peace conference caused genuine and widespread discontent. The news reaching Hungary of the situation of Hungarians in neighboring countries was very discomfoting, and yet none of these disputed areas were awarded to Hungary.⁶³ In spite of this failure, and in spite of the fact that many persons had predicted the fall of the coalition Government if no success was achieved at the peace conference, the Hungarian Government weathered the crisis.

⁶⁰ New York Times, September 9, 1946, p. 4.

⁶¹ Ibid. Cf. M. T. Florinsky, "Case of Hungary," Current History

⁶² New York Times, September 9, 1946, p. 4.

⁶³ Economist, "Turning Point In Hungary," CLII (June 28, 1947), p. 1030.

CHAPTER IV

POLITICAL UNREST AND THE ALLEGED CONSPIRACY

Much pressure was exerted by the Leftist parties and by the Russians against Hungarians not favorably inclined toward Russia during the last half of 1946 and early 1947. At approximately the same time as the Russians succeeded in bringing about the dissolution of several youth groups (July, 1946), the Left-Wing press announced that three Ministers, all anti-Marxists, would resign. These included the Ministers of Education, Reconstruction, and Information. The latter official had already been forced to resign as editor of the Smallholder party paper prior to this time. The Leftist bloc was clamoring for the ousting of numerous other high officials at the same time, including Premier Nagy's personal adviser, a highly regarded member of the Smallholders' party.¹

July of 1946 also brought a wave of political arrests. One member of Parliament, whose immunity the Russians had demanded be lifted, was reported to be already in the hands of the political police. Many of the men arrested on political charges were men with clear records of opposition to the Germans during the war, but who had also become anti-Soviet.²

In late November, 1946, an observer reported that Russia had succeeded in establishing puppet Governments in Yugoslavia, Rumania, Bulgaria, and to some extent in Czechoslovakia, and said that it remained for Russia to reverse the popular verdict in Hungary. Steady progress toward more control in Hungary had already been made.³ The occurrences of the ensuing weeks indicate that this progress continued.

¹ New York Times, July 8, 1946, p. 5.

² Ibid.

³ New York Times, November 24, 1946, Sec. IV, p. 5.

On December 28, the Minister of Information, Josef Bogmar, announced that "many persons" had been arrested. Unofficial sources said that a Communist-sponsored purge of politicians and army officers favoring the Western democracies was under way. Minister Bogmar gave no explanation of the arrests at the time, but promised more information later. He did say that the arrests were carried out by the War Ministry's Political Department. This Department was controlled by the Communists.⁴

On December 30, the Ministry of Interior, controlled by the Communists also, inaugurated a program of strict censorship on newspapers. Newspapers were threatened with severe measures if they published any news about the purge then reported to be in progress. By this date, additional arrests had been made, and the unofficial count was now estimated at between 100 and 200 persons. The Minister of War, Albert Bartha, threatened to resign. These arrests had been made without Bartha's knowledge by his subordinate, Palfy, the Communist chief of the Political Department.⁵ Premier Nagy said that he would call for an immediate trial of the arrested persons. It was reported that Nagy felt the arrests were attempts by the Left to discredit further the Smallholders party.⁶

Members of the Smallholders party reported that between 400 and 500 persons had been questioned by the political police, and that those arrested were nearly all pro-American or pro-British politicians or army officers. Many of those arrested were said to have served as members of anti-Nazi movements during the war. Some viewed these arrests as a Communist move to strengthen Leftist control over the coalition Government and halt any anti-Communist hopes before the

⁴ New York Times, December 29, 1946, p. 28.

⁵ New York Times, December 31, 1946, p. 3.

⁶ Ibid.

Hungarian peace treaty was signed, which was expected to mean the withdrawal of the Russian occupation forces.⁷

Supporters of the Smallholders party claimed the whole purge was a "frame-up" intended to discredit persons favoring the Western form of democracy. On the other hand, Communist leaders charged that the persons arrested were "plotting a Hungarian counter-revolution", and claimed that these revolutionaries were also planning propaganda against the Premier of neighboring Rumania, Petru Groza.⁸ The arrested were accused of conspiring against the state.⁹

On the night of January 2, General Paul Almassy, former Hungarian army chief of staff, was arrested. At this juncture, Minister of War Bartha offered his resignation for a second time, and the offer was rejected.¹⁰

The Communist-controlled Ministry of the Interior officially disclosed on January 4, 1947, that it had discovered a plot to return Admiral Nicolas Horthy to power. The official announcement stated that fifty-five persons had been arrested in connection with the plot.¹¹ According to this disclosure, the alleged planned uprising was to have occurred immediately after the signing of the peace treaty or immediately after the departure of the Russian occupation troops. A seven-man committee reportedly headed the organization promoting the conspiracy. Evidence had been unearthed indicating that the organization planned to use force in overthrowing the republic. It was claimed that the group had some

⁷ New York Times, December 29, 1946, p. 28.

⁸ Ibid.

⁹ Current History, "Chronology," XII (February, 1947), p. 183. Cf. H.F.A. Schoenfeld, "Soviet Imperialism In Hungary," Foreign Affairs, XXVI (April, 1948), pp. 562-563.

¹⁰ New York Times, January 4, 1947, p. 6.

¹¹ Current History, "Chronology," XII (March, 1947), p. 306. Cf. New York Times, January 5, 1947, p. 5.

planes in Hungary, though unassembled, and that the committee of seven had contacted army units.¹²

Two days later came an announcement from Minister of Justice Riesz¹³ saying that twenty-two additional persons had been arrested and the Government now held 130 "fascist conspirators" who had planned to overthrow the republic. Riesz said the trials of these men would begin soon, and that the death penalty might be imposed.¹⁴

Left-Wing circles were stressing more and more that those engaged in the conspiracy had foreign connections. At the same time, all political parties hastened to condemn the conspirators.¹⁵

An observer reported from Budapest on January 8:

The opinion is common here that one of the ambitions of the Communist party is to gain control of the War Ministry and the small army provided for in the Hungarian peace treaty. This would put control of all the armed organs of the state in Communist hands since the police, through the Ministry of the Interior, and the border guards through General Palfy Oesterreicher, are already Communist-dominated.¹⁶

The persons arrested claimed they knew nothing of any military plot, and were merely planning a farmers' cooperative and similar projects. On the same day that this news came out of Budapest, it was reported that arrests now totaled 170, and it was indicated that there would be more such arrests.¹⁷

January 11 brought forth another announcement from the Interior Minister,

¹² New York Times, January 5, 1947, p. 5.

¹³ Also spelled Ries.

¹⁴ New York Times, January 7, 1947, p. 4.

¹⁵ New York Times, January 9, 1947, p. 4.

¹⁶ Ibid.

¹⁷ New York Times, January 10, 1947, p. 3.

Rajk, stating that a prominent member of the Smallholders party and close friend and political adviser of Premier Nagy, Kalman Salata, was a member of the seven-man committee heading the conspiracy. The communique said that the Smallholders party had become a knowing or unknowing instrument of the conspiracy, and that steps had been taken to remove the Parliamentary immunity of Salata and other Smallholders Deputies.¹⁸

Correspondent Ross said the confessions made to the police by some of those arrested were of the kind calculated to arouse the anger of the Hungarian people, since they contradicted the whole program of the Smallholders party. Some of the leaders of the alleged conspiracy confessed they were planning to wipe out the land reform, and exclude all peasants from political life. One of the Committee of Seven even admitted writing a document saying that "reconstruction and the tempo of production must be sabotaged to prevent the strengthening of the Democratic Republic."¹⁹

By this time, it began to appear that the Smallholders party intended to defy the attack upon them by the Communists. The President of Parliament, Bela Varga,²⁰ stated that Parliament might have to be summoned immediately. He said:

It is impossible that the National Assembly should be represented as if several of its members, or an important group of them, would have conspired to annihilate land reform and exclude peasants from political life when the names of those accused are not even mentioned and legal procedure has not even been begun.²¹

On January 12 the newspaper, A. Reggel, called the Interior Minister's communique "tendentious", and demanded objective information. The paper was temporarily banned for the next day, and warned to behave by the Communist

¹⁸ New York Times, January 12, 1947, p. 31.

¹⁹ Ibid.

²⁰ A Prominent Smallholder.

²¹ New York Times, January 14, 1947, p. 15.

press.²²

On the following day, a source close to Premier Nagy said he might be forced to resign as a result of the revelation of the conspiracy plot by the Communists.²³

On January 15, Premier Nagy told a meeting of Smallholder Parliamentary Deputies that other parties in the coalition were involved in the alleged conspiracy, and he asked his political followers to await more information, and not prejudge the case.²⁴

The Minister of the Interior now named others involved in the conspiracy, and said all who were abroad must return home by February 10 and stand trial or lose Hungarian citizenship. At the same time, more arrests were reported. As the arrests continued, the Smallholders party decided that six of its members should submit themselves for investigation by a three-man party committee.²⁵

Observer MacCormac gives a picture of what many Hungarians thought of this alleged conspiracy:

What Hungarians are asking themselves today is what kind of conspiracy could this have been in which Smallholders, Socialists, and Communists were all involved, making a coalition conspiracy against a coalition Government. It is also asked how the Smallholders can be accused of conspiring against the Republic since they have a clear majority over all other parties and are therefore entitled to form a one-party government instead of a coalition if they wish.²⁶

On January 16, Premier Nagy announced that trials of the accused would begin ten days after they were questioned. Nagy was under severe criticism for allowing a Government department to make such arrests without first obtaining

²² Ibid.

²³ Ibid.

²⁴ New York Times, January 16, 1947, p. 16.

²⁵ New York Times, January 17, 1947, p. 6.

²⁶ Ibid.

his permission. It was speculated that Nagy had not taken a strong stand in the affair because his son and some of his close friends were implicated. At any rate, Nagy's position in the Smallholders party was reported considerably weakened.²⁷

Mid-January found the Smallholders party very much on the defensive despite the fact that it was a majority party. Premier Nagy's unwillingness to take a definite stand apparently handicapped the party greatly. There were rumors that the Smallholders party might split into two branches.²⁸

On January 17, the Hungarian border was sealed to prevent the escape of those implicated in the conspiracy. Many reportedly had already fled the country.²⁹

Nagy said in an interview that the conspiracy "undoubtedly constituted a crime against the state." He said that the Smallholders party would be purged of those newcomers not in sympathy with the party's traditionally democratic aims as a result. This purge would not decrease the party's representation in the Parliament, however, since any vacancy resulting in that body because of such a purge would be filled by the Smallholders party. Nagy took this opportunity to declare that the arrests of the past weeks had not been done without consulting him. He also declared that the Russian occupation authorities had not intervened in the affair in any way. However, when asked if it were not true that Rakosi had said at an inter-party conference a few days previously that the Russians would take action unless the Smallholders party permitted the arrest of six of its Parliamentary Deputies, Nagy replied: "I can only repeat

²⁷ Ibid.

²⁸ New York Times, January 18, 1947, p. 6.

²⁹ New York Times, January 21, 1947, p. 6.

that the Russians have completely abstained from intervention."³⁰

On January 21, the Parliament voted to deprive eight Smallholders Deputies of their immunity. The leader of the Liberty party, Sulyok, made a speech criticizing the three major political parties of the country, and condemned the Marxist parties for having boasted a month previously that they would take over the Government before the peace treaty was ratified and the Soviet army left Hungary.³¹

As the charged conspiracy continued to unfold, Deputy Premier Rakosi demanded that those convicted of conspiracy be given the death sentence.³²

Correspondent MacCormac made a prediction on January 26 that proved quite interesting in the light of later events. He said:

Events of the week have made it obvious that in Hungary. . .the establishment of a virtual Communist dictatorship is a matter of only weeks. Exactly when and in what form it will be inaugurated evidently depends entirely on what is considered expedient by Matthias Rakosi. . .and Moscow.³³

MacCormac further observed that Rakosi would probably meet little resistance from either Premier Nagy or President Tildy. The Smallholders party was definitely "on the run". It was now freely predicted that the persons arrested would not be tried for two months or more, at which time the accusations would have served their purpose and conviction would be of little consequence. The purpose, as many reportedly felt, was to establish a dictatorship of the proletariat in Hungary.³⁴

³⁰ Ibid.

³¹ New York Times, January 22, 1947, p. 8.

³² Current History, "Chronology," XII (March, 1947), p. 306. Cf. New York Times, January 24, 1947, p. 6.

³³ New York Times, January 28, 1947, p. 17.

³⁴ Ibid.

The tense political situation in Hungary eased somewhat during February, 1947, with no further arrests dealing with the conspiracy reported. The trial of six Smallholders Deputies was scheduled to begin on February 24, and the court's decision against them was said to be already "pretty obvious." By this time, it appeared that most American statesmen already regarded Hungary as practically lost to the East in the tug of war then in progress.³⁵

On February 26, an incident occurred that added to the tenseness of the situation, when twenty Russian soldiers led by a general arrested Bela Kovacs, an anti-Communist member of Parliament. Members of the Smallholders party declared this to be a "direct intervention" in Hungarian internal affairs, and one of the party leaders said the arrest was a part of a pre-arranged Communist scheme for "conquering" Hungary. The official Hungarian news agency said that Lieut. General V. P. Sviridov had ordered the arrest on charges of "actively taking part in forming underground armed terror groups and for organizing espionage directed against the Soviet army."³⁶

Leaders of the Smallholders said the real reason behind this move was that the Communists wanted Kovacs arrested, but had been unable to get his Parliamentary immunity waived. A member of the British legation declared unofficially that the Russian charges were "preposterous". But it appeared that neither Great Britain nor the United States felt that they could do anything about the arrest of Kovacs, since the Russians had charged espionage against the Soviet Union. Kovacs had made a voluntary statement to the political police shortly before his arrest in which he disclaimed any part in the alleged plot to restore Admiral Horthy in Hungary.³⁷

³⁵ New York Times, February 16, 1947, p. 29.

³⁶ New York Times, February 27, 1947, p. 7.

³⁷ Ibid.

As the trial of thirteen defendants got under way in late February, defense attorneys' request for a postponement on the grounds that they had not been permitted to talk to their clients was denied. First to testify was Dr. Donath, accused of being the "brains" of the movement. He denied his guilt, but volunteered much information about his participation in an "underground chief command" and other movements since the end of the war.³⁸ Second of the thirteen defendants to be questioned was a former general, Lajos Veress. He testified that he had signed a confession only after being kept awake for eight days and nights, and charged that the statement which he had signed had been written by the Communist-dominated Political Department of the Ministry of War.³⁹

Several Smallholders Deputies charged that one of the thirteen defendants, Istvan Szentmiklossy, had been planted by the Communists in the circle of men accused of participation in the alleged plot. These Deputies had no conclusive evidence to support this assertion, but said they were reasonably sure it was true. When asked why they did not make this charge publicly, one Deputy said: "We are not foolish---we do not wish to fall into the hands of the Communist-controlled political police."⁴⁰

The trial of the thirteen defendants continued with very little publicity until mid-April. On March 6, the defense lawyers resigned, saying they were being attacked as fascists by the Leftist press. On April 16, a People's Court sentenced three of the accused to death by garroting. The other ten were given prison terms ranging from life to one year. This court was composed mostly of Leftists.⁴¹

³⁸ New York Times, February 28, 1947, p. 9.

³⁹ New York Times, March 1, 1947, p. 7.

⁴⁰ New York Times, March 2, 1947, p. 15.

⁴¹ New York Times, April 17, 1947, p. 10.

In the meantime, Great Britain and the United States were becoming much aroused about the situation in Hungary. Secretary of State Marshall sent a strong note of protest to Russia during the first week in March. Marshall protested against the conditions in Hungary, charged that the Communists in Hungary were supported by the Communists in Russia, and proposed a Big Three investigation of the situation.⁴² The note charged the Soviet Union with "unjustified interference" in the internal affairs of Hungary, and declared: "The Soviet High Command in Hungary has now, by direct intervention, brought the situation to a crisis. The United States Government is opposed to this attempt to nullify the electoral mandate given by the Hungarian people." The Russians were charged with taking unilateral action, and the United States requested that no further measures be taken without first consulting the United States and United Kingdom representatives on the Allied Control Commission. The note demanded an investigation not only into the alleged conspiracy, but also into the Soviet arrest of Bela Kovacs. The arrest of Kovacs was termed "unwarranted".⁴³

No Russian reaction to the United States note was forthcoming during the next few days. It was reported from Budapest that it seemed unlikely that anything would inspire Premier Nagy at that late date to make a more effective stand against Moscow's attempt to install a Communist-dominated dictatorship in Hungary before the occupation army withdrew. This report said:

No one dares to open his mouth to protest against the undemocratic procedures by which the will of the Hungarian people is being defeated and a way being prepared for a dictatorship of the proletariat.⁴⁴

On March 7, it was revealed that the Hungarian Government had forbidden

⁴² New York Times, March 6, 1947, p. 1.

⁴³ New York Times, March 7, 1947, p. 1. Cf. Florinsky, "Case of Hungary," Current History, XIII (September, 1947), p. 155. Cf. H.F.A. Schoenfeld, "Soviet Imperialism In Hungary," Foreign Affairs, XXVI (April, 1948), pp. 563-564.

⁴⁴ New York Times, March 7, 1947, p. 6.

Hungarian publication of the United States protest note to the U.S.S.R.⁴⁵ The note had been released to the press, but the Hungarian general news agency had instructed the press not to publish it. The head of the news agency, Julius Ortutay, reportedly said General Sviridov had forbade publication of the note. In an effort to inform the general public of the contents of the note, the United States Information Service in Budapest distributed 10,000 mimeographed copies of the note. Four hundred of these went to members of the Hungarian Parliament. The Information bulletin had had a regular circulation of only 1,000, but hundreds of new applications were received on the day the note was published.⁴⁶

Colonel John H. Stokes of the United States military mission queried General Sviridov as to whether Soviet authorities had ordered the United States note suppressed. Stokes said that, before he could complete his sentence asking about the matter, General Sviridov interrupted to deny responsibility, and added: "It was an action taken by the Hungarian Government."⁴⁷

Several reliable Hungarian newspaper men said that all newspapers had been warned by the political police against printing the note. A Smallholders party newspaper, Kis Ujsag, was forced to revise its edition when the police found a 200-word story about the note on the first page.⁴⁸

On March 8, General Sviridov replied to the United States note. The demand for an investigation was rejected, and other allegations made in the United States note were denied. The reply stated that the conspiracy was being investigated by a People's Court, in keeping with the Hungarian Constitution. Sviridov also declared that the arrest of Kovacs was within the powers of the Soviet

⁴⁵ Current History, "Chronology," XII (May, 1947), p. 531.

⁴⁶ New York Times, March 8, 1947, p. 6.

⁴⁷ New York Times, March 7, 1947, p. 6.

⁴⁸ Ibid.

occupation authorities under the terms of the Hungarian armistice.⁴⁹

Shortly before the Russians replied to the United States note, the British also sent a protest note to the U.S.S.R. It was not nearly so sharp as the United States note, however.⁵⁰

The Hungarian press published both the United States note and the Russian reply on March 9.⁵¹ For a time, it appeared that the Hungarian Government would deny the United States charge of Soviet meddling, but this did not happen. Such a denial would have highly pleased the Leftist parties. Premier Nagy reportedly considered the United States note an unfortunate development for Hungary's internal political situation. If he published the United States note, he would anger the U.S.S.R.; if he didn't, he would offend the United States. So he waited and published both note and reply at the same time. Nagy said: "Unfortunately, Hungary has become a buffer between the East and West, whereas I had hoped it would prove a bridge." Nagy continued to yield to Leftist pressure, and on March 10 he consented to liquidate eight more members of his party.⁵²

After the Soviet rejection of the note, the United States State Department said it would study the situation to determine what the next step should be. A reporter in Washington interpreted the United States attitude as follows:

The fact that the Hungarian police and courts are under Communist control and have acted against the majority Smallholders party is regarded here as making hollow the Soviet denial of interference in Hungary's internal affairs.⁵³

The decision of Nagy to yield to Leftist pressure and purge more members of

⁴⁹ New York Times, March 9, 1947, p. 13.

⁵⁰ Ibid.

⁵¹ New York Times, March 10, 1947, p. 4.

⁵² New York Times, March 11, 1947, p. 9.

⁵³ New York Times, March 12, 1947, p. 8.

his party on March 10 (as related above) resulted in such severe criticism that Nagy resigned for a few hours on March 12. His followers finally agreed to support this agreement he had made with the Leftists, and Nagy resumed his post. As a result, five more Parliamentary Deputies and three Cabinet Ministers were expelled from the party. Those dropped from the Cabinet were: Minister of War Bartha, Minister of Finance Racz, and Minister of Information Bogmar. Nagy pleaded that he had taken the only course that would avert "chaos", and said there would be no more expulsions---"if the agreement is kept."⁵⁴ The Ministry of War was given to another Smallholder, Lajos Dinnyes.⁵⁵

By mid-March, approximately three thousand Hungarians were believed to be under arrest, according to a dispatch from Budapest. All were ostensibly held in connection with the alleged conspiracy against the republic, but the dispatch said this was actually the means used to get those out of the way "who might oppose the substitution of a Communist-dominated dictatorship for representative government."⁵⁶

To illustrate just how far Leftist control over the police had been extended by March of 1947, the following percentages are noted: the Leftists had 96 per cent of the major positions in county police headquarters, 96 per cent of the county chiefs of the political police, and all of the important positions among the municipal police forces in the country. In addition to the police force, the Leftist bloc controlled a percentage of the administrative under-secretarial positions in the Government far out of proportion to the number the national election indicated they deserved.⁵⁷

⁵⁴ New York Times, March 13, 1947, p. 8.

⁵⁵ New York Times, March 15, 1947, p. 2.

⁵⁶ New York Times, March 12, 1947, p. 8.

⁵⁷ New York Times, March 18, 1947, p. 5.

Approximately ten days after the first United States protest note, a second note was sent to the U.S.S.R. It declared that the Hungarian Communists were attempting to seize power from the freely elected Government, and said that the action of "minority groups under the leadership of the Hungarian Communist party. . .clearly threatens the continuance of democracy in Hungary." The note also said that the signers of the Yalta agreement "are obligated to take concerted action to investigate political conditions in Hungary."⁵⁸

This note was also withheld from the Hungarian press until a reply could be formulated. General Sviridov declared he had "a perfect right to control the Hungarian press." The Americans termed this action as "presumptuous."⁵⁹

On March 19, the Russians rejected the second protest note, and declined the United States demand for an investigation into Hungarian political affairs.⁶⁰ General Sviridov said that Bela Kovacs had "fully acknowledged his guilt in crimes committed against the Soviet army, as well as his participation in the plot."⁶¹

Great Britain also sent a second protest note and called for a four-power investigation into alleged Soviet "interference" in Hungarian political affairs.⁶² The Soviet Union likewise rejected this note, saying that no new evidence had been presented.⁶³

⁵⁸ Ibid. Cf. H.F.A. Schoenfeld, "Soviet Imperialism In Hungary," Foreign Affairs, XXVI (April, 1948), p. 564.

⁵⁹ New York Times, March 19, 1947, p. 7. Cf. Schoenfeld, "Soviet Imperialism In Hungary," p. 564.

⁶⁰ Current History, "Chronology," XII (May, 1947), p. 531.

⁶¹ New York Times, March 20, 1947, p. 7.

⁶² New York Times, March 21, 1947, p. 16.

⁶³ New York Times, March 22, 1947, p. 8.

The Smallholders party fought off a Left Wing attempt for a second time to force the Hungarian Government to issue a statement deploring United States "interference" in Hungarian affairs.⁶⁴

At this point the political situation in Hungary relaxed somewhat, and little was heard of events in Hungary until mid-May, when the events of the last two weeks of May led to the forced resignation of Premier Nagy. In mid-April, a New York Times observer commented on the slow suicide the Smallholders party had been committing as a result of the pressure being applied by the Hungarian Communists, who in turn were backed by the Russians. He said:

The means used. . .has been the granting of the key posts of Minister of the Interior to a Communist nominee in Hungary's coalition government; the staffing of the police force with Communists; establishment of a Communist Socialist combination against all other parties; "spontaneous" demonstrations by workers including storming of the gates of Parliament, strikes and threat of strikes whenever that combination needed to enforce its will; and the "discovery" by Communist police of a "conspiracy" against the republic involving leading members of the Smallholders and National Peasant Parties.⁶⁵

⁶⁴ New York Times, March 21, 1947, p. 16.

⁶⁵ New York Times, April 13, 1947, Section IV, p. 4.

CHAPTER V

EVENTS SURROUNDING THE OUSTING OF NAGY

The Hungarian Government announced on May 14, 1947, that Premier Nagy was leaving for a three-week vacation in Switzerland, and that Deputy Premier Rakosi would be in charge while Nagy was away.¹ The three parties in the Government coalition agreed that there would be no Government crisis during Nagy's absence.²

On May 23, an observer said the Communists were resentful of proposed American financial aid to Hungary. They doubtless feared such aid would increase United States influence in the nation. Acting Premier Rakosi was pressing for nationalization of the leading banks of the country, since (presumably) such an event would lead to a refusal of aid by the United States.³

A report on the anticipated fall elections came from Hungary during Nagy's vacation, and it further indicates the more open stand being taken by the Leftists:

The necessity for elections next autumn that will not represent the will of the majority of the adult population of Hungary is discussed here with the greatest candor. Members of all political groups talk calmly and technically about the probable means that the Left bloc will use to manipulate the elections so that the results will be inevitable whether the majority of those of voting age want it that way or not.

It has been explained to American observers here repeatedly in good faith that in a free election the "democratic forces", that is, the leftist bloc, would not win.⁴

¹ New York Times, May 15, 1947, p. 7. Cf. Current History, "Chronology," XIII (July, 1947), p. 53.

² New York Times, May 31, 1947, p. 1.

³ New York Times, May 24, 1947, p. 4.

⁴ New York Times, May 26, 1947, p. 7.

The agreement between the parties to a sort of truce during Nagy's vacation was interrupted when General Sviridov sent a note to the Hungarian Government refusing a previous demand that Mr. Kovacs be turned over to Budapest authorities. Sviridov said Russian investigation of his case had not been completed. The portion of the note which brought about a crisis and precipitated the ousting of Nagy was the statement that Kovacs had implicated Premier Nagy, Foreign Minister Gyongyosy, and Albert Vargha, Speaker of the Lower House of Parliament, in the alleged plot against the Soviet Union. This led to Rakosi calling a Cabinet meeting on May 28 without consulting Nagy. The meeting decided to request Nagy to return immediately. However, Nagy was privately advised by some friend in Budapest that he should remain out of the country.⁵

On May 30, the Communists officially acknowledged that the Government had received a deposition from the Russians implicating Nagy, Gyongyosy, and Vargha. It was reported at the same time that Nagy's home and office had been thoroughly searched by the political police.⁶

A "high Hungarian source" announced on May 29 that Nagy had telephoned his resignation from Switzerland.⁷ Pro-American Hungarians said this spelled the beginning of a complete Communist police state in Hungary.⁸

The Associated Press Office in Budapest was visited by a man who called himself the Premier's "best friend", and asked that the following message be sent Nagy: "The Prime Minister's best friend in Hungary says for the Prime

⁵ New York Times, May 31, 1947, p. 1.

⁶ New York Times, May 31, 1947, p. 6.

⁷ Current History, "Chronology," XIII (July, 1947), p. 53. Cf. New York Times, May 30, 1947, p. 9.

⁸ New York Times, May 30, 1947, p. 9.

Minister to stay out of Hungary until he receives another message."⁹

On May 30, it was officially announced in Budapest that Premier Nagy had resigned.¹⁰ However, Nagy maintains that he did not submit his resignation until the Communists met his condition that his small son must be safely delivered to him in Switzerland, and this occurred on June 2.¹¹ Two days after this family reunion and the accompanying resignation of Nagy, the ex-Premier cabled from Berne, Switzerland, his refusal to return to Hungary. This refusal was based on the ground that the new Government was no longer representative of the people.¹²

On June 4, the Hungarian Minister to the United States, Aladar de Szegedy-Maszkak, and seven members of his staff refused to recognize the legality of the new Communist-controlled Government in Budapest. They refused to resign or even to notify the Budapest Government of their attitude, since they feared such notification might be construed as an implied recognition of its legality. The remaining members of the Legation staff set quietly by, and did not attempt to transact any business.¹³ By June 5, thirteen of the sixteen members of the Legation staff had decided not to serve the new Government.¹⁴ Szegedy-Maszkak was not alone in declining to serve the new Government. The Hungarian Ministers serving in Berne, Paris, and Ankara took a similar stand.¹⁵

It was early anticipated that the United States would protest the ousting

⁹ Ibid.

¹⁰ Current History, "Chronology," XIII (July, 1947), p. 53.

¹¹ Nagy, op. cit., pp. 424-425

¹² New York Times, June 5, 1947, p. 10.

¹³ Ibid. Cf. Current History, "Chronology," XIII (August, 1947), p. 117.

¹⁴ New York Times, June 6, 1947, p. 1.

¹⁵ Newsweek, "The New Order," XXIX (June 16, 1947), pp. 42-43.

of Nagy.¹⁶ This protest came on June 5, when President Truman denounced the Communist coup in Hungary as an "outrage", and approved the sending of a sharp note of protest to the Russians.

This new note of protest may be summarized as follows: (1) it implicated the Soviet authorities in Hungary in the exile and resignation of Nagy, and characterized this as a serious intervention in the internal affairs of Hungary; (2) it again called for an investigation of the situation in Hungary; (3) it charged Soviet officials in Hungary with breaking the terms of the Yalta agreement; and (4) it suggested that if no satisfactory reply was received to this protest, the United States might submit the case to the United Nations.¹⁷

The text of the confession of Bela Kovacs, which served as the immediate basis for the ousting of Nagy, was finally published about June 7.¹⁸ This confession was very incriminating.¹⁹ A letter smuggled out by another prisoner held in the same political prison where Kovacs was incarcerated gives an insight into how the political police secure confessions. The prisoner said: "The interrogation was a nightmare. I was allowed to lie down only six hours in two weeks. . . I stood for twenty hours continuously."²⁰

On June 7, Nagy made a statement in Geneva, Switzerland. He called the accusations against him ridiculous, and said: "There was no constitutional ground for my resignation."²¹ By mid-June, Nagy had arrived in the United States, where

¹⁶ New York Times, May 31, 1947, p. 6.

¹⁷ New York Times, June 6, 1947, p. 1. Cf. New Republic, "Hungarian Outburst," CXVI (June 16, 1947), p. 8.

¹⁸ New York Times, June 8, 1947, p. 6. Cf. Florinsky, "Case of Hungary," Current History, XIII (September, 1947), p. 155.

¹⁹ New York Times, June 1, 1947, p. 1.

²⁰ Time, "Slow-Motion Coup," XLIX (June 9, 1947), p. 32.

²¹ Current History, "Chronology," XIII (August, 1947), p. 118.

he took refuge. Reports from Budapest at that time said Nagy would be tried in absentia for conspiracy against the Hungarian Government.²²

When Nagy was forced out, a Leftist member of the Smallholders party, Lajos Dinnyes, was appointed to succeed him.²³ Some thought Dinnyes would go to great lengths to cooperate with the Russians.²⁴ Dinnyes had served briefly as Minister of War and Defense under Nagy. He seemingly had played the role of a very minor figure in the Smallholders party until Leftist pressure developed.²⁵ Dinnyes was 46 years old, and had served as a sergeant in World War II.²⁶

As Dinnyes took over, one Hungarian official, who withheld his name for obvious reasons, declared that the Communist party was now "in 100 per cent control", and expressed the fear that Hungary was now lost to the West.²⁷ However, the Nation decried the recent changes made in the Government of Hungary, indicated that the phrase "Communist coup" was not the appropriate terminology to use, and that the American press had exaggerated these changes by the use of such a phrase.²⁸

On June 2, the United States State Department announced the suspension of a \$15,000,000 credit to the Hungarian Government, and said that the Hungarian situation was the topic of intensive study.²⁹

²² Ibid.

²³ Newsweek, "Communist Coup," XXIX (June 9, 1947), p. 36.

²⁴ Current History, "Chronology," XIII (July, 1947), p. 53. Cf. New York Times, June 1, 1947, p. 1.

²⁵ New York Times, June 1, 1947, p. 1.

²⁶ New York Times, June 1, 1947, p. 5.

²⁷ Ibid.

²⁸ Nation, "The Shape of Things," CLXIV (June 7, 1947), p. 671.

²⁹ New York Times, June 3, 1947, p. 1.

From Budapest on June 2 came the report that Father Varga,³⁰ Speaker of the Lower House of the Parliament, had fled to the United States zone of Austria.³¹

Now Rakosi, said by one observer to be the real ruler of Hungary, affirmed publicly that he had called Nagy on the telephone in Switzerland before Nagy resigned. Rakosi said he told Nagy he would have to face a People's Court in Budapest if he returned. The Communist leader said: "I explained the events to him and said the charges against him were heavy, and that for this he must stand before the court."³²

During the first week in June, Rakosi sent a message to the world, saying:

I saw foreign papers that said that in Hungary there is a Communist coup and they tried to compromise us. I send a message to all whom it concerns that there was no coup. The truth is that the Premier's (Nagy) participation in the conspiracy was disclosed.

The lies of journalists in London and Paris do not affect the Hungarian worker. He continues to work peacefully.³³

Shortly after the charges against Nagy were made public, the Leftist parties staged numerous mass meetings, at which time speakers pictured Nagy as a traitor to his country. The outgoing Premier was highly abused at these meetings.³⁴ In addition to the abuse heaped on Nagy, the hundreds of speakers daily at these many meetings told their listeners how bad the West was. They directed most of their derogatory remarks against the United States. Now, even the conspiracy was presented as something in which the Western nations had been involved. Every effort was made to convince the Hungarian people that America was the root of evil, representing imperialism, reaction, and monopoly. As a result of these

³⁰ Also spelled Vargha.

³¹ New York Times, June 3, 1947, p. 5.

³² Ibid.

³³ Ibid.

³⁴ New York Times, June 1, 1947, p. 1.

happenings, many persons had already fled the country, or were attempting to do so.³⁵

On June 7, Premier Dinnyes expressed great surprise at the worldwide uproar that had resulted from the ousting of Nagy. He said: "All the country is quiet. . . All that has happened is that two members of the Cabinet have been changed." But at the time Dinnyes made this statement, it was estimated that more than 5,000 anti-Communists had been arrested in Hungary, including at least six leaders of the Smallholders party.³⁶

Apparently the leader of the Communists, Rakosi, did not view the recent changes in the Hungarian Government as quite so routine. He said:

Before the United States could rub its eyes, everything was perfectly put over. Such a task could only be carried out when democracy is united and is led by the brave and iron-fisted Communist party, conscious of its aims.³⁷

Premier Dinnyes made a statement at a press conference on June 7 that seemed to indicate the correctness of a prediction made a few days previously by an American correspondent, when it was forecast that Dinnyes would serve as a tool of Soviet Russia.³⁸ The new Premier said:

The Hungarian Government invariably holds to its opinion that it will keep up the closest collaboration with all democratic great powers; the United States, Great Britain, and first of all, with Soviet Russia.³⁹

Three days after making this statement, Dinnyes announced that a purge of "anti-democratic" elements from the army would be undertaken.⁴⁰

³⁵ New York Times, June 6, 1947, p. 1.

³⁶ Newsweek, "The New Order," XXIX (June 16, 1947), pp. 42-43.

³⁷ Ibid.

³⁸ New York Times, June 1, 1947, p. 1.

³⁹ Current History, "Chronology," XIII (August, 1947), p. 118.

⁴⁰ Ibid.

On June 18, General Sviridov issued a denial to the British and United States members of the Allied Control Commission that he had influenced the recent changes in the Government of Hungary. Sviridov said he had acted merely as an intermediary between the Russian occupation forces and the Hungarian Government in supplying the Hungarians with the alleged confession of Kovacs. He claimed that this was not done in his role as chairman of the Allied Control Commission, but refused to reveal what part he played in the Russian occupation army.⁴¹

In commenting on the downfall of Premier Nagy's Government, one report concluded:

The most startling thing about the Russian coup is that the U.S.S.R. deemed it necessary. . . Perhaps the majority elected by the Hungarian people proved more stubborn than we had given it credit.⁴²

⁴¹ New York Times, June 19, 1947, p. 1. Cf. Current History, "Chronology," XIII (August, 1947), p. 118.

⁴² Commonweal, "Communist Coup in Hungary," XLVI (June 13, 1947), p. 203.

CHAPTER VI

SUMMARY AND CONCLUSION

Hungary, after the cessation of hostilities, was a very battered and weakened nation. This, plus the backwardness of the country, and the fact that what we of the Western world call democracy was almost unknown in Hungary, presaged a difficult future for the democratic elements in the nation. However, these leaders who had suffered innumerable hardships during the heyday of the Nazis now looked to the future with renewed hope and great courage.

It was early evident that the Leftists would play a prominent part in the postwar era, since the Russians occupied the country and since the Allied Control Commission proved to be dominated by the Russians through their control of the chairmanship of this body.

Nevertheless, with British and American military representatives present in Hungary, the democratic elements were greatly encouraged. The holding of the Budapest municipal election and the first postwar national election in the autumn of 1945 further encouraged these democratic groups. It is generally agreed that these elections were quite free, although the Communists did possess some important advantages.

The coalition Government which was established after the election in November, 1945, gave the Communists a foothold in the Government. From this position the Communists, with the aid of Russian pressure and by devious means, gradually strengthened their grip on Hungary.¹ The leader of the Smallholders party, Zoltan Tildy, apparently played into the hands of the Russians---seemingly to further his own personal position---while selling out his party.²

¹ Letter from Dr. Tibor Eckhardt, former leader of the Hungarian Smallholders party, June 29, 1950.

² Ibid.

Doubtless many minor, yet important, means which have not been unearthed were employed by Soviet Russia to bring about the supremacy of the Communist party in Hungary. However, there appears to be sufficient evidence available to prove conclusively that Soviet Russia did not remain aloof from internal politics in Hungary. Such things as the early formation of the Russo-Hungarian 50-50 companies, draining Hungary of many resources (thus preventing early recovery), and permitting the ruinous inflation of 1946 to reach astronomical heights indicate some of the methods employed by the U.S.S.R. to reduce Hungary to its present status as a Russian satellite.

As the Communist hold on Hungary became stronger, "conspiracies" were discovered involving those Hungarians who persisted in blocking the progress of the Communists toward complete control. Here again the Russians intervened, this time officially, when they arrested Bela Kovacs. The confession extracted from Kovacs was used to implicate Premier Nagy and other prominent Hungarians who continued to resist the growing control of the Communists. Judging from the refusal of the Russians to permit any Western investigation of Hungarian politics, from the unusually loquacious and incriminating confessions purportedly made by the alleged conspirators, and from various other aspects of the political scene in Hungary, I can only conclude that there actually was no conspiracy among the top Smallholders in the Hungarian Government. Dr. Eckhardt supports this conclusion, and says that the only actual plot against the Hungarian republic was minor in nature, involved very few persons, and as a result was of no importance as a threat to the Government of Hungary. This minor plot merely served as an excuse for Soviet interference.³

Premier Nagy made many compromises with the Leftists. In addition to extreme

³ Ibid.

pressure, some of these compromises may be attributed to Nagy's personality. Dr. Eckhardt agrees with General Key and Dr. Schoenfeld that Nagy was honest and reliable, and says that Nagy's eagerness to conciliate all groups doubtless led him to compromise on some things. Probably this attribute of Nagy resulted in the opinion apparently prevalent today among many observers, an opinion aptly stated by General Key:

The coalition Government under Nagy was not as strong as it could have been; it yielded to extreme pressure from the Leftists and in certain respects was too compromising.⁴

Dr. Eckhardt affirms that Nagy did just about the best job possible under the circumstances.⁵ General Key emphasizes the difficult situation surrounding Nagy:

There is no doubt that Nagy and his coalition Cabinet were under continued strong pressure by the Communists and by the Russians to secure strategic positions of power, such as the Minister of the Interior, which controlled the police force, for the Communist Party.⁶

Dr. Eckhardt points out other factors favorable to the Communists:

The unexperienced Smallholders' leaders lacked good techniques to fight Communist tricks and tactics. Loopholes in the armistice agreement helped the Russians to bring pressure to bear on the Hungarians. . . .⁷

It would appear that Nagy did about as well as possible, considering the fact that he received practically no tangible support from the Western powers. He endeavored to follow a policy of stalling for time—compromising whenever he thought it necessary—until the signing of the peace treaty. He anticipated that this would be followed by the withdrawal of the Russian occupation forces, and that Hungary would then be able to control her own affairs. But the wily

⁴ Letter from General Key, June 5, 1950.

⁵ Letter from Dr. Eckhardt, June 29, 1950.

⁶ Letter from General Key, June 5, 1950.

⁷ Letter from Dr. Eckhardt, June 29, 1950.

Communists doubtless also looked to the future, and they wanted no one so obstinate as Nagy to head the Government of Hungary when the Russians should withdraw. By the means herein recorded, they forced Nagy out, replacing him with Dinnyes, a man whom Dr. Eckhardt terms as not only irresponsible, but a 100 per cent opportunist.⁸

The vast majority of the Hungarian people were certainly anti-Communist during the period, 1944-47. This statement is based on personal observation, and is corroborated by Dr. Eckhardt. Yet the will of the people and of the majority Smallholders party was circumvented, and Hungary fell under the aegis of Soviet Russia.

In concluding this study I want to quote a statement from Dr. Eckhardt:

The manner in which the Communists gained supremacy in Hungary provides an excellent example of the tactics employed by the Communists in many areas of the world.⁹

⁸ Ibid.

⁹ Ibid.

APPENDIX A

Oklahoma City, Oklahoma
June 5, 1950.

Mr. Wayne E. Schooley
Box 883, Veterans Village
Stillwater, Oklahoma

Dear Mr. Schooley:

I am terribly sorry that I did not have an opportunity of visiting with you when you called at my home Saturday afternoon. I appreciate the return of the confidential report which I loaned you.

Since the report mentioned contained some very confidential information, I would like very much to read your thesis before you release it.

The following information is submitted in compliance with your letter of March 27th which was awaiting when I returned from Europe.

(1) I consider Ferenc Nagy to be honest and reliable. He is a politician, however, and central Europeans in that category are quite resourceful in employing or omitting facts to serve the best interests of their party.

(2) I have a warm respect for the late Rustem Vambery, whose liberal views prior to the war made him unpopular with the monarchial group in power in Hungary. I am inclined to side with Nagy in the belief that only minor members of the Arrow Cross party joined the Communists immediately following the war, doubtless many remaining leaders have since identified themselves with the Communists. The Smallholders party became the conservative party in fact after the war but I do not believe that any of the "higher-up" Arrow Cross leaders were accepted knowingly in its membership.

(3) Marshall Voroshiloff did not ask me to agree on behalf of the United States to a common slate of candidates in the first national election of November 1945. However, it was general knowledge that such was the desire of the Communist leader who doubtless had the implied backing of Voroshiloff.

(4) I consider the election held in November 1945 a "free and untrammelled" election. The advantages were with the Communists because they had more funds, transportation and newsprint than the other parties and the moral backing of the Russians.

(5) I considered the Smallholders party a progressive group, but more conservative than either of the others.

(6) The coalition government under Nagy was not as strong as it could have been; it yielded to extreme pressure from the leftists and in certain respects was too compromising.

(7) There is no doubt that Nagy and his coalition cabinet were under continued strong pressure by the Communists and by the Russians to secure strategic positions of power, such as the Secretary of the Interior, which controlled the police force, for the Communist party.

I trust that this will give you the information desired, and I have no objective to your quoting me in substance.

Expressing again the hope that you will permit me to read your thesis before its publication, I remain

Very sincerely

(Signed)

W. S. Key

APPENDIX B

10 East 76th Street,
New York, New York.
June 29, 1950

Mr. Wayne E. Schooley,
Box 883, Vet. Village,
Stillwater, Oklahoma.

Dear Sir:

I shall endeavor to answer the questions you asked me relative to the postwar Hungarian political situation between the end of World War II and the ousting of Premier Nagy in 1947.

The Hungarian Communists gained control of the Ministry of the Interior in early 1946 after much pressure on the Smallholders party by both the Hungarian Communists and the Russians. This was accomplished against the wishes of the majority Smallholders party, through the instrumentality of Tildy, who was Premier of Hungary at that time. Mr. Tildy concluded a secret agreement on this point with Voroshiloff. This agreement probably assured Tildy of Russian Support in securing the Presidency of the newly formed republic.

The occupying Russian forces certainly gave strong backing to the Hungarian Communists, and enabled them to gradually gain complete control of the Hungarian Government. The turning point in postwar Hungarian politics was the so-called conspiracy which unfolded when Bela Kovacs, Secretary General of the Smallholders party, whose extradition was refused by Parliament, was arrested by Soviet troops. This eliminated resistance in Parliament. The ousting of Nagy was a consequence of this official Russian interference.

There was a planning---not a plot---among anti-Communist Hungarian parties in early 1947 concerning what kind of government to have after the withdrawal of the Russians. This was completely legal and justified planning. There was a small and unimportant organization of some 3,000 persons who did discuss anti-Soviet plans, but this group had no concrete plans. However, this served as an excuse for Soviet interference.

Lajos Dinnyes, the Smallholder who took over the post of Premier when Nagy was ousted in 1947, was not highly pro-Communist. He is simply a 100% opportunist. Dinnyes has led the life of a "playboy", and is an irresponsible person.

Ferenc Nagy is the kind of person who always strives to get along with everyone. Perhaps largely because of this attribute, Nagy did compromise many times with the Leftists in Hungary. Nagy had good intentions, and is honest and reliable. Unfortunately, he received no support from the Western powers. Nagy was disillusioned by the peace treaty. He had anticipated that ratification of the Hungarian peace treaty would result in the withdrawal of the Russian occupation forces, and that the Hungarians would then be permitted to control their own affairs. Therefore, Nagy followed a policy of stalling for time. But

before the reduction of the Russian occupation forces, the Russians and the Hungarian Communists brought about the ousting of Nagy as Premier.

Doubtless Nagy did the best he could under the circumstances. The unexperienced Smallholders' leaders lacked good techniques to fight Communist tricks and tactics. Loopholes in the armistice agreement helped the Russians to bring pressure to bear on the Hungarians. Russian pressure, such as that which led to the formation of the 50-50 companies, helped the Communists tremendously in gaining control in Hungary. The vast majority of the Hungarian people were definitely anti-Communist during the period, 1944-1947.

The manner in which the Communists gained supremacy in Hungary provides an excellent example of the tactics employed by the Communists in many areas of the world.

Sincerely yours,

(Signed)

Tibor Eckhardt

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