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**DOCUMENTS
ON THE HOSTILE ACTIVITY
OF THE UNITED STATES
GOVERNMENT AGAINST
THE HUNGARIAN PEOPLE'S
REPUBLIC**

DOCUMENTS
ON THE HOSTILE ACTIVITY
OF THE UNITED STATES GOVERNMENT
AGAINST
THE HUNGARIAN PEOPLE'S REPUBLIC

COMPILED BY
THE INFORMATION DEPARTMENT
OF THE MINISTRY FOR FOREIGN AFFAIRS
OF THE HUNGARIAN PEOPLE'S REPUBLIC

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P R E F A C E

This White Book shows world public opinion the hostile attitude of the United States Government towards the Hungarian people. This policy aiming to overthrow the freely elected democratic regime of the Hungarian people is closely linked with the preparations for a new war that the leaders of America are planning today. The hostile deeds of the United States Government against the Hungarian People's Republic take the form of offensive statements by official persons, of spreading false rumours, of organising networks of spies and sabotage, of economic discrimination, of supporting various Hungarian fascist conspiracies, of encouraging the military organisations of the most obstinate enemies of the Hungarian People's Republic abroad. The inimical activity of the leading circles of the United States against the people's democratic Hungary has been increasing evermore during the past few years and is an organic part of the aggressive policy of the American imperialists.

The main endeavour of the Government of the Hungarian people is to secure an opportunity for the peaceful constructive work, for the economic and cultural advance of the Hungarian people. It is guided in all its activities by the principles of peace between nations and of friendly co-operation with all peoples of the world. The documents published in this White Book, however, show that the Government of the United States of America brazenly violates the rights, the independence, and the state sovereignty of the Hungarian People's Republic, is repeatedly interfering in the domestic affairs of this country

and strives to undermine and overthrow Hungary's democratic state and social system.

It is clear from the diplomatic notes, the statements, the Court records, and the numerous items from the press which we publish, that the Government of the United States of America was all out to overthrow the new, democratic state of the Hungarian people from Hungary's liberation, from 1945, onward. As often as the fascist and pro-fascist reactionaries in Hungary organised conspiracies against the existing democratic system of the country, the agents and even the diplomatic and other representatives of the United States Government not only took an active part, but in every single case they supplied both the initiative and the lead.

When the conspiracy of Ferenc Nagy and his accomplices, the organisation led by Mindszenty against the State, the conspiracies of the Rajk-gang and of József Grósz, and numerous other cases were exposed, it was proved that official United States circles had built up an entire network of spies, diversionists and saboteurs. The members of the staff of the Budapest Legation of the United States played a leading part in directing and employing them. American diplomats abusing their diplomatic privileges, American industrial experts abusing the freedom of movement afforded them, made use of their residence in Hungary to conduct espionage for the American secret service instead of engaging in normal diplomatic or business activities. Acting on instructions from American government agencies they committed sabotage and did wrecking work in such important industrial enterprises for the Hungarian people's economy, as for example the Hungarian-American Oil Co. Ltd. and the Standard Works.

The Government of the United States as well as directing and organising conspiracies, spy and sabotage activities within Hungary, is also systematically collecting and recruiting the war criminals, fascists, arrow-cross men, and other anti-democratic reactionary persons who absconded from Hungary, and makes use of them to carry out its plans against the Hungarian People's

Republic. The United States Government has repeatedly violated its obligation to extradite the hundreds of war criminals residing either within the United States, or in the Austrian and German territories under United States occupation. It is, moreover, helping the fascist general Ferenc Farkas de Kisbarnak, whose name appears on the official list of Hungarian war criminals, and the fascist major-general András Zákó, the former head of Szálasi's counter-espionage service, in the United States Zone of Austria and Germany to organise military formations of war criminals and fascist deserters who had escaped from Hungary. The Government of the United States, which maintains diplomatic relations with the Hungarian People's Republic, at the same time within its own country supports Hungarian fascist organisations that openly incite to war. These organisations are calculating on the outbreak of a third world war, and are basing their plans on armed United States aggression against Hungary.

At the same time, the United States Government is conducting a systematic campaign of slander against the Hungarian People's Republic with the obvious aim of encouraging and fostering the subversive work of the fascists and reactionaries, aiming to overthrow the People's Democracy and to restore the old order. Responsible United States statesmen and politicians, starting with President Truman and including Secretary of State Acheson, Senators Mundt, MacCarran and others, and General Clay, have indulged in a whole series of the most fantastic calumnies against the Hungarian People's Democracy in their statements made both in the press, and over the air. The broadcasts of the "Voice of America", maintained on American state funds, serve the purposes of the same work of subversion. So do the programmes of the so-called "Free Europe Radio" which has lately been set up in the American Zone of Germany, with American dollars under American management and with the co-operation of official American persons, the Hungarian department of which — styling itself the "Voice of Free Hungary" — broadcasts its propaganda of

incitement against the Hungarian People's Republic throughout twelve hours a day.

The Hungarian Government sincerely seeks, whilst paying attention to mutual economic interests, as widely as possible to extend its peaceful economic relations with all countries irrespective of their state system. The United States Government has, on the contrary, abrogated the Treaty of Friendship, Trade and Consular Rights concluded with Hungary in 1925, and is exercising ever-increasing pressure upon the countries of Western Europe to restrict the commercial relations which they maintained with the Hungarian People's Republic. The policy of discrimination pursued by the United States towards the Hungarian People's Republic aims at hampering the economic development of this country. The hostile feeling of the leaders of the United States towards the Hungarian People's Democracy and the Hungarian people is also apparent from the fact that the United States Government, ignoring its obligations under the Peace Treaty, has refused the restitution of the major part of the Hungarian property looted by the Nazis and Hungarian fascists and taken to the West.

The Government of the United States is endeavouring to enhance the success of its warlike propaganda by means of deceit and delusion. Acting in the guise of a defender of freedom and of democracy it strives to conceal its warlike aims, its aggressive preparations, and its hostile policy towards the Hungarian People's Republic by means of lies and calumnies.

Acting in the defence of the cause of peace it is intended to forestall the unhindered deception of the peace-loving peoples over the development of Hungarian-American relations. This White Book, therefore, seeks by presenting the facts, by publishing the truth, by enumerating data that cannot be gainsaid, to expose the hostile activities of the United States Government against the Hungarian People's Republic. These activities imply a flagrant breach of the obligations which the United States Government undertook in the Hungarian Peace Treaty and are diametrically contradictory to the principles of peace and friendly co-operation between nations.

**THE ACTIVITIES OF THE GOVERNMENT OF THE
UNITED STATES AGAINST THE HUNGARIAN
PEOPLE'S REPUBLIC¹**

CHRONOLOGICAL TABLE

1947

- January 5** Official statement to the press issued by the Hungarian Minister for Home Affairs announces the exposure of the anti-republican Smallholders Party conspiracy. The conspirators intended to overthrow the democratic order after the signature of the Peace Treaty by an armed military rising with American aid.
- March 5** The American member of the Allied Control Commission in Hungary in a note to the President of the Commission defends those guilty in the anti-republican Smallholders Party conspiracy and makes slanderous statements against the Hungarian Government and its authorities who had acted according to law.
- March 17** The American member of the Allied Control Commission in Hungary sides with the Smallholders Party conspirators in a further note to the President of the Commission and repeats his calumnious statements against the Hungarian Government.
- June** Cardinal Spellman conducts talks with Cardinal Mindszenty and Otto Hapsburg in New York about American plans and preparations to overthrow the legal order of the Hungarian State.

1. In the period after the coming into force of the Peace Treaty

- June 11** The American member of the Allied Control Commission in Hungary in a provocatively couched note hurries to the defence of the Smallholders Party conspirator Ferenc Nagy, who had fled abroad, and of his accomplices.
- June 14** President Truman of the United States on the occasion of the American ratification of the Hungarian Peace Treaty interferes in the domestic affairs of the Hungarian People's Democracy by making slanderous statements.
- August 17** The United States Department of State, in an official statement deliberately distorting the facts, raises unlawful objections against the new Hungarian electoral law and endeavours to prevent the holding of democratic elections.
- August 22** The spokesman of the Hungarian Government refutes in detail the allegations made by the United States Department of State and rejects interference in domestic affairs.
- October 1** At the session of the Security Council, Warren R. Austin, the representative of the United States, makes slanderous statements against Hungary and in a hostile way prevents Hungary's admission to UN.
- October 2** The Hungarian Government rejects the hostile statement made by the United States delegate Warren R. Austin.
- October 4—8** United States aircraft fly to Hungary without permits after the Peace Treaty had come into force and repeatedly violate Hungarian territorial air-space.
- November** The CIC, a United States espionage organisation, sends its agent, Robert Gál, to Hungary from Vienna to set up a centre for spreading rumours at Szeged.

- November 15** The right-wing Social-Democratic deputy Károly Peyer, acting on United States directives, builds up an espionage network and organises a conspiracy to overthrow the democratic state order with the help of American official circles. The Office of the Public Prosecutor requests, in connection with the discovery of the conspiracy, that the parliamentary immunity of this deputy, who betrayed the workers, be suspended.
- November 17** The Budapest Minister of the United States Selden Chapin, in a calumnious note demands that the Hungarian Government release the Hungarian employee of the United States Legation, the fascist journalist Imre Déri, who has been arrested for currency offences.
- November 20** The Budapest Legation of the United States and other official American organs smuggle the fascist conspirator Zoltán Pfeiffer to the United States. The Prosecutor had issued a warrant for his arrest on a charge of conspiracy against the Republic. The Hungarian Government protests to the United States Government.
- November 22** The Hungarian Minister for Foreign Affairs rejects the interference by Selden Chapin, the Budapest Minister of the United States, on behalf of the fascist journalist Imre Déri, who speculated in foreign currency.
- December** J. W. Brice, the head of the production department of the Standard Oil Company, instructs the American heads of the MAORT (Hungarian-American Oil Company), Paul Ruedemann and George Bannantine, to sabotage the delivery of equipment destined to develop the Hungarian oil industry.

1948

- January—March** Selden Chapin, the Budapest Minister of the United States, conducts several times discussions with the conspirator, American agent László Rajk and encourages the Rajk-gang in carrying out their conspiracy by promises of considerable American aid.
- January 21** American soldiers provoke a crude incident at Hegyeshalom, the Hungarian-Austrian frontier station. They enter Hungarian territory without an entry permit and molest the population of the village of Hegyeshalom with armed threat.
- January 23** The United States Senate Defence Committee, with reference to military interests, unlawfully refuses the return of the Hungarian stud of horses, taken to the West by the fascists.
- February** Selden Chapin, the Budapest Minister of the United States, visits Cardinal Mindszenty in Esztergom and henceforth regularly discusses his plans with Mindszenty, the head of the anti-republican conspiracy and directs his activity.
- February 3—17** The Budapest People's Court tries the espionage and conspiracy case of Károly Peyer, Frigyes Pisky-Schmidt and Róbert Gábor who, upon the instructions of the United States, had aimed to overthrow the democratic state order.
- March 10** The Hungarian Government protests to the United States Government against the mendacious and slanderous anti-Hungarian propaganda by the Voice of America.
- April** John Foster Dulles reveals the commencement of the plan called "Operation X", the setting up of a sabotage and espionage organisation for the overthrow of the state order of the People's Democracies.

- April 15** The occupation authorities in the American Zone of Western Germany, in violation of Article 30 of the Peace Treaty and of the special obligations of the American Government, expel the Hungarian Restitution Mission and thus unlawfully thwart the restitution of the Hungarian property that had been taken to the West by the fascists.
- May** United States Ambassador to Cairo, S. P. Tuck, invites the Hungarian Minister in Cairo Viktor Csornoky, an American agent, to remain at his post and continue his espionage activity in the service of the United States.
- May 27** President Truman of the United States sends a letter to the new fascist administration of the daily "Amerikai Magyar Népszava", in which he sides with the endeavours of the conspirators who have fled to the United States in their aim of overthrowing the Hungarian People's Democracy.
- June 15** The Hungarian Government protests in a firmly worded note against Truman's letter.
- July 12** G. W. Allen, the United States Assistant Secretary of State, at a press conference makes slanderous statements which crudely falsify the facts relative to the freedom of listening to foreign broadcasts in Hungary.
- July 12** The CIC, an American espionage agency, in Salzburg gives new directives for underground anti-Hungarian work to Zsigmond Mihalovics, the director of the Hungarian Actio Catholica who had fled to the West.
- July 22** The Government of the United States in a note couched in slanderous tone, repeats the untrue and calumnious statements which President Truman had made in his letter to the "Amerikai Magyar Népszava"

- and in regard to which the Hungarian Government had made a protest.
- August 12** President Truman conducts talks with the conspirator Ferenc Nagy who had fled to America over support for the anti-republican Hungarian emigrés.
- August 13** The Hungarian Government protests against the statement by United States Assistant Secretary of State G. W. Allen.
- September 15** President Truman of the United States again conducts talks with the conspirator Ferenc Nagy who on American instructions organises "resistance groups against Communism".
- September 22** The Budapest Legation of the United States in a provocatively worded note interferes in the liquidation of the gang of spies and saboteurs involved in the MAORT-case and slanders the Hungarian Government.
- September 28** The Hungarian Ministry for Home Affairs publishes the Grey Book which contains the testimonies of the American and Hungarian heads of MAORT on the economic sabotage. From the testimonies it appears that the headquarters and Hungarian heads of Standard Oil had given instructions for Hungarian oil production to be decreased.
- October 7** The United States Department of State in an official statement endorses the defamatory statement made by Paul Ruedemann and George Bannantine, the American heads of the MAORT sabotage, who had been expelled from Hungary after their arrival in London.
- October 9** The Hungarian Government in a statement energetically rejects the statement issued by the State Department in Washington about the MAORT-case on October 7.

- October 12 The American Colonel Sosthenes Behn, the president of the ITT, instructs on behalf of the United States secret service Robert Vogeler and his associates to increase their sabotage and espionage activity.
- November 16 The trial of the espionage case of Viktor Csornoky in which it is proved that the treason of the former Hungarian Minister to Cairo was in the service of the United States, and that he had conducted regular espionage and had handed over diplomatic secrets and the cipher code of the Ministry for Foreign Affairs.
- November 24 Benjamin Cohen in the special Political Committee of UN recommends that "Hungary, Rumania and Bulgaria should change their governments".
- November 26—
December 9 The MAORT sabotage trial takes place in the presence of the representatives of the Budapest Legation of the United States, and during its course it is proved that the Government of the United States had given instructions to have oil production reduced in Hungary.
- November 30 The Budapest Legation of the United States in a provocatively worded note defends those guilty in the MAORT sabotage case and unlawfully interferes with the measures taken by the Hungarian authorities.
- December 8 The United States delegate to the General Assembly of UN, Benjamin Cohen, declares that he would not oppose Hungary's admission to UN if she were to change her domestic political system.
- December 14 The Hungarian Government in a note rejects the American note of November 30, which defended the criminals of the MAORT sabotage.

December 28 The United States Assistant Secretary of State Robert Lovett, in his statement defends Cardinal Mindszenty, who had been arrested for conspiracy, and openly interferes in Hungary's domestic affairs.

1949

January 1 Cardinal Spellman of New York in his New Year sermon in St. Patrick's Cathedral incites against the Hungarian Government on behalf of the arrested conspirator József Mindszenty.

January 2 President Truman in his press statement sides with the defamatory statement made by Assistant Secretary of State Lovett, which interfered in Hungarian domestic affairs.

January 5 The Voice of America indulges in an outrageously worded attack against the labour emulation movement for the development of Hungarian economic life, and calls upon the Hungarian working people to sabotage.

January 16 The Voice of America broadcasts another inciting text aimed at reducing the tremendous results achieved in their work by the Hungarian working people.

January 19 The Yellow Book of the Hungarian Government exposes the links between the official organs of the United States and Mindszenty and his conspirator associates.

February 3—8 At the trial of the Mindszenty case it is proved that Mindszenty organised his conspiracy for the overthrow of the Hungarian Republic with the knowledge and support of the United States.

February 9 The United States Secretary of State Dean Acheson, in connection with the sentence on the conspirator Mindszenty and his ac-

- complices, indulges in a violent, slanderous attack against Hungary and interfering in Hungary's domestic affairs, defends the Cardinal who had striven to overthrow the Republic and who was the instrument of United States policy in Hungary.
- February 9 The United States Lt.-Colonels P. J. Kopcsak and J. P. Merrill, members of the staff of the Budapest Legation of the United States, in carrying out espionage activity take photographs on the Hungarian-Yugoslav frontier.
- February 10 President Truman at his weekly press conference sides with the statements by Secretary of State Acheson and makes a violent and shocking attack against the Hungarian Government in defence of the conspirator Mindszenty.
- February 10 The director general of ECA, Paul Hoffmann, also makes a virulent and malicious attack against the Hungarian Government in connection with the sentence on Mindszenty and, by distorting the facts in the case, helps the propaganda of the Marshall Plan which involves the economic enslavement of Western Europe.
- February 11 The Hungarian authorities expel S. A. Koczak and R. E. Steussy, officials of the Budapest Legation of the United States of America, who have spied and participated in smuggling people abroad.
- February 12 The United States Government at the request of the Hungarian Government recalls the American Minister to Budapest Selden Chapin, who had played a leading part in the Mindszenty-conspiracy.
- February 12 The New York Herald Tribune, in a leading article, urges the Western powers increasingly to interfere in Hungary's domestic affairs because according to it "Hungary is not a completely sovereign state".

- February 12 The Hungarian Government in its statement rejects the malicious allegations made by Acheson and Truman over the Mindszenty-case.
- February 18 The former United States Minister to Hungary Selden Chapin, whose recall the Hungarian Government had requested because of his participation in the Mindszenty conspiracy, makes calumnious statements against Hungary in Paris.
- March 1 The Voice of America broadcasts in full the appeal of the conspirator Ferenc Nagy, who had absconded to the United States, in which he endeavours to persuade the Hungarian peasantry to commit acts inimical to the State.
- March 8 The Voice of America broadcasts a base attack against the Hungarian People's Democracy by Károly Peyer, the right-wing Social-Democratic traitor to the working class, who had escaped to the United States.
- March 17 The United States State Department in an official statement interferes in Hungary's domestic affairs and accuses the Hungarian Government, which had acted against the fascists and their remnants according to the provisions of the Peace Treaty, of "violating human rights".
- March 20 The recalled former Budapest Minister of the United States Selden Chapin abuses the memory of the great Hungarian fighter for freedom Kossuth, and before his statue in New York makes defamatory statements about Hungary's democratic government.
- March 21 The Hungarian Government in a note calls upon the United States Government to recall the American diplomats P. J. Kopesak and J. P. Merrill, who had spied and indulged in other anti-Hungarian activities.

- April 2 The Government of the United States in its provocatively worded and slanderous note to the Hungarian Government interferes in Hungarian domestic affairs on the false and unlawful pretext of the alleged "violation of human rights".
- April 4 The Hungarian Government in its letter to the President of the General Assembly of UN protests against the fact that certain South-American states acting under pressure from the United States Government intend to put the Mindszenty case before UN.
- April 8 The note of the Hungarian Government to the United States Government rejects the baseless charges made in the American note of April 2.
- April 11 The United States Senate passes a resolution to the effect that the Government of the United States should interfere in Hungary's domestic affairs in connection with the Mindszenty-case.
- April 12 The General Assembly of UN, under American pressure, puts on its agenda the trumped up charge of a "violation of the Peace Treaty".
- April 23 The letter addressed by the Hungarian Government to the General Secretary and the President of the General Assembly of UN protests against the discussion of the Mindszenty-case in UN and qualifies this as an interference in Hungary's domestic affairs.
- April 30 The General Assembly of UN, under American pressure, accepts the Bolivian proposal according to which the Mindszenty-case will be placed on the agenda of the General Assembly.
- May 6 An East-European emigré fascist meeting is held in New York with the support of the United States Government to co-

ordinate their aggressive plans. The Hungarians present are the fascists and conspirators working in America, who had for long time enjoyed the support of the United States, including Ferenc Nagy, Béla Varga, Zoltán Pfeiffer, Béla Fábrián and Tibor Eckhardt.

- May 17** The American delegate Porter at the Geneva session of the Economic Commission for Europe interferes in Hungary's trade policy and attacks Hungary's foreign trade policy.
- May 18** The United States Department of State in a statement interferes in Hungary's domestic affairs in connection with the Hungarian Parliamentary elections held on May 15.
- May 25** President Truman, in his letter to the former American Minister to Budapest Selden Chapin, sides with the activities carried on by him in Hungary.
- May 31** The Government of the United States in a note to the Hungarian Government once more interferes in Hungarian domestic affairs on the pretext of "the violation of human rights".
- July 20** The United States Government does not comply with the repeated request of the Hungarian Government for the extradition of the war criminal Henrik Werth, the war-time Chief of the Hungarian General Staff.
- July 26** The United States occupation authorities in Bavaria forbid the delivery to Hungary of the goods stored on the ships anchored off Passau, which according to the Peace Treaty are due for restitution to Hungary.
- August 17** The Voice of America indulges in an attack against the new democratic Constitution of the Hungarian People's Republic and

- in connection with this slanders the Hungarian Government.
- September 14 Secretary of State Dean Acheson at a press conference declares that the United States are going to charge Hungary at the General Assembly of UN with "the violation of human rights".
- September 15 On the instructions of the United States, the voting machine in UN acting in breach of the provisions of the Peace Treaty again prevents Hungary's admission to UN.
- September 16 The Voice of America broadcasts the statement by Károly Peyer, the right-wing Social-Democratic traitor to the working class who had fled to the West, in which he states that the people's democratic state order in Hungary "can only be overthrown with foreign aid".
- September 16- -24 The trial of the Rajk espionage and sabotage case before the Budapest People's Court, in the course of which it was proved that Rajk and his accomplices had on an assignment from the United States built up an espionage network and intended to overthrow the Hungarian People's Democracy by force, with the help of American and Titoite arms and the Hungarian fascist forces in the West supported by the United States.
- October On the order of the United States occupation authorities, the Bavarian Minister for Economic Affairs has a part of the Hungarian goods, taken to the West by fascists, auctioned at Regensburg.
- October 22 Acting upon American pressure, the General Assembly of UN passes a resolution according to which the case of the alleged "violation" of the Hungarian Peace Treaty is to be submitted to the International Court at The Hague.

- November 22 From this time onward — from the arrest of Robert Vogeler — up to the end of February 1950, the United States Legation in Budapest tries by means of ten threatening and defamatory notes and memoranda, 14 personal interventions and 9 telephone calls to secure impunity for Vogeler, the American spy and saboteur who was exposed in Hungary.
- December 15 The Hungarian authorities expose and expel from the country the United States citizen Israel Jacobson who had under the pretext of welfare work been indulging in espionage activity.
- December 20 The Hungarian Government in its note to the United States Government protests against the auctioning at Regensburg of the Hungarian goods that had been taken to the West.
- December 20 The Government of the United States in a threatening note tries to prevent the trial before the court of Vogeler and his accomplices and in order to exert pressure upon the Hungarian Government, forbids its citizens to travel to Hungary.
- December 24 The note sent by the Hungarian Government in reply to the American note of December 20, rejects interference by the United States Government pointing out that no provisions oblige the Hungarian Government to secure impunity for spies, saboteurs and other hostile agents.
- December 29 The United States Foreign Press Chief MacDermott at a press conference declares that the United States Government sides with the spying Israel Jacobson and makes calumnious statements against the Hungarian Government.

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- January 3 The United States Government orders the closing of the Hungarian Consulates in New York and Cleveland.
- January 7 The Hungarian Government replies to the American note of January 3 and at the same time exposes bargaining by the United States for Vogeler's release. The note emphasises that the closing of the two Consulates does not alter the determination of the Hungarian Government not to accept interference in its domestic affairs.
- January 13 The Hungarian Government in its note of protest to the International Court at The Hague shows the lack of competence of the Court in the procedure started with regard to the Hungarian Peace Treaty.
- January 25 The Washington Post in its leading article suggests that the Government of the United States should declare that the Peace Treaty with Hungary was invalid.
- January 25 The Voice of America broadcasts the appeal of the emigré fascist organisation, called the Hungarian National Commission, for the overthrow of the Hungarian People's Democracy.
- February 6 The United States Secretary of State Dean Acheson threatens a breach of diplomatic relations to the Hungarian Minister to Washington on account of the fact that Robert Vogeler was arrested and called to account.
- February 17—21 The trial of the Vogeler espionage and sabotage case before the Budapest Court in the course of which it was proved that the accused were engaged in their espionage and sabotage activity upon United States instruction.

- February 17 The United States State Department issued a statement couched in a threatening tone in order to influence the trial.
- February 21 After the sentence on the American spy and saboteur Robert Vogeler, the United States Department of State in a defamatory note interferes in Hungary's domestic affairs.
- February 23 The Hungarian Government in a note calls upon the United States Government to draw the conclusions from the Vogeler case, to decrease the excessive staff of its Legation, and to recall diplomats compromised in the trial.
- February 25 The United States Secretary of State Dean Acheson at his press conference makes a violent and crude attack on Hungary because the Hungarian Government was not willing to secure impunity for Vogeler. The United States Government acting in a hostile way blocks the bank accounts and property of Hungarian citizens.
- March 1 The American delegate Benjamin Cohen at the session of the International Court at The Hague mendaciously accuses Hungary of "violating human rights".
- March 3 The Budapest Legation of the United States demands special privileges contrary to Hungarian laws for enterprises in Hungary with American holdings in the matter of nationalisation in Hungary.
- March 4 The Budapest Legation of the United States in a provocatively worded note replies to the request of the Hungarian Government that they should reduce the excessively large number of the staff of the Legation, which is out of ratio to the diplomatic task and that they should put a stop to the anti-Hungarian measures they had taken.

- March 10 The Hungarian Government in a further note again requests the United States Government to recall the American diplomats compromised in the Vogeler trial, with which the American Government complies on March 13.
- April 7 Cardinal Spellman of New York over the Voice of America calls upon the East-European peoples to rise against their governments.
- April 13 The Hungarian Government rejects the American note of March 3, in the matter of Hungarian enterprises with American holdings.
- May 2 President Truman in his telegramme to the fascist and warmongering "Free Europe Committee", which functions in America, approves the activities of this organisation which aims at overthrowing the People's Democracies.
- June 26 According to a report in the Sunday Times, the Government of the United States decides to set up a special espionage organisation and army from among the refugee East-European fascists.
- June 30 The United States Congress passes a law on the recruitment of East-European fascists to the United States army.
- July 5 Upon the instructions of the Budapest Legation of the United States, the Archbishop of Kalocsa József Grósz signs a declaration in which he undertakes the office of head of state for the time when his conspiracy would — with armed American help — overthrow the legal state order of Hungary.
- July 20 The Hungarian Government protests to the United States Government against the refusal to extradite the fascist journalist Ferenc Vajtha.

- July 28 General Lucius Clay, the former American Military Commander in Western Germany and at present vice-president of the war-mongering "Free Europe Committee", in Chicago announces a "resistance campaign" against the People's Democracies.
- August 1 The Radio Corporation of America reports that American radio factories want to send masses of midget radio sets to the People's Democracies thus to help the propaganda campaign.
- August 4 The Munich "Free Europe Radio", a subsidiary station of the Voice of America, begins its broadcasts to Hungary with the support of the American occupation authorities in Western Germany. It regularly broadcasts programmes of political incitement against Hungary.
- August 20 The Government of the United States refuses to extradite the fascist journalist Lajos Marschalkó.
- August 27 President Truman and Secretary of State Acheson in their letter to the fascist emigré organisation called the "Hungarian National Commission" encourage the Hungarian fascists residing in the United States to indulge in underground work against the Hungarian People's Democracy.
- September 1 American customs officers stop a consignment of trucks intended for Hungary at the frontier of the American Zone of Western Germany.
- October 2 Acting under pressure from the United States, the special Political Committee of the General Assembly of UN again begins to discuss the "violation of human rights".
- October 8 President Truman sends a telegramme to the meeting of the fascist organisation called "The Federation of Hungarians in Amer-

- ica” and in it urges the *Hungarian people* to rise against the democratic state order.
- October 16 Republican Senator Henry Lodge, at a Hungarian fascist meeting in America, incites to the overthrow of the Hungarian democratic state order and promises the support of the United States in this respect.
- October 19 The Voice of America indulges in an attack against the Hungarian local council elections and tries to influence the Hungarian voters.
- October 19 The Hungarian Government in its [note to the President of the General Assembly of UN again protests against the discussion of the alleged “violation” of human rights.
- October 25 The American general Lucius Clay, on the occasion of the consecration of the so-called “Freedom Bell” in Berlin, announces measures to intensify activity by the underground fascist movements in Eastern Europe.
- November On the instructions of the Budapest Legation of the United States, Archbishop József Grósz of Kalocsa, the head of the conspiracy against the state, appoints István Friedrich, the prime minister of the fascist counter-revolution of 1919, to be prime minister if the conspiracy succeeds.
- November 3 The American delegate Benjamin Cohen delivers a malicious anti-Hungarian speech at the General Assembly of UN.
- November 4 Acting under pressure from the United States Government, the General Assembly of UN accepts the completely unfounded resolution proposed by the special Political Committee, which “morally condemns” Hungary on the pretext of the alleged “violation” of the Hungarian Peace Treaty.
- November 20 Senator Henry Lodge, the newly elected Governor of the State of Connecticut, in

Bridgeport, makes an inflammatory and slanderous statement against the Hungarian People's Democracy.

- November 26 The Voice of America broadcasts a propaganda text inciting Hungarian miners, thus to try to hamper Hungarian coal production.
- December 29 Republican Senator Wiley of Wisconsin urges that the United States encourage and supply the underground groups in the East-European states with sabotage material and money.

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- March 9 The United States Senate raises the number of European fascists to be recruited for the American army from 2,500 to 25,000.
- April 17 Ferenc Nagy and his associates, supported by United States Government circles, set up the "Central and East-European Committee" in Washington as a further organisation aimed at overthrowing the People's Democracies.
- April 20 The note of protest by the Hungarian Government to the Government of the United States over the refusal on April 9 to return the Crown of Hungary.
- April 21 United States Government under the agreement concluded in connection with Vogeler's expulsion again commits itself to restore Hungarian property looted by the fascists.
- May The United States authorities refuse Hungary's licence application for the purchase of Streptomycin.
- May 12 On the order of the American occupation authorities, the West-German authorities

- stop the delivery of a consignment of rails ordered by Hungary.
- May 14 The note of the Hungarian Government to the United States Government protests against the violation of the agreement concluded on April 21, over the restitution of looted Hungarian property.
- May 19 The United States Senate decides to pass a new law to prevent the export of goods of "military importance" to East-European countries. This definition can be interpreted at will, and its aim is to intensify the policy of discrimination against the East-European states.
- June United States authorities instruct the Hungarian fascist emigrés to join the fascist and warmongering Fraternal Community of Hungarian Fighters.
- June 15 A further note by the United States Government to the Hungarian Government refuses the restoration of the Hungarian property in the American Zone of Western Germany, in flagrant violation of the pertinent provisions of the Peace Treaty and of other obligations undertaken by the United States Government.
- June 22—25 The trial of the criminal case of József Grósz and associates before the Budapest Court, during which it was proved that members of the staff of the Budapest Legation of the United States had directed the conspiracy aimed at overthrowing the democratic state order.
- July 2 The Hungarian Government in its note to the United States Government protests against the role played by members of the Budapest Legation of the United States in the Grósz conspiracy and demands the recall of the compromised diplomats.

- July 5 The United States Government in a note demands the modification of the American-Hungarian Treaty of Friendship, Trade and Consular Rights, concluded in 1925, and declares that inasmuch as the Hungarian Government does not accept the abrogation of Article 7 (a withdrawal of customs and tariff privileges), the United States will terminate the entire agreement.
- July 7 The United States Government in a provocative note interferes in Hungary's domestic affairs in connection with the trial of the conspirator Archbishop József Grósz of Kalocsa and his accomplices.
- July 10 The Hungarian Government rejects the American note of July 7, and once more exposes the hostile attitude of the United States.
- August 1 The note of the Hungarian Government to the United States Government once more protests against the retention of looted Hungarian property that had been taken to the West.
- August 6 Republican Senator Mundt, a member of the Senate Foreign Affairs Committee, proposes in the Senate that fascist emigrés should have plastic surgery applied to change their faces and should then be sent back to their countries to continue subversive activity.
- August 17 The United States House of Representatives decides that 25,000 "East-European refugees" be recruited for Eisenhower's army.
- August 18 Senator MacCarran (Democrat), President of the Senate Law Committee, proposes that the USA should extend the greatest support to the underground fascist groups in the People's Democracies.
- August 25 The Hungarian Government in its note to the United States Government protests

against the abrogation of Article 7 of the Hungarian-American Treaty of Friendship, Trade and Consular Rights, as a further proof of the hostile attitude of the American Government towards the Hungarian people.

October 4 The United States Department of Commerce excludes two European firms from American foreign trade for having made deliveries to Hungary.

October 6 The "Free Europe Radio", set up with American support, begins its new broadcasts under the title of "The Voice of Free Hungary", which serve to intensify the campaign of incitement against the Hungarian democratic state order.

October 10 Truman signs the Mutual Security Act, providing for the expenditure of 100 million dollars for supporting secret agents and other subversive elements in Hungary — among other states — and for armed fascist units, which had escaped abroad.

October 14 The first group of Hungarian fascists recruited to the American army in the American Zone of Western Germany, arrives in one of the training camps in the United States.

October 14 President Truman declares before a 20 member delegation of the Federation of Hungarians in America, a group organised against the Hungarian People's Republic, that as long as he is president, he will always fight for the "liberation" of the peoples of the People's Democracies.

I

THE GOVERNMENT OF THE UNITED STATES PROTECTS AND MAKES USE OF THE SMALLHOLDERS PARTY CONSPIRATORS LED BY FERENC NAGY

- No. 1. Exchange of Notes between the American and Soviet members of the Allied Control Commission in Hungary in the case of the Smallholders Party conspirators. (March 1947)**
- No. 2. A further exchange of Notes between the American and Soviet members of the Allied Control Commission in Hungary in the case of the Smallholders Party conspiracy led by Ferenc Nagy. (March 1947)**
- No. 3. The intervention of the American member of the Allied Control Commission in Hungary on behalf of Ferenc Nagy and his associates who had been exposed. (June 1947)**
- No. 4. Testimony of Ferenc Kapócs, Ferenc Nagy's Secretary, on Ferenc Nagy's American contacts. (June 13, 1947)**
- No. 5. The treacherous and espionage activity of the United States agent Viktor Csornoky. (Extracts from the indictment; extracts from Viktor Csornoky's letter to Aladár Szegedy-Maszák) (November 1948, June 1948)**

Since the Liberation the Government of the United States has used the most varied means and persons in its work aimed at the overthrow of the Hungarian democratic state order.

In January 1947, the Hungarian authorities discovered a widespread conspiracy, the aim of which was forcibly to overthrow the Republic and the democratic state order and to restore the Horthy system. The conspirators intended to achieve their aim by starting a military rising. They set the time for the armed rising to coincide with the signing of the Peace Treaty, i. e., the departure of the Soviet Army.

The exposure and liquidation of the conspiracy took place in three parts. Among the first to be arrested there were apart from Horthy's former generals and the fascist deputies and diplomats of the old order, certain right-wing leaders of the Smallholders Party who had played a part in it, including the central organising secretary of the party, Bálint Arany, and one of its ministers, Endre Mistéth. These conspirators were arrayed before the Court and sentenced.

During the further course of the investigation it became apparent that the thread led to the national centre of the Smallholders Party. Béla Kovács, the national Secretary General, admitted that he had taken an active part in directing the conspiracy. When it had also been proved that Béla Kovács had planned and committed armed assaults against members of the occupation forces, the occupation authorities arrested him.

After this has happened, the exposure of all the threads of the conspiracy proved that the main leader of the conspiracy for the overthrow of the democratic state order and the Republic had been Prime Minister Ferenc Nagy himself and that several leading politicians of the right-wing of the Smallholders Party, including the president of the Party, Béla Varga, had also taken part in it. When the role of Ferenc Nagy became clear he was on leave in Switzerland. Ferenc Nagy did not return to his country but resigned his post as Prime Minister and went to America. Subsequently it became clear that he had taken this step, too, on the instructions of his American chiefs.

The investigation showed conclusively that Ferenc Nagy and his associates had relied on the United States and Britain. American and British circles were fully informed of the conspiracy and its aims and were in agreement with it. The conspiracy by Ferenc Nagy and his accomplices, the well-known deputies of the Horthy system, relied on the war plans of American leading circles. Ferenc Nagy and his accomplices directly or indirectly received instructions from the official circles of the United States.

United States and British authorities seized upon all possible means to prevent the arrested conspirators suffering the penalties provided for by Hungarian law and to prevent their trial by the Hungarian People's Court. With this aim in mind they sent a Note to the Soviet Chairman of the Allied Control Commission — at that time the Peace Treaty had not yet come into force and according to the Armistice Agreement the Allied Control Commission exercised rights of control — and later the United States State Department in an official statement attacked the exposure of the conspiracy and defended the conspirators. Following the example of the American press, the press of the imperialist countries for weeks on end published reports on the conspiracy, which completely distorted the facts and crudely slandered the Hungarian Republic and the Hungarian people.

The conspirators who had fled abroad continued their counter-revolutionary activity against the Hungarian Republic in the USA with the support and encouragement of official American circles. Ferenc Nagy, Béla Varga, and their accomplices headed the various reactionary, counter-revolutionary organisations, such as the Federation of Hungarians in America, the Hungarian National Commission, the Peasant Union and the Central and East-European Committee, which had been set up on American initiative.

The Government of the United States used those of the accomplices of Ferenc Nagy, who had remained in Hungary for espionage activity. Among them was Viktor Csornoky, Hungary's former Minister in Cairo, from whom the diplomatic representatives of the United States in Egypt obtained the code to the cipher of the Hungarian Foreign Service and who — as he admitted in his testimony before the Hungarian Court — did not desert merely for the reason he had American instructions to stay in his post thus to obtain espionage material for the intelligence organisations of the United States.

EXCHANGE OF NOTES BETWEEN THE AMERICAN
AND SOVIET MEMBERS OF THE ALLIED CONTROL
COMMISSION IN HUNGARY IN THE CASE OF THE
SMALLHOLDERS PARTY CONSPIRATORS

I.

LETTER OF BRIGADIER-GENERAL GEORGE H. WEEMS,
HEAD OF THE UNITED STATES MISSION TO THE ALLIED
CONTROL COMMISSION IN HUNGARY, TO LT.-GENERAL V. P.
SVIRIDOV, CHAIRMAN OF THE ALLIED CONTROL COMMISSION
(MARCH 5, 1947)

"The Government of the United States is impelled to express its feeling of concern at the political crisis which has now been precipitated in Hungary. The events appear to involve foreign interference in the domestic affairs of Hungary in order for Hungarian minority elements to coerce the popularly elected majority. Unable to achieve their political end through normal constitutional processes, the Hungarian Communists together with other members of the Leftist Bloc¹ have endeavoured to implicate a number of representatives of the majority Smallholders Party² in the plot against the Republic. By demanding the withdrawal of parliamentary immunity from Smallholders deputies they attempted to weaken the parliamentary majority of the Party. Police and administrative author-

1. An alliance of the Hungarian Communist Party, the Social-Democratic Party and the National Peasant Party against the anti-democratic endeavours of the right-wing of the Independent Smallholders Party, which was a member of the coalition government.

2. The Independent Smallholders Party was formed after the First World War. After the Liberation, the anti-democratic elements who were speculating on American intervention rallied round the right-wing of the party and under the leadership of Ferenz Nagy strove to restore the counter-revolutionary régime. After the exposure of the Ferenz Nagy conspiracy, the leadership of the party was gradually assumed by the democratic forces.

ities have utilized their powers not toward the expeditious judicial resolution of a threat against the State, but to conduct a general campaign against their political opponents. The Soviet High Command in Hungary has now by direct intervention brought about a crisis in Hungary. On the basis of its present information the United States Government believes that the grounds and the charges are unwarranted. These developments in the opinion of the United States Government, constitute an unjustified interference in Hungarian internal affairs."

The Note finally recommends that the delegates of the Three Great Powers together with the Hungarian Prime Minister, and the Ministers of Defence, Home Affairs and Justice and the President of the National Assembly, should "examine the facts of the present situation including the case of Béla Kovács and the conspiracy and should make recommendations to the Hungarian Government in the interests of an orderly solution".

II.

LETTER OF LT.-GENERAL SVIRIDOV, CHAIRMAN OF THE ALLIED CONTROL COMMISSION IN HUNGARY TO BRIGADIER-GENERAL GEORGE H. WEEMS, HEAD OF THE UNITED STATES MISSION ON THE ALLIED CONTROL COMMISSION
(MARCH 8, 1947)

Answering your letter of March 5, 1947, in which you develop the attitude taken by your Government to the recent political events in Hungary I have the honour to communicate the following :

The democratic state order and the Government of Hungary were endangered by the conspiracy against the Constitution and the Republic and not by the left-wing parties which cannot be accused of wanting to deprive the Independent Smallholders Party and of striving for a minority dictatorship since these left-wing parties act on the basis of Hungary's Constitution.

Even the Independent Smallholders Party itself recognizes the fact of the conspiracy against the Constitution and of the danger this implies for the young democracy of Hungary. The Party has made statements on this through the press on

several occasions. The leader of the Party, Ferenc Nagy³, also made such statements on several occasions. The fact that among the leading politicians of the Independent Smallholders Party there were several who took part in the conspiracy is not the crime of the police or of the parties organised in the Leftist Bloc. The Independent Smallholders Party itself has acknowledged the guilt of the conspirators, who were in its ranks, and has voluntarily agreed that they be deprived of their immunity and brought before the court. Therefore, dear General, your statement that the left-wing parties have attempted artificially to involve politicians of the Independent Smallholders Party in the conspiracy lacks all foundations.

As is well-known, the investigation of the conspiracy has been concluded and the case of the conspirators is being tried by the independent democratic court of the Hungarian Republic. On the basis of this I am unable to accept your proposal that we should together investigate the present position and the matter of the conspiracy, since this would constitute crude interference in the domestic affairs of the Hungarian Republic and the legal rights of the Hungarian People's Court.

Your interference in the case of Béla Kovács I cannot regard as other than an attempt directed against the legal rights of the Soviet occupational authorities which serve the defence of the Soviet armed forces on Hungarian territory and, therefore, I cannot agree to such interference by the United States Government.

The arrest of Béla Kovács for a crime against the Soviet occupation troops cannot be regarded as interference by the Soviet occupation authorities in Hungary's domestic affairs.

I am simultaneously dispatching a copy of this letter to General Edgcumbe, the Head of the British Mission to the Allied Control Commission.

Please accept, dear General, the sincere expression of my high consideration.

3. At this time Ferenc Nagy was leader of the Smallholders Party and Prime Minister.

**A FURTHER EXCHANGE OF NOTES BETWEEN THE
AMERICAN AND SOVIET MEMBERS OF THE ALLIED
CONTROL COMMISSION IN HUNGARY IN THE CASE OF
THE SMALLHOLDERS PARTY CONSPIRACY LED BY
FERENC NAGY**

I.

**LETTER OF BRIGADIER-GENERAL GEORGE H. WEEMS, HEAD
OF THE UNITED STATES MISSION ON THE ALLIED CONTROL
COMMISSION IN HUNGARY, TO LT.-GENERAL V. P. SVIRIDOV,
CHAIRMAN OF THE ALLIED CONTROL COMMISSION
(MARCH 17, 1947)**

I have the honor to acknowledge the receipt of your communication of March 8, 1947, in reply to the Note which I addressed to you on March 5 concerning political developments in Hungary and, on instructions from my Government, to transmit the following comment of the United States Government thereon.

The United States Government has carefully considered the Soviet views set forth in your communication. However, it is noted that your letter fails to take account of the following circumstances alluded to in my note of March 5.

(1) Investigation of the plot against the state has to date been conducted only by Communist-dominated police organs. While the Smallholders Party has endeavored to obtain agreement to a Parliamentary investigation, on an inter-Party basis, of allegations concerning the involvement in the conspiracy of members of the National Assembly, the Communists have declined to accept such a procedure ;

(2) Of four representatives of political parties who, with a jurist chairman, comprise the people's court, which is now conducting trials of certain individuals alleged to have been involved in this plot, three are representatives of parties aligned in a minority bloc as against one selected by the majority Smallholders ;

(3) Concerning the arrest of Béla Kovács, although normal arrests by occupation forces for the purpose of maintaining the

security of such forces could not, of course, be objected to on the grounds of unwarranted intervention, the arrest of Mr. Kovács by the Soviet authorities cannot, on the face of it, be considered of such a nature. It is noted that the arrest was not made until the Hungarian Communist Party had, without avail, resorted to numerous stratagems to obtain the waiver of Mr. Kovács' Parliamentary immunity and his arrest by the political police. During that period there was no indication that he might be suspected of activities against the Soviet occupation forces.

In the circumstances, the United States Government cannot, in the light of all the information available, agree with the interpretation of Hungarian political developments contained in your communication under acknowledgment. It seems clear to the United States Government that minority groups under the leadership of the Hungarian Communist Party are attempting to seize power through resort to extra-constitutional tactics. In the opinion of the United States this clearly threatens the continuance of democracy in Hungary. In such a situation, the United States Government considers that the powers signatory to the agreement concluded at Yalta in regard to liberated Europe are obligated to undertake concerted action to investigate political conditions in Hungary. The need for such consultation and investigation becomes all the more imperative because of the fact that there is disagreement between the Soviet and United States Governments on a matter of so basic importance to Hungary. In my Government's view it cannot be contended that such an investigation would, as you suggest, improperly impair the legal rights of the Hungarian courts or that my Government's concern with regard to the case of Béla Kovács constitutes an infringement of the right of the Soviet occupation authorities to take reasonable measures for the maintenance of the security of the occupation forces.

II.

LETTER FROM LT.-GENERAL V. P. SVIRIDOV, CHAIRMAN OF
THE ALLIED CONTROL COMMISSION FOR HUNGARY, TO
BRIGADIER-GENERAL GEORGE H. WEEMS, HEAD OF THE
AMERICAN MISSION OF THE ALLIED CONTROL COMMISSION
IN HUNGARY (MARCH 19, 1947)

I acknowledge receipt of your letter dated on March 17. In this connection I have the honour to inform you that this letter does not touch upon any new question of principle which were not answered in my letter dated March 8. In reply to your statements — in the affair of the anti-constitutional conspiracy directed against the Republic, concerning the procedure of the investigation by the Hungarian police and the Prosecutor's Office — I impart you that the procedure of the investigation strictly observes the laws in force in the Hungarian Republic. The results of the trial in the case of the conspirators clearly prove that the attempts to have the case of the conspirators — as distinct from the usual procedure — investigated by a special Parliamentary commission were not dictated by necessity.

These attempts were made to cover the criminal part played by those Members of Parliament of the Independent Smallholders Party who participated in the conspiracy.

As to your allegations on the composition of the Court I deem it necessary to remind you of the fact that the Court which is now hearing the case of the conspirators is a judicial body recognized by the National Assembly and set up according to the laws on the protection of the Republic. Any other kind of composition of the Court would lack legal grounds and thus would be anti-Constitutional.

Your remark referring to the arrest by the Soviet occupation authorities of Béla Kovács is incomprehensible because on previous occasion I already had the opportunity to avert your interference with this case.

As you, however, in spite of this have again raised this question I am in the position to inform you — and this I do only in order to save you from committing further errors — that Béla Kovács has wholly admitted his guilt both in the crimes committed against the Soviet Army and in the participation in the conspiracy.

In reference to my letter dated March 8, and to the above-said, I am not in the position to change my viewpoint as to the joint investigation of the situation in Hungary today and of the conspiracy as suggested by you.

I avail myself, dear General, of this opportunity to renew to you the assurance of my highest consideration.

**THE INTERVENTION OF THE AMERICAN MEMBER
OF THE ALLIED CONTROL COMMISSION IN HUNGARY
ON BEHALF OF FERENC NAGY AND HIS ASSOCIATES
WHO HAD BEEN EXPOSED**

I.

**LETTER FROM BRIGADIER-GENERAL GEORGE H. WEEMS,
HEAD OF THE UNITED STATES MISSION ON THE ALLIED
CONTROL COMMISSION IN HUNGARY TO LT.-GENERAL V. P.
SVIRIDOV, CHAIRMAN OF THE ALLIED CONTROL COMMISSION
(JUNE 11, 1947)**

On instructions from my Government, I addressed you two communications, on March 5 and March 17, regarding developments in Hungary including the arrest on February 25 by the Soviet occupation forces of Béla Kovács, a Parliamentary deputy of the majority Smallholders Party and a former Secretary General of that party. On both occasions I proposed the establishment of a commission, composed of representatives of the three powers on the Allied Control Commission, to investigate the situation created by that action and by the large-scale apprehension, by the Hungarian police, of other representatives of the majority party on charges of complicity in a conspiracy against the authority of the Hungarian state. My Government considered and continues to consider the effect of these actions as threatening the continuance of democratic processes in Hungary.

In reply you stated that the arrest of Kovács was the exclusive concern of the Soviet occupation forces because he was charged with crimes against those forces. Hence, you contended, his arrest could not be regarded "as an intervention on the part of the Soviet occupation authorities in the internal affairs of Hungary". You argued further that a three-power investigation of the arrests of other members of the Smallholders Party by the Communist-controlled Ministry of Interior would be an interference with the internal affairs of Hungary and therefore was refused. Thus, it appeared that to investigate the arrest of Smallholders Party members charged with conspiracy against the state would interfere with Hungarian

affairs, while for the occupation forces to arrest one of the most important alleged plotters was not such interference by the simple process of charging him with another offense.

It now develops, however, that his offense was the same conspiracy which could not be investigated by three powers but which has in fact been investigated by one and which has led to a most flagrant interference in Hungarian affairs. Information relating to Hungarian political affairs, alleged to have been elicited from Béla Kovács during his detention incommunicado by the Soviet occupation forces, has been furnished by the Soviet authorities to the Communist Party Deputy Prime Minister of the Hungarian Government in such circumstances as to force the resignation of the Hungarian Prime Minister and other important leaders of the majority Smallholders Party and to bring about the reorganisation of the Hungarian Government. The United States and United Kingdom members of the Allied Control Commission have been kept in ignorance of this information in clear violation of paragraph 6 (c) of the statutes of the Allied Control Commission which provides that the United States and United Kingdom representatives on the Allied Control Commission shall have the right "to receive copies of all communications, reports and other documents which may interest the Governments of the United States and United Kingdom". My Government has taken note that this action has resulted in the realignment of political authority in Hungary so that a minority which obtained 17 per cent of popular support in the last free election has nullified the expressed will of the majority of the Hungarian people, a situation which has apparently been admitted by the leader of the Communist minority, Rákosi, who is reported to have taken public satisfaction that his "iron-fisted" party, "conscious of its aims", has thus been able to take over control of Hungary.

My Government protests this unilateral action in violation of the Yalta agreements and this Soviet interference in Hungarian political affairs in derogation of the continued exercise of democratic rights in that country and of the freely expressed will of the Hungarian people and again requests, as a member of the Allied Control Commission, the expeditious establishment of a three-power commission to examine the situation as a matter of urgency. Unless this or some equally effective action to bring about adequate investigation is agreed upon, my Government, conscious of its obligations under the Yalta Declaration, as a signatory of the armistice with Hungary, and as a member of

the United Nations, will consider such further action as may be appropriate in the circumstances.

I avail myself of this opportunity to renew to you my high esteem and consideration.

II.

LETTER FROM LT.-GENERAL V. P. SVIRIDOV, CHAIRMAN OF THE ALLIED CONTROL COMMISSION FOR HUNGARY, TO BRIGADIER-GENERAL GEORGE H. WEEMS, HEAD OF THE AMERICAN MISSION ON THE ALLIED CONTROL COMMISSION FOR HUNGARY (JUNE 14, 1947)

Confirming receipt of your letter of 11 June this year, I have the honour to inform you that I cannot agree with the evaluation of the political situation in Hungary given in your letter. Your assertion of some change in the political power in Hungary, the nullification of the will of the majority of the Hungarian people and also of establishment of some kind of control over Hungary by the minority appears to be unfounded fiction.

It is known to all that the governmental crisis in Hungary was caused by the refusal of former Prime Minister Ferenc Nagy to return to the country notwithstanding the suggestion of Hungarian Government and leadership of the Independent Smallholders Party, and his voluntary resignation which followed later.

This crisis was solved through efforts of all parties of coalition government in strict conformity with constitutional standards.

The new Hungarian Government headed by Prime Minister Lajos Dinnyés retained the previous distribution of portfolios among the coalition parties and remained basically the same as in the previous body. Towards this government was expressed the confidence of the overwhelming majority of the Hungarian people, which fact is attested by the declaration of the National Committee⁴, signed by the President of the Republic and leaders of all coalition parties, as well as unanimous decision of confidence and granting of authority to the government, by Hungarian Parliament.

All these facts have been widely publicized and undoubtedly are known to you; therefore, after I had acquainted myself with your letter I could not help but notice in it attempts, under the disguise of defence of Hungarian Democracy, to render support to separate individuals who have entangled themselves with conspirators, fled abroad from their people.

4. The National Committee was formed after the Liberation in 1945 with the participation of all the democratic parties in order by a common effort to lead the country out of fascist destruction and to start off Hungary's democratic development.

As far as concerns your statement of violation by me of paragraph 6 (c) of the statutes of the Allied Control Commission, in connection with turning over depositions in case of Béla Kovács to Hungarian Government, in conformity with request of Ferenc Nagy, this statement is based on a misunderstanding since these documents as I have already notified you in my letter of June 9, have no relation whatsoever to the activities of the Allied Control Commission.

Based on the foregoing I decline your protest as completely baseless since I cannot, from my point of view, see any unilateral actions which violate the Yalta Agreement; and I also consider as fiction the statement of Soviet interference in Hungarian political affairs.

Taking the above into consideration I cannot agree with your proposal to establish a three-power commission to investigate the situation in Hungary, since I do not see any necessity for it and consider that this would be a rude interference in Hungarian internal affairs, which is not permissible.

I avail myself of this opportunity to renew to you the expression of my high consideration.

TESTIMONY OF FERENC KAPÓCS, FERENC NAGY'S
SECRETARY, ON FERENC NAGY'S AMERICAN
CONTACTS⁵

MINUTES TAKEN BY THE MILITARY-POLITICAL DEPARTMENT OF THE MINISTRY OF DEFENCE AT THE INTERROGATION OF Dr. FERENC KAPÓCS⁶ (JUNE 13, 1947)

From May to June 1945, the Independent Smallholders Party started to build up its illegal home and foreign political echelon.

In order that the ideas entertained with regard to foreign policy could be realized they started to send suitable persons abroad and build up contacts with West-European foreigners in Hungary, in the first place Anglo-Saxons, and with contact-men living in the United States and Britain. This happened on the one hand for the reason that the Party should receive political support and on the other hand that foreign circles should be able to support the elections financially. In the latter respect I refer to the fact that when László Ecker-Rácz, the economic expert of the American Legation in Budapest, came to Hungary, whom Kálmán Saláta⁷ recommended, that is to say, Livia Perlaky⁸ introduced to Ferenc Nagy, at that time Ferenc Nagy told me that if this man came to us I should be very polite to him because this man would support the Smallholders Party financially at the elections.

Ferenc Nagy maintained very friendly relations with the heads of the United States and British Missions in Budapest. He tried to play the concessions into the hands of America, as he said, he was thinking of oil and aerodromes, — and generally to make Hungary a South-East European *economic and political base* for America. Ferenc Nagy also added that an open stand on America's side could only be taken after the ratification⁹.

5. White Book. The Documents of the Conspiracy Against the Hungarian Republic and Democracy. Budapest, June 1947. Hungarian Ministry of Information.

6. Ferenc Kapócs, the private secretary to Premier Ferenc Nagy, had been a gendarmerie officer.

7. A Smallholders Party Parliamentary deputy who was an accomplice to Ferenc Nagy and fled to the West.

The former secretary to Ferenc Nagy who had fled to the West.

9. The ratification of the Peace Treaty.

On one occasion Schoenfeld¹⁰ declared — as far as I can remember this conversation was at the end of 1946 — to Ferenc Nagy that the policy of tactical moves which he was carrying out, partly towards the Russians and partly towards the left-wing, was one of which he approved and that America also supported it, and that he would try and secure this support in the financial respect in the form of aid and a loan.

When Ferenc Nagy junior¹¹ travelled abroad — as I know this from the Prime Minister — he received commissions and Ferenc Nagy sent a very warm letter to Undersecretary of State Dean Acheson, with whom the Prime Minister had established close friendship during his stay in America, and also to Sol Bloom, the Chairman of the Foreign Relations Committee there. In his letter to the former he asked that he help his son, and since it could then be foreseen that the conspiracy would have grave consequences, he also asked that he should obtain support on America's part for his policy. Acheson acknowledged this letter and promised America's support for the policy of Ferenc Nagy.

The most significant person of the illegal second echelon at the Hungarian Legation in London was Legation Secretary Tamás Szabó. Tamás Szabó maintained very close connections with reactionary circles there, including Lady Listowell¹², and as he reported to Ferenc Nagy when he was on leave, he informed press and political circles there tendentiously.

On the eve of the arrest of Béla Kovács there was a supper at Ferenc Nagy's flat in honour of Sommer¹³ at which Ministers Bárányos and Érös¹⁴ were present, also Curtis, Sommer's deputy, and I. At about 8 p. m. Béla Kovács's chauffeur reported the fact of the arrest and later the same was reported from the Prime Minister's Secretariat. I, on the instructions of Ferenc Nagy, reported it to the President of the Republic and then on my own initiative I informed Zoltán Pfeiffer¹⁵. With the knowledge and subsequent approval of the Prime Minister I

10. The head of the American Mission to the Allied Control Commission and later, up to 1947, Budapest Minister of the United States.

11. The son of Ferenc Nagy who was Secretary to the Hungarian Legation in Washington.

12. The Hungarian-born wife of a British aristocrat; a war-mongering journalist.

13. The UNRRA Commissioner for Hungary.

14. Ministers who were members of the right-wing of the Smallholders Party.

15. A Smallholders Party Undersecretary of State, who later founded an extreme right-wing party and finally fled to the West.

also told Aurél Varannay¹⁶ and Gyula Dessewffy¹⁷, telling them to inform the representatives of the foreign powers and the foreign press.

Ferenc Nagy entrusted the Minister for Foreign Affairs Gyöngyösi to see the representatives of the two Anglo-Saxon powers and ask for their intervention. This took place accordingly.

16. A former correspondent of Reuter's in Budapest.

17. A right-wing Smallholders Party deputy who had fled to the West. He was a journalist.

THE TREACHEROUS AND ESPIONAGE ACTIVITY OF THE UNITED STATES AGENT VICTOR CSORNOKY

I.

EXTRACTS FROM THE INDICTMENT¹⁸

Csornoky sought contact with the members of the British and American Missions in Budapest, in 1945, before the first elections. Csornoky, as a functionary of the Smallholders Party, negotiated with the American Lt.-Colonel Kovach and the British Legation Secretary Redward and asked for their financial help to support the policy of certain leading members of the Smallholders Party who have since fled abroad. Csornoky informed the United States Legation Secretary Merrill of the events of the election campaign. Arriving in Washington Csornoky immediately established contact with the best-known reactionary persons, with Tibor Eckhardt and his associates, although he well knew that Eckhardt was a paid employee of the United States espionage network. It was Eckhardt who introduced Csornoky to Edward Prince and a former Hungarian called Francis Deák, both of whom are notorious agents of the American espionage service.

As a result of these talks Csornoky came into direct contact with United States State Department and on its instructions returned to Hungary after the Paris Peace Conference. His orders were to use his position and his contacts in the Smallholders Party that the Party should promote the disintegration of Hungarian democracy.

Csornoky asked the Department of State in Washington to inform the United States Legation in Budapest of his assignment so that its leaders should know what was up.

In 1947, when the Donáth—Dálnoki-Veress—Béla Kovács¹⁹ conspiracy against the Republic was exposed, Csornoky true to his assignment did all he could to persuade the whole leadership of the Smallholders Party to defend and support the conspirators. But he not only acted within the Party, but

18. The Oldi-Council of the Budapest People's Court on November 1948 opened the trial of the former Minister in Cairo Viktor Csornoky who was accused of treason and disloyalty. Csornoky had established direct contact with the United States State Department and had returned to Hungary after the Paris Peace Conference upon its instructions.

19. The chief accused of the conspiracy led by Ferenc Nagy.

in February 1945, he also approached confidentially Schoenfeld, the Budapest Minister of the USA, and asked that the United States intervene to get Béla Kovács set free.

For the same reason he also contacted Legation Secretary MacCargar and Legation Counsellor Bigelow and his old acquaintance, Legation Secretary Edward Prince. Through the latter he telegraphed to Tibor Eckhardt to see that the United States should intervene on behalf of Béla Kovács. A similar telegramme was also sent to Aladár Szegedi-Maszák.²⁰

Csornoky also maintained a special correspondence with these reactionary treacherous agents.

On December 17, 1947, Csornoky arrived in the capital of Egypt and a short while later he was already in contact not only with the reactionary Horthyist gang that thrives there, but also with United States Ambassador Tuck, the American Chargé d'Affaires Patterson, the American Civil Air Attaché Curren, the British Minister to Cairo Andrew Chapman and others. Csornoky committed the most disgraceful act of treachery when he delivered to the representatives of foreign powers the diplomatic documents which he had officially obtained and which contained confidential data. It was thus that the code to the decoding of ciphered telegrammes also fell into the hands of the foreign espionage service.

20. Aladár Szegedy-Maszák is a former Horthyist diplomat and was the Minister to Washington of the Hungarian Republic, and deserted after Ferenc Nagy's flight. At present he plays a considerable part in the organisations supported by the United States of reactionary emigrés. He is an adviser to the State Department.

II.

EXTRACTS FROM THE LETTER²¹ BY VIKTOR CSORNOKY TO ALADÁR SZEGEDY-MASZÁK (JUNE 2, 1948)

"... The truth undoubtedly is that, despite operations against the Communists, I am to day nevertheless the Minister to Cairo. But whose Minister to Cairo am I, Aladár? Let us at last be clear on the fact that I do not represent here the policy or practice of the Dinnyés-government in even the most minute questions. This could not have been in doubt for one moment before either the Egyptian Government or the Americans here, or the Hungarian refugees who pass through here. Do you then think, Aladár, that I did not any number of times think of resigning? It was the American Ambassador who asked me still to stay..."

"You are wrong if you think that there is any government point in the way I view the situation, or that I am trying some political dodge. For instance, I have nothing whatever to do with the Smallholders Party of today. Can you, or can anyone mention any real difference of political opinion or practice between me and the emigration? No, Aladár, of this I really cannot be accused, you do not even need to be well intentioned for this, you only need some objectiveness. You, Aladár, sabotaged the foreign policy of the government on a field that was undoubtedly greater in the same way as I do."

²¹. Szabad Nép, November 16, 1948.

II

THE UNITED STATES ENDEAVOURS TO PREVENT THE DEMOCRATIC ELECTIONS IN 1947

- No. 1. The United States Department of State interferes in the Hungarian Parliamentary elections held in 1947.
(August 17, 1947)**
- No. 2. The spokesman of the Hungarian Government refutes the untrue allegations of the United States Department of State. (August 22, 1947)**

After the exposure of the Ferenc Nagy conspiracy which had been supported by the United States Government, Hungarian public opinion demanded to hold new elections. In the period since the Liberation the Hungarian Government had achieved great results in reconstructing the country, stabilising the finances, restoring economic order and developing democratic institutions. On the basis of the experience of the conspiracy, the Hungarian people had recognized that the reactionary forces supported by the USA which were organised within the right-wing of the Smallholders Party, were attempting to thwart the democratic development and economic reconstruction of the country. The Government of the United States recognized the decisive importance of the democratic elections. Fearing lest as a result of the voting the democratic parties representing the interests of the working people gain strength, it attempted by all means to prevent the election to take place. It sought furthermore to create confusion, and ab initio to cast doubt upon the fairness of the elections and present their results as false. The crude interference by the Government of the USA in the Hungarian elections did not, however, achieve any result, and the decisive majority of the well-nigh five-and-a-half million electors — a figure hitherto unparalleled in Hungarian history and greater than that of those who had participated in the 1945 elections — cast their votes against those, who would have retarded democratic development.

THE UNITED STATES DEPARTMENT OF STATE INTERFERES IN THE HUNGARIAN PARLIAMENTARY ELECTIONS HELD IN 1947

**STATEMENT BY THE DEPARTMENT OF STATE
(AUGUST 17, 1947)¹**

The United States Government, a member of the Allied Control Commission for Hungary, is seriously concerned by reports from Budapest of widespread abuses of the already restrictive provisions of the new Hungarian electoral law, under which national elections will be held on August 31. The United States Government, which has taken note of the assurances of free elections voiced publicly by the Hungarian Prime Minister and other Hungarian officials, is prompted in this matter by its desire that freedoms guaranteed by the Treaty of Peace with Hungary, already ratified by both the United States and Hungary, shall not be denied the Hungarian people.

Aside from the unwarranted interference of the minority Communist Party with the right of other parties to prepare freely their own lists of candidates, abuses of the Hungarian electoral law center in the wholesale disfranchisement of voters by the Communist-controlled electoral organs on flimsy and illegal pretexts. According to the non-Communist Hungarian press, exclusion from the electorate has now reached 70 per cent in some districts. Some estimates indicate that 20 per cent of the electorate, or roughly one million Hungarian citizens, have already been deprived of their right to vote.

The overwhelming majority of Hungarian citizens thus far disfranchised are non-Communists. The charges on which potential voters have lost their suffrage rights border on the

1. A Decade of American Foreign Policy. The Printing Office of the United States Government, Washington, 1950. (pp. 1192--1193)

grotesque : citizens of the Jewish faith have been disqualified on the accusation of having been members of Nazi organisations ; old women, of being prostitutes ; factory workers, of belonging to the former landed nobility. Thousands of persons have arbitrarily been classified and mentally deranged. Appeals against disfranchisement are permitted by law, but the burden of proof rests upon the citizens and the right of review is in the hands of the Communist-controlled political police. Moreover, only eight days are allowed for the review of all appeals — a period clearly inadequate in view of the large number of cases, for judicious consideration of the evidence.

The Communist arrangement of supervising the lists of candidates prepared by other political parties, obtained through pressure, is obviously intended to assure the Communist Party and its collaborators control of the new legislature regardless of the outcome of the balloting.

Inasmuch as the Hungarian Government under Article 2 of the Treaty of Peace, has assumed the obligation of securing to all persons under Hungarian jurisdiction the enjoyment of human rights and the fundamental freedoms, including freedom of political opinion, the United States Government has instructed the American Minister in Budapest to seek an interview with the Hungarian Prime Minister and to urge him to take all necessary steps on behalf of his Government to correct the prevailing electoral abuses. It is understood that the British Government is similarly instructing its Minister in Budapest.

THE SPOKESMAN OF THE HUNGARIAN GOVERNMENT
REFUTES THE UNTRUE ALLEGATIONS OF THE UNITED
STATES DEPARTMENT OF STATE

STATEMENT OF THE SPOKESMAN OF THE HUNGARIAN
GOVERNMENT (AUGUST 22, 1947)²

On Friday afternoon the Minister of Information, Mr. Ernő Mihályfi, as acting Foreign Minister, received the representatives of the foreign press and made the following statement :

— In the past few days partly baseless and mistaken, and partly malevolent articles and data have appeared in the foreign press on the Hungarian elections. It is obviously on the basis of these newspaper items that the United States Department of State has issued a statement in which it has declared that it is “seriously concerned” by wide-spread abuses committed in pursuance of the new Hungarian electoral law. In the following I shall take the statement of the State Department and those most frequently repeated in the foreign press and answer them according to the facts available.

— The first objection by the United States State Department is of . . . “unwarranted interference of the minority Communist Party with the right of other parties to prepare freely their own lists of candidates”. This allegation is obviously mistaken.

— No party interferes in the preparation of the lists of the others. What happened was that the Communist Party which was the first to prepare its list of candidates, as a matter of courtesy sent this to the other coalition parties with the request that if it contained any people against whom the other parties had some objection for political, moral or any other reasons, they should let the Communist Party know.

— At the same time it requested the other coalition parties to do the same if they thought fit after they had prepared their lists of candidates. I would point out that the Independent Smallholders Party did not send its list of candidates to any other party. The National Committee availed itself also at the 1945 elections of its right of control and objection. But

2. MTI (Hungarian Telegraph Agency), August 22, 1947.

then no one thought of accusing this high body of being under Communist direction. Of course none of the parties have a majority in the National Committee.

— The United States State Department next raises the following objection: “Abuses of the Hungarian electoral law center in the wholesale disfranchisement of voters by the Communist-controlled electoral organs on flimsy and illegal pretexts. According to the non-Communist Hungarian press, exclusion from the electorate has now reached 70 per cent in some districts. Some estimates indicate that 20 per cent of the electorate, or roughly one million Hungarian citizens have already been deprived of their right to vote.” I am sincerely sorry that I not only have to refute, but also to reject practically every word of this allegation.

— The statement that the electoral organs are Communist-controlled has no foundation whatever. The compilation of the lists of electors is done by the franchise committees to which the Independent Smallholders Party, the Social-Democratic Party, the Hungarian Communist Party, the National Peasant Party and the Bourgeois Democratic Party each delegate one member. Accordingly not only the four parties participating in the Government but also the delegates of one of the opposition parties are present in these franchise committees.

— Neither the Ministry for Home Affairs, nor the police, nor any sort of State organ had any word whatever in the compilation or supervision of the electoral list. Even less is it possible to state that the franchise committees were under Communist direction.

— As to the next allegation I quote the speech delivered by Premier Lajos Dinnyés on August 17:

— “If there were faults and individual excesses in the compilation — as indeed there were — then we shall rectify them on the basis of the law . . .” According to this then, the Hungarian Government is far from denying faults that have actually occurred and is doing everything to make faults good.

— Allegations, however, which arbitrarily generalise individual complaints are unacceptable. The allegation that in some districts the exclusion has reached 70 per cent cannot be considered as serious.

— As against the American statement Premier Dinnyés in the speech I have quoted outlined the true situation: “According to the latest reports 5,293,987 voters have now been taken on to the electoral list. Altogether 466,853 persons were

not taken on to the electoral lists and among those excluded there are about 170,000 Swabians who have been put down for expatriation³ and so the number of those not taken on to the lists can be estimated at about 300,000. This number will be considerably reduced in the course of the appeals. At the 1945 election 5,164,661 electors were put on the lists. Therefore even up to now there are 129,326 voters more than there were in 1945."

— The figure of one million is also an arbitrary invention and can be attributed to the fact that, as far as I know, electors who have been left out have inundated the foreign legations and journalists in Budapest with their complaints. It is regrettable enough that diplomats and foreign correspondents draw such large-scale general conclusions from the few sporadic cases reported to them. It did actually occur, for instance, that in one Budapest apartment house not one inhabitant was given the franchise because the house trustee, who is entitled to give his opinion of the inhabitants before the franchise committee, was qualified as politically unreliable by the franchise committee. This was undoubtedly an excess or an instance of excessive fervour which I for my part condemn. But it is a similar excess of fervour to draw conclusions from this and similar phenomena about one million voters being left out.

— In a further point the American Note declares as follows :

— "The charges on which potential voters have lost their suffrage rights border on the grotesque : citizens of the Jewish faith have been disqualified on the accusation of having been members of Nazi organisations; old women, of being prostitutes; factory workers, of belonging to the former landed nobility. Thousands of persons have arbitrarily been classified and mentally deranged." It is true that there were such cases. Public opinion and official persons abroad must, however, take into account two things: Firstly that the compilation was done by the electors themselves, that is by citizens unschooled in law, and secondly that in the list of those excluded items like prostitute, mentally deranged, etc. are nowhere written out in words, but there is a number which refers to the appropriate paragraph of the electoral law. During the course of the appeals it was established in a number of cases that in the quick work that was done, the numbers of the

3. Under the Potsdam agreement.

paragraphs were mixed up and mistaken. These matters will of course be rectified.

— I would like to add — and thus also to characterise the regrettable inexactitude of the American statement — that the fact that someone was formerly a member of the landed nobility does not even occur among the reasons for exclusion from the franchise.

— The declaration in the American statement that the overwhelming majority of the Hungarian citizens disfranchised is non-Communist is also incomprehensible. What possible means of investigation has led to the Americans being able to say this within five days of the lists of voters being put up? I can hardly imagine that there could have been any possibility for this technically and so I am forced to qualify this, too, as a baseless generalisation.

— The point of the American statement declaring that the time-limit for appeals is too short will be controverted of itself, as it will appear how many appeals have been handed in even during this short time and to how many citizens their franchise has been returned.

III

AMERICAN SABOTAGE TO HINDER HUNGARIAN OIL PRODUCTION (MAORT-SABOTAGE)

- No. 1. Statement of the Hungarian Ministry for Home Affairs on the exposure of the MAORT-sabotage. (September 22, 1948)**
- No. 2. Extracts from the book entitled "The Report of the Hungarian Ministry for Home Affairs on the Case of the MAORT-Sabotage". (From the testimonies of Ruedemann and Bannantine made to the police and of the Hungarian accused before the Court. — September-December 1948)**
- No. 3. Note of the Budapest Legation of the United States defends the saboteur heads of the MAORT. (November 30, 1948)**
- No. 4. Note of Reply by the Hungarian Government rejects the allegations of the American Note. (December 14, 1948)**

Continuous sabotage was committed upon American instructions at the Hungarian oil-fields of the Hungarian-American Oil Company Ltd. (MAORT). On September 22, 1948, an official communiqué was issued on the investigation that has taken place. On the basis of the real evidence and, furthermore, of the confessions of the accused, it was proved beyond any doubt that the heads of MAORT, the United States citizens Paul Ruedemann and George Bannantine, and the chief geologist Simon Papp, had conducted large-scale sabotage which had caused damage valued at several hundred millions of forints to the Hungarian State. In 1938, Horthy's government sold the research, production and marketing monopoly rights of the Transdanubian oil-fields at ridiculously favourable rates to the American Standard Oil Company, New Jersey. The Americans, within two years, earned as much as the capital they have invested and before the Second World War paid a royalty amounting to 15 per cent only from their several hundred million pengős worth of profit to the Hungarian Treasury. After the Liberation the American company consistently sabotaged oil production in order to cause damage to Hungary's economy. Ecker-Rác, member of the American Mission in charge of commercial affairs, had right after the Liberation summoned Simon Papp and instructed him that the MAORT should not produce oil at all, and that he should prevent the return of the property of the firm that was in the American Zone of Occupation of Austria.

In the autumn of 1945, Ruedemann and Bannantine, the two American heads of the company, came to Hungary with a directive that Hungarian oil production was to be decreased. They carried out this assignment accordingly. They had wells drilled at a cost of 13 million forints in places where they knew for certain that they would not strike oil. At the same time, they forbade research in those places where, according to the opinion of the experts, good results could have been expected. They effected changes in the equipment of the wells that had already been opened up, so that they should produce less oil. When the Hungarian authorities made credits of 300,000 dollars available to the firm to buy machines,

Ruedemann went to the United States, there specially to arrange with the heads of Standard Oil that no machines needed should be delivered. As a result of this widespread sabotage the daily gross production of MAORT, which had in February 1945, when the battles were raging more or less by the very sides of the oil wells, been 2145 metric tons of oil, was by June 1948, the fourth year of reconstruction in Hungary, reduced to a daily average of 1292 metric tons.

The Hungarian Ministry for Home Affairs issued an official statement (the Grey Book) on the case of the MAORT-sabotage, in which the formation and development of the Hungarian-American Oil Company, the German and American cooperation in MAORT during the war, the political background of the sabotage campaigns, the organisation and the execution of the sabotage were outlined in detail.

On September 25, 1948, the Hungarian Minister for Foreign Affairs told the United States Minister in Budapest that the Hungarian Government had decided to expel Ruedemann and Bannantine, the saboteur heads of MAORT. As soon as Ruedemann and Bannantine arrived in London, they started making accusing and slanderous statements and allegations. In the first days of October the Department of State in Washington in a statement backed up the lies related by Ruedemann and Bannantine. Later when the Hungarian authorities placed the confessions in longhand of the suspected persons at the disposal of the world press, the American leading circles spread the usual slanders and, what is more, the United States Government, on November 30, sent a provocative note full of false allegations to the Hungarian Government. The Hungarian Government energetically rejected these slanderous allegations. In the meantime, between November 26 and December 9, the public trial of the MAORT-case took place at the Budapest Court, where the representative of the Budapest Legation of the United States was throughout present. The trial in every way substantiated the handwritten confessions by Ruedemann and Bannantine, and it was proved that the United States had tried to paralyse Hungarian oil production by means of planned campaigns of sabotage.

STATEMENT OF THE HUNGARIAN MINISTRY FOR
HOME AFFAIRS ON THE EXPOSURE OF THE MAORT-
SABOTAGE¹ (SEPTEMBER 22, 1948)

The State Defence Authority of the Ministry of Home Affairs started an investigation at the beginning of August this year to find out the reasons behind the rapid decrease in production by MAORT since the Liberation. In the course of the investigation it was discovered that there was industrial sabotage to hinder the economic development of democratic Hungary for political reasons.

The State Defence Authority have taken into custody Dr. Simon Papp, professor at the Technical University, a former general director of MAORT pensioned in 1948, who in the last few months had the job of geological and geophysical chief adviser to the firm; Bódog Ábel who, until being pensioned in 1948, was director of the purchasing department of MAORT, and is at present managing director of the subsidiary company of MAORT, MAORT Gas Selling Company; Béla Binder, mining engineer, director of the production department of the MAORT; and Dr. Kálmán Barnabás, chief geologist, head of the MAORT's geological and research department.

On the basis of the confessions of the above and the findings of the simultaneous investigation by experts, there was ample reason to suspect that Paul Ruedemann, geologist, the president of MAORT and George Bannantine, engineer, Ruedemann's deputy and a member of the board of directors, both representatives of the American Standard Oil Company, New Jersey, for Hungary had a directing role in the sabotage under investigation. Therefore, the investigating authorities ordered on September 18, the presentation of Paul Ruedemann and George Bannantine who, in the course of the hearing, confirmed

1. MTI, September 22, 1948

the previous results of the investigation. They confessed that the heads of the production department of the American Standard Oil Company of New Jersey, Estabrook, Bolton and McCollum, had given directions for the decrease of oil production in Hungary for political reasons.

EXTRACTS FROM THE BOOK ENTITLED: "THE
REPORT OF THE HUNGARIAN MINISTRY FOR HOME
AFFAIRS ON THE CASE OF THE MAORT-SABOTAGE".
(SEPTEMBER-DECEMBER 1948)²

CONFESSION WRITTEN IN PAUL RUEDEMANN'S OWN HAND³

I came to Hungary for the first time in September 1931 where later I directed the Standard Oil Co. of New Jersey subsidiary, the MAORT. I did my best to open up oil fields and build up the oil production. In the two years prior to the war and the two war years the production grew from 1 million cubic meters in 1937 to 421 million cubic meters (*obvious mistake, instead of cubic meters kilograms are to be understood. Editor's note*) in 1941. I realized that this rapidly growing production benefited the German war machine but I did nothing to reduce the production. When in 1941 war broke out between Hungary and the USA, I returned to New York. I entrusted the management to Dr. Simon Papp. He was a pro-Nazi and did everything in my absence in favor of increasing production, still more, I directed him to ask for instructions in important questions from Mr. Klassen who was a German national and chief of the Deutsche Amerikanische Petroleum Gesellschaft which was a well known Nazi enterprise. This Company received the oil export of the MAORT.

In November 1945 I was instructed by the management of the Standard Oil Co. to return to Hungary. Mr. Estabrook, Mr. Bolton and Mr. McCollum, heads of the Production Department, stated that the Hungarian oil production must not be increased. It was one aim, according to them, to save the oil in the ground for the time when the change of the Hungarian political situation will secure a more profitable exploitation for the Standard Oil Co. In February 1946, Mr. Bannantine, my assistant, arrived in Hungary with the same instructions as I. I discussed the problem of production from this angle with him, Dr. Simon Papp, Bódog Abel and Temesváry, in my eyes the reliable top officials of the Company. I explained

2. Report of the Hungarian Ministry of Home Affairs on the MAORT Sabotage, Budapest, September 1948. (Grey Book)

3. Grey Book, pp. 41—49

to them individually that an increasing production opposes our interests. I declare — that with this statement — I gave in general direction of detrimental effect to those who directed the MAORT operations in details.

To keep production at the previous level necessitated pumps after the war. The engineer working in the fields repeatedly suggested to purchase these pumps. To prevent increase of production I communicated to Mr. Bannantine that purchasing of the pumps must be omitted from the agenda. It was only in 1947 that we ordered these pumps in the USA when the Supreme Economic Council urged us to do so. The Hungarian National Bank gave us sufficient currency for that purpose. The greater part of the ordered equipment — including the pumps — has not arrived to the present time. When, in December 1947, I went to New York, Mr. Brice, Head of the Production Department of the Standard Oil Co. told me that it is not their intention to ship the ordered equipment as Hungary is politically opposed to the USA.

We carefully hid these circumstances from the Hungarian industrial authority. We falsified the need for decreased production purposely, though we failed to exploit economically the existing wells on purpose only to prevent increase of production.

I agreed with Dr. Simon Papp, who readily adapted the points of view of the Standard Oil Co, detailed above, to locate the exploratory drillings incorrectly. After discussion with me the drillings were located so that they should be far from the Lovászi and Budafa producing fields, where there was the most probability of finding oil because of the relationship of mountain structure. I discussed with Dr. Simon Papp the exploratory drillings made at Nádasd, Salomvár and Igal, which offered little prospect in regard of finding oil. On the contrary we did not locate drillings at Jakabfalva which offered the most prospects from the point of view of finding oil. It is only recently — with a delay of detrimental effect — that we began a test and this has already proven productive. The drilling of the undrilled inside locations in the already developed fields of Budafa and Lovászi would have brought oil to the surface therefore we omitted it.

As our aim had been to reduce oil production in Hungary after the war, we had to avoid investments that would have resulted in an increase of production. Before I came to Hungary in 1945 the leaders of the Standard Oil Co. told me that

any American investment in Hungary is excluded. But the Hungarian Government itself was willing to give us the loan necessary to the investments. I always refused it as undesirable for our production policy, upon the advice of New York. Inasmuch as we would have depended upon the Hungarian Government for a loan it might have affected our production system in a larger extent and was to be avoided. We had had outstanding claims the collection of which would have made some very important investments possible that would have resulted in an increase of production. The Shell and Vacuum refineries owed large amounts to the MAORT. I definitely opposed — on the basis of instructions received from New York — the collection of these outstanding claims by bringing suite. The Vacuum and Shell still owe us 6 million forints.

I stated several times to officials that we were producing in full swing and were doing our utmost to develop the Company and exploit the concession. At the same time my attitude was directed by just opposite points of view. I declare that by letting them prevail I caused considerable damage to Hungarian economic life.

Paul Ruedemann

CONFESSION WRITTEN IN GEORGE BANNANTINE'S OWN
HAND⁴

I declare that at the end of 1945 I received definite instructions from Mr. McCollum, Mr. Estabrook and Mr. Bolton of the Standard Oil Company of New Jersey in New York that efforts should be made to reduce oil production in Hungary and that no serious efforts should be made to discover new fields. I was told this procedure is necessary because in the event of a third world war Hungary would fight against America and it is not desirable that South-eastern European countries belonging to the Soviet sphere should possess oil in significant quantities.

I passed there instructions along to Dr. Papp, Mr. Abel, Dr. Barnabás, Eng. Binder and Eng. Abzinger, Dept. Heads, as though it was necessary for technical reasons. However, I communicated to both Dr. Papp and Mr. Abel the political background of the instructions.

4. Grey Book, pp. 50—53.

I declare that after the end of hostilities and because of the forced method of production carried on during the war, that the necessity for the use of secondary methods of production would be important. In line with this situation the purchase of deep-well pump and well-repair machinery was a decisive factor.

From the end of 1945 onward the field operators urged the purchase of the above-named equipment but I instructed Mr. Abel, Head of the Purchasing Dept., not to order the equipment at the time. In the summer of 1947 I was obliged to place orders in America because an investigating committee of the Supreme Economic Council⁵, ordered the requisition of same and for the purpose made available 300,000 dollars.

In line with instructions received in New York, I considered from 1946 on the reduction of production in Hungary to be most important...

I declare that Mr. Ruedemann and I knew of the intention of Eng. Abzinger to escape after the start of the investigation of MAORT and we provided for him 8000 Frs. for the purpose. Mr. Abzinger who was employed at the American Legation was presented this sum through the medium of Mr. Reynolds, American Vice-Consul.

I declare that since 1946 Mr. Ruedemann and I have transferred several times confidential reports to the American Legation from MAORT and also during the investigation confidential documents concerning the purchase of equipment and correspondence with New York Headquarters of the Standard Oil Company.

G. Bannantine

FROM THE DEPOSITION OF SIMON PAPP BEFORE
THE POLICE AUTHORITIES

"I aimed none of my activities at the decrease of production; on the contrary my activities undoubtedly helped the great increase in production. Undeniably, my activities during the war were to the full satisfaction of the Hungarian government of that time, and of the Germans too, from whom I received in 1943 the German Order of the Eagle, first class."⁶

5. The Supreme Economic Coordinating Body.

6. Grey Book, p. 9.

“On October 17, 1945, Mr. Ecker-Rácz, a member of the American Commercial Mission advised that MAORT should not produce any oil at all, and should prevent the bringing home of its property which was in the American Zone of Austria.”⁷

“Ruedemann and Bannantine came to Hungary in the middle of November 1945 with definite instructions. These instructions, often repeated to me, were to prevent or decrease oil production in Hungary under all circumstances. Paul Ruedemann who is an old personal friend of mine, had already in 1945 laid before me the real reasons behind this policy. According to these, it is not in the interests of the present American Government, which sharply opposes the new Hungarian regime, that this Hungary, a people’s democracy, should be able to obtain an adequate supply of oil, and that in consequence, her national economy should become strongly consolidated. This view was consistently represented by Ruedemann and the Americans. This is the explanation for Ruedemann using all available methods to make sure of a constant and always steeper decrease in production.”⁸

7. Grey Book. p. 12.

8. Grey Book. p. 13.

NOTE OF THE BUDAPEST LEGATION OF THE UNITED STATES DEFENDS THE SABOTEUR HEADS OF THE MAORT

NOTE OF THE U. S. LEGATION IN BUDAPEST TO THE HUNGARIAN MINISTRY FOR FOREIGN AFFAIRS (NOVEMBER 30, 1948)

No. 624

The Legation of the United States of America presents its compliments to the Hungarian Ministry for Foreign Affairs and has the honor to refer to decree No. 9,960/1948. korm. whereby the Hungarian Government had taken over the management, including the control of all assets and rights, of the Hungarian-American Oil Company (MAORT) and the MAORT Gas Trading Company, American owned subsidiaries of the Standard Oil Company (New Jersey).

The Legation is authorized to inform the Ministry for Foreign Affairs that the Government of the United States, viewing this action of the Hungarian Government as wholly arbitrary and unwarrantable, 1) reserves all rights on its own behalf and on behalf of its nationals with respect to the status and property of MAORT and the latter's subsidiary the MAORT Gas Trading Company and 2) holds the Hungarian Government responsible for the continued operation of the aforesaid companies and for the value of the assets of the companies as of September 25, 1948, the date on which the decree in question was published and came into force.

With reference further to the action of the Hungarian Government in this matter, the Government of the United States has taken note of the charges of "industrial sabotage" which the Hungarian Government has made against the owners and officials of MAORT and caused to be publicized in the "Report of the Hungarian Ministry of Home Affairs on the MAORT Sabotage" (Grey Book), as well as in the officially controlled Hungarian press. These charges are compounded of various assertions to the effect that the owners and officials increased oil production during the recent war, thus assuring significant support for the German war machine; that they decreased production after the war to hinder Hungary's eco-

conomic development for political reasons and did this with the knowledge and under the direction of American mission officials in Hungary; that they carried out this "sabotage" on the financial side by improper expenditures and management, against the Hungarian planned economy by disregarding instructions of the national planning office and by preventing the purchase of necessary equipment and the repair of machinery, on the technical side by drilling exploratory wells at unpromising sites, hindering research, and improperly completing the wells, and, as regards the construction of the Lispe—Budapest natural gas pipeline, by placing every possible obstacle in the way of the project.

These allegations against the good faith and operations of the management of MAORT have been fully and conclusively refuted by the Standard Oil Company (New Jersey) in its memorandum entitled "Standard Oil Company (New Jersey) and Oil Production in Hungary by MAORT: 1931—1948", a copy of which is enclosed for the attention of the Ministry for Foreign Affairs.

The Legation is instructed to inform the Ministry for Foreign Affairs that the Government of the United States emphatically rejects as false and malicious in their entirety the charges of "sabotage" which the Hungarian authorities have made against the owners and officials of MAORT. Moreover, the United States Government regards these allegations as having been politically motivated to serve the purposes of Communist propaganda and to feign grounds for bringing the companies under Communist state control. In attempting to develop its fraudulent case against MAORT, the Hungarian Government has played up as primary evidence the alleged "confessions" of Mr. Paul Ruedemann and Mr. George Bannantine, American officials of the company. However the facts in this connection, attested by sworn statements made by the two men upon their release from Hungarian police custody, are now well-known. The truth concerning these "confessions", which were so hastily publicized in the obviously prefabricated Hungarian "Grey Book" and elsewhere, is 1) that they were prepared by the Hungarian police, 2) that their contents are wholly false, and 3) that force and duress were employed against Mr. Ruedemann and Mr. Bannantine to compel them to copy in long-hand and sign the documents. From these circumstances alone, the conclusion is also warranted that the "confessions" obtained by the Hungarian authorities from Dr. Simon Papp

and other Hungarian employees of MAORT are likewise of a spurious character and were exacted by the usual police state methods.

The Government of the United States also deems it appropriate, relative to the principal accusation made by the Hungarian authorities against MAORT concerning the decreased rate of crude oil production, that the Legation should not only affirm the fact that MAORT consistently adhered to a policy of rational exploitation in the interest of conserving the oil resources of Hungary, but should also draw attention to the fact that both Secretariat of the Hungarian Supreme Economic Council and the experts of the Hungarian Ministry for Industry in the middle of 1947 recognized the necessity for reducing the rate of MAORT oil production. Thus, in a memorandum of the Ministry for Finance, dated July 8, 1947, which was presented as an item on the agenda of the Supreme Economic Council on July 9, it was reported that "according to the recommendation of the Secretariat of the Supreme Economic Council, oil production of 636,000 tons should be reduced by 10 per cent, whereas the experts' opinion of the Ministry for Industry stated the necessity of reducing the production of 600,000 tons by 16 per cent. A reduction by 16 per cent is imperatively indicated by the status of the crude oil resources of Hungary". It was further reported in the memorandum that "if the production is not reduced by 16 per cent, the following consequences will ensue :

"a) Fifty per cent or 3,500,000 tons of the country's crude oil resources totalling 7 million tons cannot be utilized . . .

"f) During the course of the coming three years the output of oil is expected to decrease by more than the 16 per cent reduction envisaged at present. Without the 16 per cent reduction production will decrease more rapidly and will be reduced before long by 25 to 30 per cent.

"Recommendation : on the above grounds it is absolutely indispensable to reduce the annual production of 600,000 tons by 16 per cent."

Even more explicit than the foregoing was the original statement of the interdepartmental committee of experts that "on the basis of gross production during the period from January 1 to May 31, 1947 (256,695 tons), the production during the course of only twelve months amounts to 600,000 tons.

"In the opinion of the experts, if necessary investments are effected, the present level of production may be main-

tained; however, in this case an approximate quantity of 3,500,000 tons of the crude oil resources would be forever lost whereas with rational exploitation this quantity would be available. The above quantity is six times as much as the present annual production." Finally, in the original report of the Secretariat of the Supreme Economic Council it is stated that "in the opinion of the experts of the Ministry of Industry, in the interest of rational exploitation the gross production of 600,000 tons should be *reduced* by 16 per cent which means an annual gross production of 500,000 tons and an annual net production of 428,000 tons".

It is evident in the light of the essential facts set forth above — facts which are supplemented by many pertinent details in the Standard Oil Company's extended account of MAORT's operations — that the charges of "sabotage" brought by the Hungarian Government against the owners and officials of MAORT cannot be sustained, are therefore inadmissible, and cannot, as pretended by the Hungarian Government, serve as justification for that Government's action in taking over the management of the MAORT properties.

In the set circumstances, the Government of the United States looks upon the Hungarian Government's course and manner of proceeding in this matter as an encroachment upon American rights and interests in Hungary, for which the Hungarian Government must bear full legal and financial responsibility.

The Legation avails itself of this opportunity to renew to the Ministry the assurances of its most distinguished consideration.

NOTE OF REPLY BY THE HUNGARIAN GOVERNMENT
REJECTS THE ALLEGATIONS OF THE AMERICAN NOTE

NOTE OF THE HUNGARIAN MINISTRY FOR FOREIGN AFFAIRS
TO THE U. S. LEGATION IN BUDAPEST (DECEMBER 14, 1948)

2227/pol/48

The Hungarian Ministry for Foreign Affairs presents its compliments to the Legation of the United States of America at Budapest, and referring to the latter's Note No. 624 has the honour to inform it of the following :

The Hungarian Government, having examined the above mentioned Note, rejects the statement that the proceedings of the Hungarian Government in the case of the sabotage at the MAORT were illegal. From November 26 to December 9, that is the time when the Note was presented, the trial of the Hungarian managers of the MAORT, Simon Papp and Co. was proceeding openly before the Hungarian Court of Justice. The Hungarian Government granted ample opportunity to the representant of the Legation to be uninterruptedly present at the trial, and the latter made use of this opportunity. This open trial fully proved those charges, which formerly Messrs. Ruedemann and Bannantine, the American managers of the MAORT — since then expelled from Hungary — confessed at the police in their own handwritten confession. Furthermore this trial has proved again that a serious sabotage was carried out on superior American instructions, and this trial itself is a sharp and deserved rebuttal to the allegations of the above mentioned Note.

This Note, among others, makes entirely unfounded allusions on the methods of examination of the Hungarian police. The State Department of the United States should rather mind its own business. The notorious "third degree" method of the American police, which is widely known far beyond the borders of the United States, does not justify such allusions. The Note encloses the memorandum of the Standard Oil Company as the document of the United States of America. Though we knew even before that such "big business" as Standard

Oil Company has got decisive influence on the American State Department, yet it was a surprise to us to get now the mendacities and distortions of this Company as a state document. But the Hungarian Government does not feel the need of engaging itself in a dispute over the lies and distortions of a company which disclosed itself guilty in the acts of sabotage.

However, we have to call the attention of the United States of America to the fact that the sabotage, which the MAORT committed against the reconstruction of the Hungarian democracy, is an organic part of the attitude which we experience daily on other fields. It is well known that the Government of the United States of America, contrary to the clear provisions of the Peace Treaty, withholds those Hungarian goods situated in the American Occupation Zone which the German fascists robbed from Hungary. The aim of the withholding is to weaken and slow down the economical progress and reconstruction of the Hungarian democracy. Further it is known that the United States of America does not return those Hungarian horses which the American occupation authorities smuggled to America. It is likewise known that the Government of the United States of America permitted the auctioneering in America of those golden, silver and other valuables, which the German fascists robbed from murdered Hungarian citizens; the sums obtained are not handed over to their rightful Hungarian owners. We could continue this enumeration for long.

In the knowledge of the above mentioned facts we understand that in case of the disclosure of such a sabotage act as that of the MAORT, which stands clearly before all the world, the Government of the United States of America leaves no stone unturned to wash white those who were engaged in the act of sabotage and to dim the facts.

We repeatedly point out that these facts show that all the steps the Hungarian Government took in the case of the MAORT sabotage had been lawful, and therefore it rejects most vigorously the accusations, allegations, and insinuations of the Note No. 624 presented by the Legation of the United States of America as utterly unfounded.

At the same time the Hungarian Government calls the attention of the Government of the United States of America to the fact that it will safeguard — at any other occasion, as in the case of MAORT — the economic interests of the Hungarian democracy, and the Hungarian Government reserves

itself the right to recompensate itself on the American properties in Hungary for the withholding of the legal Hungarian properties and damages caused to our country by the Government of the United States of America.

The Hungarian Ministry of Foreign Affairs avails itself of this opportunity to reassure the Legation of the United States of America in Budapest of its highest consideration.

IV

ESPIONAGE ACTIVITY AND SCANDALOUS CONDUCT OF MEMBERS OF THE STAFF OF THE UNITED STATES LEGATION IN BUDAPEST

- No. 1.** The Budapest representatives of the United States direct the treacherous and espionage activities of the renegade Hungarian right-wing Social-Democratic leaders. (November 1947 — February 1948)
- No. 2.** Official United States organs smuggle the extreme right-wing conspirator Zoltán Pfeiffer abroad. (November 1947)
- No. 3.** The Budapest Legation of the United States in its Note demands impunity for its Hungarian fascist employee, who speculated in foreign currency. (November 17, 1947)
- No. 4.** The Hungarian Ministry for Foreign Affairs in a Note rejects the interference of the Budapest Legation of the United States. (November 22, 1947)
- No. 5.** Expulsion of the American diplomats S. A. Koczak and R. E. Steussy for espionage and smuggling people abroad. (February 11, 1949)
- No. 6.** The Hungarian Ministry for Foreign Affairs in a Note protests against the espionage activity and scandalous conduct of the American Military Attachés Kopesak and Merrill. (February 12, 1949)
- No. 7.** The Hungarian Ministry for Foreign Affairs in a Note calls upon the United States Government to recall the

**American Military Attachés Kopesak and Merrill.
(March 21, 1949)**

- No. 8. List of those members on the staff of the Budapest Legation of the United States who were expelled by the Hungarian Government, or recalled by the United States Government even before they had been exposed.**

The U.S. Government considerably increased after establishing its Budapest Legation the number of its staff. As it became clear in the course of the ensuing events, the majority of the swollen Legation staff was not engaged in usual diplomatic activity. On the contrary, their conduct was in the sharpest contrast with generally accepted diplomatic usage. These diplomats were the leaders of conspiracies and espionage activity and caused various scandals that gave rise to a general feeling of revulsion in Budapest.

The staff of the Budapest Legation of the United States directed the espionage group led by the right-wing traitor to the working class Károly Peyer, whose task was, apart from obtaining information in the interest of the aims of the United States, to upset the unity of action between the working class parties and to promote the organisation of anti-popular forces.

The U.S. diplomats played a significant part in setting up the most reactionary, openly fascist group that participated in the 1947 elections, the so-called Pfeiffer Party, which received financial support from the Americans and whose leader, Zoltán Pfeiffer, after his activities as an agent had been exposed, fled to the United States with the active participation of official U. S. organs. There he was received by members of the government, his report was acknowledged, and ever since he has been one of the leaders of the emigré organisations set up and supported by the United States Government, which rallied the enemies of the Hungarian People's Democracy.

The Budapest Legation of the United States employed fascist Hungarian citizens, who during the course of their "diplomatic" activities, repeatedly infringed existing laws, made dealings in foreign currency and committed common crimes. When they were called to account, the Government of the United States despite the fact that they were Hungarian citizens, demanded impunity for them and even demanded that diplomatic immunity be extended to fascist Legation employees of Hungarian citizenship.

The diplomatic staff of the United States Legation not only intervened directly in Hungarian domestic affairs by directing con-

spiracies, but under the protection of diplomatic privilege they regularly spied, became involved in scandalous affairs and when caught red-handed, they indulged in outrageous behaviour towards Hungarian official persons. The members of the United States Legation also used their diplomatic privileges in order to illegally smuggle abroad the leaders of the conspiracies they directed in addition to others of their accomplices.

It is characteristic of the activity of the United States Legation staff that since January 1, 1948, the Hungarian Government was bound to request the recall of 11 Legation employees for having organised conspiracies, for espionage, and for scandalous behaviour that set diplomatic usage at naught. It has also been proved beyond any doubt that further 14 members of the U. S. Legation in Budapest were engaged in espionage whom the U.S. Government recalled before they had been exposed.

THE BUDAPEST REPRESENTATIVES OF THE UNITED STATES DIRECT THE TREACHEROUS AND ESPIONAGE ACTIVITIES OF THE RENEGADE HUNGARIAN RIGHT-WING SOCIAL-DEMOCRATIC LEADERS

EXTRACTS FROM THE DOCUMENTS OF THE ESPIONAGE TRIAL OF KÁROLY PEYER AND FRIGYES PISKY-SCHMIDT (NOVEMBER 1947—FEBRUARY 1948)

“In June 1947 a movement for the overthrow of the democratic state order led by Károly Peyer, Frigyes Pisky-Schmidt and Robert Gábor commenced, which was dangerous because of its international connections. The movement had as its more distant aim the overthrow of the democratic state order and its immediate aim was to break up the coalition government. This they wished to achieve by splitting the Social-Democratic Party, by organising the reactionary Hungarian politicians and diplomats abroad, and by using the arrow-cross armed formations in Austria and the gendarmerie.

“The armed formations were to have been supplied with equipment by the Government of the United States in order that they should be able to be used effectively in case of an international conflict. They planned to set up a counter-government and to influence public opinion abroad through false news. To further their aims they established contact with official as well as unofficial United States citizens in Budapest.

“Károly Peyer, the leader of the extreme right-wing of the Social-Democratic Party, in order to be able to step up his subversive work against the Hungarian People’s Democracy gave an assignment in 1947 to Dr. Frigyes Pisky-Schmidt, one of his confidential staff who had before the Liberation been a member of the Arrow-Cross Party and had after the Liberation with

the help of the Social-Democratic Party become an attorney, to establish illegal contact with the United States Legation in Budapest. In April 1947, Frigyes Pisky-Schmidt established contact with Captain MacClemens, a member of the staff of the American element of the Allied Control Commission, who during the course of his residence in Hungary on the pretext of his official assignment collected intelligence material on the economic and political situation of the country. In May 1947, MacClemens called upon Frigyes Pisky-Schmidt to establish direct contact between him and Peyer. From May 1947, Peyer and the leaders of his group had regular contact with the persons commissioned by the United States secret service from whom they regularly received instructions for intelligence assignments and for subversive work against the State. Thus, for example, Jack Guinn (the Budapest correspondent of the Associated Press) ordered Róbert Gábor, who was then a junior police lieutenant and a member of the Peyer group, to deliver espionage data. Róbert Gábor, acting with Károly Peyer's knowledge and approval, obtained this intelligence material and handed it over to Guinn. Jack Guinn later instructed Károly Peyer to bring about a split in the Social-Democratic Party as quickly as possible and with the greatest possible ado, thus to cause a crisis in home policy. Károly Peyer, in accordance with these instructions, left the Social-Democratic Party and made an attempt to set up an Independent Social-Democratic Party. In June 1947, Károly Peyer met Jack Guinn who was accompanied by Róbert Gábor and Frigyes Pisky-Schmidt. Present at this conversation was Colonel John MacCormick, another agent of the CIC, who in order to cover up his espionage activity in Hungary resided in the country as the correspondent of the New York Herald Tribune and the Daily Telegraph. During the course of the conversation Guinn and MacCormick asked for intelligence data on the Hungarian home political situation.

"In summer of 1947 Guinn established contact between Peyer and his associates and the United States diplomat James McCargar.

Frigyes Pisky-Schmidt several times suggested to McCargar that they ought to increase the work of organisation among the Hungarian fascists residing in the West, among the remnants of the Horthy fascists' army in the West, so that they should be able to deploy these troops at the proper time and in a properly organised way to overthrow the present regime in Hungary. McCargar approved of it and in the summer of 1947,

set the task for the subversive work carried on by the Peyer-group as being to increase confusion. In the course of the subsequent frequent secret meetings Peyer and his associates regularly delivered espionage material.

“Károly Peyer suggested to McCargar that if he received American support he would take steps to overthrow the Hungarian Government and to prepare for a change of regime. The matter was also raised of Peyer fleeing abroad and there forming a counter-government with American aid. McCargar said that he would report on this to Washington. In August and September 1947, Frigyes Pisky-Schmidt and Róbert Gábor agreed with the American intelligence agents to flee to the West, there re-establish contact with counter-revolutionary politicians who had absconded and with fascist former officers of the army and to start actively organising for the overthrow of the People’s Democratic regime in Hungary. Acting in accordance with this agreement the American intelligence agents on September 22 smuggled Pisky and Gábor out of Hungary. With their help Károly Peyer also illegally fled to the West at the end of November 1947.”

EXTRACTS FROM THE TESTIMONY OF MRS. ZOLTÁN PISKY¹
(FEBRUARY 3, 1948)

Károly Peyer came for the first time to the fifth meeting. One could immediately see that he knew of everything that had hitherto happened.

On the next occasion McCormick introduced his acquaintance, McCargar to us, whom — since he had an important post at the American Legation — he called an authoritative person. My nephew, Frigyes Pisky-Schmidt, immediately flooded him with questions. Would the United States occupy a zone of Europe and was Hungary included in that zone? Why did not the United States not prepare the ground better in Hungary? Then he inquired about the Yalta agreement.

The Yalta agreement was then signed by Roosevelt, said McCargar, and so the present President of the United States was not responsible for it.

Frigyes Pisky-Schmidt then called attention to the importance of altering public opinion. He proposed that they should organise the Hungarians residing abroad and above all they should pay much more attention to the Hungarian military and gendarme formations in the West. He advised that a Hungarian-language radio station be set up abroad to agitate these elements.

McCargar answered that they had already thought of this idea because in their opinion all events that gave rise to confusion would hasten the final solution of the situation . . .

1. The testimony by Mrs. Zoltán Pisky delivered on February 3, in the course of the trial. Mrs. Zoltán Pisky had acted as interpreter at the conversations between McCormick, McCargar, Jack Guinn and Károly Peyer and his associates.

OFFICIAL UNITED STATES ORGANS SMUGGLE THE
EXTREME RIGHT-WING CONSPIRATOR ZOLTÁN
PFEIFFER ABROAD

NOTE OF THE HUNGARIAN MINISTRY FOR FOREIGN AFFAIRS
TO THE U. S. LEGATION IN BUDAPEST (NOVEMBER 20, 1947)

The Parliamentary deputy Zoltán Pfeiffer having come to know of the fact that his espionage against the Hungarian democracy had been discovered and that as a result legal steps were intended against him, fled from being called to account. The Hungarian Ministry for Foreign Affairs learned from the statement made by Zoltán Pfeiffer over the New York Radio and from the reports of the American press that Pfeiffer, who had no travel documents of any sort (passport, visa), had gone to the United States with the support of the American occupation authorities in Austria and Germany.

The Ministry for Foreign Affairs also has knowledge of the fact that Pfeiffer received an American residence permit as a result of special intervention by the United States State Department. It is generally known that Pfeiffer on several occasions conducted talks with officials of the United States State Department and reported on the political situation in Hungary.

The Hungarian Ministry for Foreign Affairs cannot but point out that it is compelled to regard such behaviour as an unfriendly gesture towards the Hungarian people and Government.

The Hungarian Ministry for Foreign Affairs has the right to call the attention of the Budapest Legation of the United States to the fact that these events extend encouragement to certain anti-popular, anti-democratic forces against which the United States, too, proclaimed relentless struggle in the recent world war: to wit the forces of fascism.

THE BUDAPEST LEGATION OF THE UNITED STATES
IN ITS NOTE DEMANDS IMPUNITY FOR ITS HUNGAR-
IAN FASCIST EMPLOYEE WHO SPECULATED IN
FOREIGN CURRENCY²

NOTE OF THE MINISTER OF THE UNITED STATES IN BUDA-
PEST TO THE HUNGARIAN MINISTER FOR FOREIGN AFFAIRS
(NOVEMBER 17, 1947)

Excellency,

I have the honor to inform Your Excellency that Mr. Imre Déri³, an employee of the American Legation, was taken into custody at 5:00 a. m. on Sunday, at his home, by the Political Police. I must protest most vigorously this discourtesy towards the Government of the United States. It is a well recognized principle of international comity that if an employee of a foreign mission has committed some crime or misdemeanor, he shall not be arrested or detained except after prior consultation with the Chief of Mission.

I should like to remind Your Excellency of a previous protest registered by this Legation against the summary detention of one of its employees, which evoked a Note from the Foreign Office, No. 1662/pol. of July 24, 1946, in which it was indicated that the Minister of the Interior had been requested to issue instructions to the police authorities not to make any further arrests of this nature without advance consultation with the Ministry of Foreign Relations, the inference being that there would equally be prior consultation with the American Minister. Your Excellency will furthermore recall that on a recent occasion, after the arrest of a temporary employee of this Legation, the Chief of the Political Section of the Foreign Office assured an Officer of this Legation that no Hungarian employee of this Legation would be arrested in the future without consultation with the American Minister. This procedure was not followed in the instant case.

Mr. Déri's arrest assumes an even more serious aspect in that while he was the object of no criminal or civil charge, in

2. MTI, November 22, 1947.

3. A fascist journalist, currency speculator.

so far as can be ascertained, he was summarily arrested by the Political Police. It is difficult to avoid the presumption that this arrest was intended to intimidate the other employees of this Legation who are Hungarian citizens, and so to hamper and impede the normal functioning of the Mission. I must protest equally forcefully against this attempted intimidation, which does not concord with the usual practices of international comity as regards the treatment to be extended to the diplomatic representatives of friendly powers.

My Government has adopted the attitude that practical necessity and substantial universality have established the custom of according immunity to employees of diplomatic establishments, regardless of their nationality, while they are engaged in the business of such establishments. My Government has also adopted a practice of regarding as included within the statutes which govern the immunity of diplomatic households clerks employed in foreign missions at Washington.

I take the liberty of quoting from Halleck's well-known work on international law:

“. . . the better opinion seems to be that, although . . . a State may very properly prohibit its subjects from becoming the employees . . . of a foreign minister, if it does not so prohibit them, they are, while so employed, to be considered without the limits of its jurisdiction.”

The arrest of Mr. Déri would appear to disregard the foregoing precepts. I may add, however, that my Government would, nevertheless, be disposed to give due consideration to the question of waiving immunity in individual cases in which persons employed by this Mission may be charged with violating Hungarian laws or regulations.

This Mission has not been informed of any law, civil or criminal, which Mr. Déri may have violated (since there is no law prohibiting his accepting employment by the Government of the United States), and considers his dawn arrest, without prior consultation with this Legation, an indication of what appears to be a tendency on the part of the Hungarian Government to adopt an attitude which can only be described as less than friendly towards the Government of the United States; an attitude which I should be loath to believe represents the feeling of the people of Hungary.

May I point out to Your Excellency that the only way to remove the apprehension of the remaining Hungarian members of my staff that they will be subjected to arrest and imprisonment at any time simply because they have accepted employment with the Government of the United States, would be to arrange for Mr. Déri's immediate release and restoration to duty.

Accept, Excellency, the renewed assurances of my highest and most distinguished consideration.

THE HUNGARIAN MINISTRY FOR FOREIGN AFFAIRS
IN A NOTE REJECTS THE INTERFERENCE OF THE
BUDAPEST LEGATION OF THE UNITED STATES

REPLY OF THE HUNGARIAN MINISTER FOR FOREIGN
AFFAIRS TO THE NOTE OF THE MINISTER OF THE
UNITED STATES IN BUDAPEST (NOVEMBER 22, 1947)

Excellency,

With reference to Your Excellency's letter No. 1180 of November 17th, concerning the arrest of the Hungarian citizen Imre Déry, an employee of the Legation of the United States of America, I have the honour to communicate to Your Excellency the following :

In the Hungarian Government's opinion, backed by the experts on international law and supported by the practice adopted in European states, immunity is warranted only to those employees of diplomatic missions who are citizens of the accrediting country, the fact of an employment by a foreign mission not implying immunity. Consequently, the circumstance of being employed by a foreign mission cannot prevent the authorities of the agreeing country in bringing an action against its citizens employed by a foreign mission in conformity with prevailing laws.

Admitted that such persons were enjoying even restricted immunity, the agreeing country's competence and jurisdiction would be limited to its citizens not being in the service of a foreign mission which — in theory — could mean that a part of the country's citizens would be taken out of its jurisdiction. This, naturally, has to be considered a jurisdictional absurdity.

Concerning Your Excellency's reference to a Note of the Hungarian Ministry for Foreign Affairs No. 1562/pol. of July 24, 1946, I have the honour to point out to Your Excellency that neither the above mentioned Note nor the statement of the Chief of the Political Section of the Ministry for Foreign Affairs made to an officer of the American Legation, contained any reference to the possibility of prior consultation with the American Minister all the less as a prior consultation with the chief of mission concerning the arrest of a citizen of the agreeing country

employed at his mission could, under circumstances, endanger the efficiency of the measures to be taken by the competent authorities.

Independently of this, if the necessity should arise of applying regulations restricting liberty against a Hungarian citizen employed by the Legation of the United States of America, the Hungarian Ministry for Foreign Affairs will not fail to notify the Legation simultaneously with the application of the above-mentioned measures. This would have been the case, too, in the affair Imre Déri, had not his arrest, which had to be undertaken without delay in view of the interest of the proceedings, been carried out on a Sunday, i. e., a holiday. For the rest, the preliminary arrest of Imre Déri has been ordered by the Prosecutor's Office on account of his being suspected with abuse of legal tender. An investigation against him is still in course.

The presumption that the arrest of Imre Déri was intended to intimidate the other employees of the Legation of the United States of America who are Hungarian citizens, is rejected most categorically by the Hungarian Government. This presumption is, besides, deprived of all foundation in view of the charges arisen against Imre Déri.

Accept, Excellency, the renewed assurances of my highest consideration.

Molnár Erik

EXPULSION OF THE AMERICAN DIPLOMATS
S. A. KOCZAK AND R. E. STEUSSY FOR ESPIONAGE
AND SMUGGLING PEOPLE ABROAD

THE OFFICIAL REPORT OF THE MTI (FEBRUARY 11, 1949)

Competent authorities state :

The Hungarian authorities have expelled two officials of the Budapest Legation of the United States of America, Stephen Andrew Kozzak and Robin Edwin Steussy, for espionage and smuggling people abroad.

The Legation Secretaries committed their smuggling with diplomatic cars by bribing chief customs officer Dr. Tibor Gál and others, and doing the smuggling with their help. It was they who smuggled out István Barankovics⁴, as well as others.

Dr. Tibor Gál and his accomplices have been detained.

4. Head of the Democratic People's Party which had represented the interests of clerical reaction on the 1947 elections.

**THE HUNGARIAN MINISTRY FOR FOREIGN AFFAIRS
IN ITS NOTE PROTESTS AGAINST THE ESPIONAGE
ACTIVITY AND SCANDALOUS CONDUCT OF THE AMER-
ICAN MILITARY ATTACHÉS KOPCSAK AND MERRILL**

**NOTE OF THE HUNGARIAN MINISTRY FOR FOREIGN
AFFAIRS TO THE U. S. LEGATION IN BUDAPEST
(FEBRUARY 12, 1949)**

695/1949

The Hungarian Ministry for Foreign Affairs begs to inform the Budapest Legation of the United States of America of the following :

Lt.-Col. Kopcsak and Lt.-Col. Merrill arrived in Szeged on the evening of February 9, 1949. They took rooms at the Hotel Royal, then picked up two prostitutes, Mária Barna and Piroska Németh, in the company of whom they spent the night in revelry. Then, in a state of intoxication, they took their car and, without paying the garage owner his dues, left Szeged on February 10th.

On the same day, towards noon, the car was held up by a frontier guard patrol consisting of two men, on a cart track ten meters from the Yugoslav border. Kopcsak stated in fluent Hungarian that he had driven to the Yugoslav border to observe and photograph eventual military objectives and to find out whether any military preparations were being made. He tried to persuade that patrol to let him continue his photographing. As the car possessed no permit to cross the border and as the certificate of identity authorizing Lt.-Col. Kopcsak to travel freely in the country had expired on December 31, 1947, the patrol got in touch with the State Security Authority in Szeged and escorted the car into town.

On the way to Szeged they were met by members of the State Security Authority, called by telephone, who asked Lt.-Col. Kopcsak and his companion to travel in the car of the State Security Authority. Referring to his position as a diplomat Kopcsak refused, but offered instead that two members of the State Security Authority should drive to town in his car. This offer was accepted. When the car stopped before the building

of the State Security Authority in Szeged and the Frontier Guard Captain alighted from the car, Kopcsak started out at full speed toward Budapest. When they had left the town limits, Kopcsak began to scuffle with the member of the State Security Authority who had remained in the car and tried to force him pointing a gun at his chest to get out of the car.

These are the facts. The Legation in Budapest of the United States of America is well aware of the fact that the excesses of Lt.-Col. Kopcsak have already been the subject of exchanges of diplomatic Notes. The competent Hungarian authorities have repeatedly thought of asking for the removal of Lt.-Col. Kopcsak, but have withheld from doing so on the basis of the consideration that the United States of America would have trouble finding in his place a Deputy Military Attaché less intelligent, less cautious and working with greater clumsiness. This consideration was the cause of the fact, that although the Hungarian authorities succeeded in rendering harmless over 40 of Kopcsak's "collaborators", they have withheld from asking for his removal. The February 10 incident is, however, according to the Hungarian Ministry of Foreign Affairs such brutal abuse of diplomatic privileges that it feels compelled to ask the honorable Legation: can Lt.-Col. Kopcsak's attitude be considered compatible with normal diplomatic relations? Hasn't the time come to remove Lt.-Col. Kopcsak before the Hungarian authorities request, instead of sending Notes of protest?

The Hungarian Ministry of Foreign Affairs avails itself of the opportunity to assure the Legation of the United States of America of its esteem.

**THE HUNGARIAN MINISTRY FOR FOREIGN AFFAIRS
IN A NOTE CALLS UPON THE UNITED STATES
GOVERNMENT TO RECALL THE AMERICAN MILITARY
ATTACHÉS P. J. KOPCSAK AND J. P. MERRILL**

**NOTE OF THE HUNGARIAN MINISTRY FOR FOREIGN
AFFAIRS TO THE LEGATION OF THE UNITED STATES IN
BUDAPEST (MARCH 21, 1949)**

2191/b—1949

The Hungarian Ministry for Foreign Affairs presents its compliments to the Legation of the United States of America in Budapest and has the honor to state the following :

The Hungarian Ministry for Foreign Affairs with reference to its Notes No. 695—1949 and 1739/b—1949 and in view of the fact that this Ministry did not receive any satisfactory reply to them, requests the Legation of the United States of America in Budapest to take the necessary measures that Lt.-Colonels P. J. Kopcsak and J. P. Merrill, Assistant Military Attachés in Budapest, should leave the territory of Hungary within 48 hours.

The Hungarian Ministry for Foreign Affairs avails itself of the opportunity to renew to the Legation of the United States of America in Budapest the assurances of its high consideration.

**LIST OF THOSE MEMBERS ON THE STAFF OF THE
BUDAPEST LEGATION OF THE UNITED STATES WHO
WERE EXPELLED BY THE HUNGARIAN GOVERN-
MENT, OR RECALLED BY THE UNITED STATES GOV-
ERNMENT EVEN BEFORE THEY HAD BEEN EXPOSED**

I.

**THE LIST OF AMERICAN DIPLOMATS WHO HAD PLAYED A
ROLE IN THE ESPIONAGE AND SABOTAGE CASES AND WERE
EXPELLED BY THE HUNGARIAN GOVERNMENT**

Peter J. Kopcsak, Lt.-Colonel, Deputy Military Attaché
John P. Merrill, Legation Attaché
Stephen A. Koczak, Legation Third Secretary, Vice-Consul
Robin E. Steussy, Legation Third Secretary, Vice-Consul
James B. Kraft, Colonel, Military Attaché
John T. Hoyne, Lt.-Colonel, Deputy Military Attaché
Donald E. Griffin, Major, Deputy Air Attaché
William A. Sherer, Legation Second Secretary
Ruth R. Tryon, Legation Assistant Attaché
Mary Eich, Legation Office Secretary

Selden Chapin, Envoy Extraordinary and Minister Pleni-
potentiary. (The United States Government recalled the Buda-
pest Minister of the United States Selden Chapin at the request
of the Hungarian Government, on account of his espionage
and diversionist activity in connection with the Mindszenty
conspiracy.)

II.

THE LIST OF THOSE MEMBERS OF THE STAFF OF THE UNITED STATES LEGATION WHO HAD CONDUCTED ESPIONAGE ACTIVITY AND WERE RECALLED BY THE GOVERNMENT OF THE UNITED STATES EVEN BEFORE THEY HAD BEEN EXPOSED

Donald F. Bigelow, Legation Counsellor
László Ecker-Rácz, Attaché
Edward P. Prince, Legation Third Secretary
John H. Stokes, Colonel, Military Attaché
Hilbert F. Muentner, Military and Air Attaché
Emery R. Kiraly, Deputy Military Attaché
Jule B. Smith, Second Secretary
Edward A. Mag, Legation Attaché (Legal adviser)
James G. McCargar, Legation Second Secretary
Edward G. Reynolds, Vice-Consul
Howard J. Hilton, Legation Secretary
Chris G. Petrow, Legation Third Secretary, Vice-Consul
Malcolm Toon, Legation Third Secretary, Vice-Consul
Louis E. Revey, Cultural Attaché

V

CONSPIRACY BY JÓZSEF MINDSZENTY AND HIS ACCOMPLICES IN THE SERVICE OF AMERICAN INTERESTS. — THE CAMPAIGN OF SLANDER BY THE UNITED STATES WHICH FOLLOWED UPON THIS

- No. 1. Extracts from the testimonies of Zakar and Mindszenty.**
- No. 2. Extracts from the letters of Zsigmond Mihalovics.**
- No. 3. The Hungarian Government protests to UN against unwarranted foreign intervention in the Mindszenty-case. (April 5, 1949)**
- No. 4. Note of the Budapest Legation of the United States slanders the Hungarian Government by alleging that it violates human rights. (April 2, 1949)**
- No. 5. Note of Reply by the Hungarian Government rejects the intervention by the Government of the United States in Hungarian domestic affairs. (April 8, 1949)**

The Government of the United States in its campaigns against Hungary found a ready ally in the person of Cardinal József Mindszenty of Esztergom and in that section of the Catholic high clergy which had from the outset opposed the democratic development of the country. This conspiracy was joined moreover by several representatives of monarchism, such as Duke Eszterházy, who had during the course of the land reform in 1945 lost their political and economic power and who were striving to restore the feudal system of landed estates and the Hapsburg monarchy.

Right from the beginning the Americans found that Mindszenty and Co. were auxiliary forces of whom they could make good use. The conspirators were directed and supported by the Budapest Legation of the United States and their espionage activity was regularly rewarded. The Budapest Minister of the United States Selden Chapin, whose recall the Hungarian Government demanded on the basis of the decisive evidence of the Mindszenty trial, had on instructions of the United States intelligence service established direct contact with the conspirators, in the first place with Mindszenty, had supplied him with instructions and obtained intelligence data from him. They also employed fascist elements who had fled to the West, such as Zsigmond Mihalovich, the Director of the Actio Catholica, whom the CIC¹, an American espionage organisation, recruited and supplied with instructions. Mindszenty on the occasion of his journey to America talked to several high-ranking personalities of the American Church who, by issuing instructions, directed the conspiracy along the path marked out by the Government of the United States.

The aim of the conspiracy was — as the accused admitted in the course of the trial — to overthrow the legal order of the Hungarian State, to destroy the democratic achievements attained since the liberation of the country (the land reform, nationalisation, etc.) and to restore the rule of the Hapsburg monarchy. In order to achieve their aim, they established an organisation within the country, and at the same time they established contacts with leading

1. Counter Intelligence Corps.

circles of the United States and with Hungarian fascist elements residing abroad.

The exposure of Mindszenty and Co. caused great confusion among the leading circles in the United States. After Mindszenty had been sentenced, Secretary of State Acheson issued a slanderous statement against Hungary and the entire American propaganda machinery, the press, the radio, and the film, started a campaign of vilification against the Hungarian People's Democracy.

The aim of the propaganda campaign started by the American leading circles was above all to intimidate the Hungarian Government and to force it to let the agents of the United States go unpunished.

This diplomatic campaign constituted crude interference by the United States in Hungary's domestic affairs. The Hungarian Government rejected unauthorised American interference in a determined way, repeatedly exposed the background to the conspiracy and demanded the recall of the United States Legation staff members, including Minister Chapin, who had been seriously compromised in the crime.

The Government of the United States seeing that the facts have exposed its policy, endeavoured to give its interference an international character. It made use of its majority in the United Nations, and of the foreign press and radio. It attempted in the United Nations and before the International Court at The Hague to have Hungary which according to the American allegations violated human rights and the Peace Treaty branded as being guilty.

The Hungarian Government most resolutely rejected these attempts which constituted further open American intervention in Hungary's domestic affairs and pointed out that it is bound by the very compliance with the provisions of the Peace Treaty and observation of human rights to crush the Mindszenty-conspiracy and counter-revolutionary attempts of all kind.

Selden Chapin, U. S. Minister in Budapest, was recalled following the demand of the Hungarian Government on account of his espionage and diversionist activities in connection with the Mindszenty-conspiracy.

EXTRACTS FROM THE TESTIMONIES OF ZAKAR AND
MINDSZENTY²

FROM THE DEPOSITION OF ANDRÁS ZAKAR, SECRETARY
OF MINDSZENTY

President : In June 1947 the two of you flew to Ottawa, didn't you?

Zakar : Yes.

President : Mindszenty and you?

Zakar : Yes.

President : When you got there, you were Spellman's guests?

Zakar : Yes.

President : Did the meeting with Otto come about in Chicago?

Zakar : Yes, in Chicago, also in a Convent, the Cardinal visited Otto Hapsburg....

President : Did they mention, that a Hapsburg restoration in the frame of an Austro-Hungarian personal-union, perhaps with the inclusion of the Catholic Bavarian state would serve American interests in Central Europe?

Zakar : If I remember well, this was mentioned in a form meaning that such a large and stable grouping in Central Europe would, by all means, be an attractive thought for America.

President : (...) Now what did Cardinal Spellman have

2. The Trial of József Mindszenty, Black Book, Budapest 1949, Hungarian State Publishing House, pp. 45—137.

to say about Otto and about the possibilities of a Hapsburg restoration?

Zakar : He only said, in a few words, at the end of the conversation that he knew Otto Hapsburg and considered him a serious person who is very enlightened politically, and that he was taken seriously also by American political personalities.

President : In the course of this conversation between Spellman and Mindszenty, was there mention of the new American Minister to Budapest, Chapin?

Zakar : Yes, there was an allusion to it. Cardinal Spellman mentioned that a new Minister to Budapest had recently been appointed but that he was still in Washington or in New York and that it would be good to arrange a meeting before...

President : Now tell me, please, how was Chapin described there? And who described him, Otto or Spellman?

Zakar : Otto Hapsburg described him by saying that the new Minister was a very determined person who will take a stronger line than his predecessor and, if I remember right, Cardinal Spellman was of the same opinion.³

President : Well, soon after you returned from America, József Mindszenty met Chapin, Minister Selden Chapin, didn't he?

Zakar : Yes.

President : How did this meeting occur?

Zakar : The first meeting occurred in Esztergom when the Minister came for a courtesy visit with his interpreter.

President : Did József Mindszenty return this call?

Zakar : Yes, in two or three weeks he returned it at the American Minister's place, at his office.

President : Was there any discussion of concrete political issues?

Zakar : Yes. As I remember, this is where Otto Hapsburg was mentioned. This was also the conversation in which the Minister stated that he, too, knew Otto Hapsburg and considered him an important diplomat and politician. Then the Prince Primate mentioned a few more names.

³. Black Book, pp. 45-49.

President: Was there discussion about how the foreign political situation was helping a restoration of the Hapsburgs?

Zakar: As I remember, reference was made here that the tension is still lasting between the great powers and it is not impossible that a situation will present itself when once again it would be timely for Legitimism (*Monarchism, Editor's note*) to come to the fore...

President: József Mindszenty expounded the theme that there is a serious fight going on here, and he was trying to influence the faithful through his pastoral letters?

Zakar: Yes, mention was made of the pastoral letters which were known to the Minister too, for he got them as they appeared in the *Magyar Kurir*⁴ and could read them.

President: The next meeting was in February 1948?

Zakar: Yes.

President: When Chapin came to Esztergom alone?

Zakar: No, he came with his wife, with Koczak, Secretary at the Legation, and two female secretaries.

President: Were you also present at the conference?

Zakar: At the conference itself I was not present because we were with the others.

President: Did they retire?

Zakar: Yes, the Primate, the Minister, and Koczak retired.

President: What was the subject of the talk among defendant József Mindszenty and the two diplomats?

Zakar: I do not know anything concrete about this. I could see a few details only from later developments, although the substance of the whole talk was along familiar lines as I saw from the style of the correspondence which was being conducted.

President: What was it then? What were they talking about?

Zakar: One of the results was later, the Primate gave me instructions... to hand over certain documents of special significance to Koczak, Secretary at the Legation.

President: But what sort of material was this? In what were Mr. Koczak and Mr. Chapin interested?

⁴ Bulletin of the Hungarian Catholic Church.

Zakar : I, myself, chose first of all the pastoral letters, which were issued fairly frequently.

President : What else did this material contain?

Zakar : Besides this, there were comments on some of the political parties, for instance, long reports on the Democratic People's Party⁵, and on the role of the Catholic Church in protecting Jews in recent years.

President : A memorandum.

Zakar : Yes, a memorandum. Then some brief reports from priests...

President : Well — as it will be seen later — not only Church issues were concerned. They do not deal with, say, for instance, that in a little Hungarian village the parish priest was offended by the borough councillors. Such offences, for instance, such matters were not dealt with — but chiefly matters of a concrete political and military nature.

Zakar : This is the second group of the data which I, acting under instructions of the Primate... that these should be handed over by me.

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President : After their visit, when did Mr. Koczak come again?

Zakar : He came about a month later, around March.

President : And then when did you meet Koczak again after that?

Zakar : I met him in another month or so, it was in May. That, too, was in Esztergom. There was a third meeting, in Budapest.

- - - - -

President : What did you give him?

Zakar : Here again I gave him up-to-date copies of the pastoral letters and a political report concerning the Democratic People's Party.

President : Who prepared this?

Zakar : This was prepared by the Prince Primate.⁶

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President : Now, please, when did Mindszenty and Chapin meet again?

5. Reactionary party under Mindszenty's direction.

6. Black Book, pp. 52—57.

Zakar : There was a meeting in August 1948, as I remember it was a return call after the visit at Esztergom in February, at the residence of the Minister in Hűvösvölgy.

President : And when did Koczak come to see you again?

Zakar : He came in August or September. In September he came even twice in one week and then he gave a brief report on what he had heard in Vienna, because he just returned from there.

— — — — —

President : When did you, please, last meet Koczak?

Zakar : I met him last on November 18.

President : In the meantime, after the meeting at Hűvösvölgy, when was Chapin last at Esztergom, or rather when was the last time you all met Chapin?

Zakar : The same week. As I recall it must have been November 14, — when the Minister made his last visit at Esztergom.

— — — — —

President : Well then, why did he come on November 18?

Zakar : On November 18, although he did not expressly say so, he came certainly for new material because then it was already known that the Prince Primate had issued an appeal as his last pastoral letter.

President : Did you give it to him?

Zakar : Yes I gave it to him. At the same time I also gave him a report of a political nature.⁷

FROM THE DEPOSITION OF JÓZSEF MINDSZENTY

President : . . . Well, your priests were sending you reports from various parts of the country, weren't they?

Mindszenty : Not regularly, but it did happen sometimes. And it happened also that I asked for reports.

President : You forwarded these reports to the American Legation, didn't you?

Mindszenty : Not the reports themselves, as far as I know, but summaries were made of them.

President : The data were extracted . . . ?

Mindszenty : Yes, that was the way.

7. Black Book, pp. 57—59.

President : What kind of data were these? Just give us a few examples. On the political and economic situation of the country?

Mindszenty : I think there were some referring to the drought. And then some atrocities occurred in the country, data were given about these too.

President : Then, for instance, about military forces, the supplies for the military forces, and their budget?

Mindszenty : As I remember there was only reference to the supplies for a few months for the occupation forces in Esztergom and Komárom counties.⁸

President : When you returned from your American journey, were you visited in Esztergom by Chapin, the newly appointed American Minister?

Mindszenty : Yes. This was his first visit.

President : Did you return this visit in two or three weeks to the American Legation?

Mindszenty : In two or three weeks I did.

President : Until now we have spoken of three conferences and meetings with Chapin, then the fourth one came. For the fourth time you went to see him. Where to?

Mindszenty : I think to his house.

President : What made this talk timely?

Mindszenty : As a matter of fact, they informed me that at this time there was a great change in Yugoslavia and as far as Hungary is concerned, because, they said, it was not impossible that something would start in Yugoslavia from Tito's side which wouldn't remain an isolated phenomenon.

President : Now this, the fifth meeting, came about in the middle of November, 1948. Then you asked that Chapin should go to see you. He visited you together with Koczak. Between these two meetings, the meeting in the summer and this meeting, Koczak had been in Esztergom several times, always collecting material from Zakar?

Mindszenty : Well, I beg you, I do not know how many times he was there, because in most cases I did not even know of it.

President : He came at night, around eleven o'clock to your house.

8. Black Book, pp. 92-93.

Mindszenty : I only learned it when my Secretary mentioned it, in the morning.

President : Didn't it seem strange to you, that a representative of the Legation kept coming to the palace of the Primate at night? Once you, too, met him at night, didn't you?

Mindszenty : Yes, once I did.

President : After all, this is rather strange. Diplomats don't usually call at night.

Mindszenty : I thought that he had more time then.

President : At night? Well, this is a very naive plea. Obviously he went at night in order not to be seen, not to call attention to himself...

Mindszenty : Yes.

President : Let us go on. In November 1948, Chapin came to see you at Esztergom at your request, in the company of Koczak. What did you talk about then? You conferred again for about three quarters of an hour. You discussed...

Mindszenty : I mentioned how strong a campaign there is against me in the press and in other ways. And then we discussed...

President : And what sort of statement did Chapin make? That he too had noticed this?

Mindszenty : ... He had noticed, he had seen it and... he brought up the proposal that... that I should go abroad.

President : And he would help you in this...?

Mindszenty : It seemed that he would not refuse to.

President : Do not give such diplomatic answers, but answer straight. Did he offer that in case you decided to take this step, he would help you, or did he say that he would not help you?

Mindszenty : Is it absolutely necessary that I give an answer?

President : No, you do not have to answer a single question. Court procedure permits your not answering, but perhaps you are taking away from yourself a point of defence, something that is my duty to call to your attention. You are not obliged to answer, if there is any question you do not wish to answer, simply say, "I do not wish to answer this". But at the enquiry before the Prosecutor you did answer this question.

Mindszenty : Yes.

President : Do you wish to answer now?

Mindszenty : Yes.

President : Then please go ahead. Then did he offer to help you to get out of the country?

Mindszenty : He did offer, not that he would get me out, but that he would help me.

President : . . . that he would help in getting you abroad?

Mindszenty : Yes.⁹

9. Black Book, pp. 104-106.

EXTRACTS FROM THE LETTERS OF ZSIGMOND MIHALOVICS¹⁰

In the first days of July¹¹, after the uncovering of his subversive activities in Actio Catholica, Mihalovics fled from Hungary with the consent of Mindszenty, but in secret he remained in regular touch with Mindszenty and Miklós Nagy, Secretary of the Actio Catholica.

Mihalovics gives an exact account of the circumstances of his flight in a nine page letter written to Mindszenty from Rome and tells how the representatives of the American intelligence service received him. "I arrived in Salzburg," he wrote among other things, "on July 12. I immediately visited the office of the CIC. Since I was then living under an alias, the CIC told me not to make any statements and not to show myself." With the help of the Americans Mihalovics arrived in Rome on August 2. Here he immediately established contact with various representatives of the Horthy-reaction, Endre Hlatky, Baron Gábor Apor, Gyula Magyary, and then he wrote the following to Mindszenty: "I am very much interested in the question of informing the foreign countries. One would really have to make a collection of the things happening at home. We must show foreigners that the tactics of Evil are different with us from what they think abroad. How good it would be to gather now the data in proof of the heroism of the Hungarian people. For this a small office should be established where the material could be digested and from where it could be disseminated. Of course, for this, money is needed for translators, postage, etc. But most of all it would be necessary to have the material regularly collected at home. And what is the most important problem — to get this material abroad regularly. I see a great chance for the accomplishment of this important work. I am just starting to build up my connections with the big foreign press agencies. I see also that wherever I talk of Hungarian conditions, I meet with great attention. Now there is a possibility for making excellent use of the news and points of view coming from home. Perhaps these were the thoughts which brought me to the conclusion

10. Documents on the Mindszenty-Case (Yellow Book). Budapest, January 1949.

11. 1948.

that I should not stay here in Europe but go to America. There I could work more freely than on this poor Continent. And there perhaps I could by personal effort raise funds too. In impoverished Europe there is no chance that such a campaign, however useful, would gain financial support.

“That is why I agreed to be taken to the U. S. by the N. C. W. C.¹² I understand that they are dealing with my case in Washington itself and that I can sail in the fall. There they consider using me in the American A. C.¹³ This is why for the present I am satisfied to stay in Rome. Since my personal affairs are to be settled, I can prepare for deciding what to do with the rest of my life. I throw myself into the fight against Communism and I shall take advantage of the interest in my person aroused because of my flight.

... Would it not be too much to beg you to write a letter to Cardinal Spellman, calling his high attention to me. Would Your Eminence please recommend that they should not place me in some department of the N. C. W. C., but that they should support me somehow, leaving me seemingly independent so that I should take the responsibility for everything, and to favour my proposals — in the fight against the greatest menace of our age. I feel that such a letter could easily settle my problems in New York.

If possible, be so gracious as also to give me a letter to the effect that Your Eminence is glad to see the organisation of such information activity, and also that it is Your pleasure that this be managed by me.

Be pleased, Your Grace, to effect measures for starting the collection of data and for getting fresh material to me as soon as possible. Your Eminence anyway receives much information, and that in itself would mean a lot if You could make this material available to me. It would also mean much to me if I could get points of view on how to act and what to stress. I think that by now I am in circumstances which allow me to do worthy service to this cause which I consider very important. Be pleased Your Eminence, to permit me to take the initial steps for the establishment of a permanent information bureau and that for that purpose I should try to obtain material aid in America.”

12. National Catholic Welfare Conference

13. Actio Catholica.

The letter to András Zakar reads : “Dear Bandi, I send you and Ö.¹⁴ my letter by a very safe route. After receiving this letter please answer me in about five days and in your answer give me all the material that I can use well. Be good, put everything into an envelope on which you write only ‘San Francesco’. Then have it sent to M. Nagy¹⁵.

Soon I shall write you again and hope to tell you that there is already a safe route for further exchanges and I shall give you the details.

Please do send all the material you can. I have already established valuable routes and connections; I believe that I can do valuable, useful work. . .

My way up to now was not easy but by now Providence has given security and faith.

In all probability toward the end of October I shall go to America. Ask His Eminence that you may read my lines written to Him. . .”

14. Mindszenty.

15. Miklós Nagy, secretary of Actio Catholica in Hungary.

**THE HUNGARIAN GOVERNMENT PROTESTS TO U. N.
AGAINST UNWARRANTED FOREIGN INTERVENTION
IN THE MINDSZENTY CASE¹⁶**

LETTER OF THE HUNGARIAN GOVERNMENT TO THE PRESIDENT OF THE GENERAL ASSEMBLY OF THE UNITED NATIONS (APRIL 5, 1949)

To the President of the General Assembly of the United Nations.

The people and Government of the Hungarian Republic have been shocked to learn of the motion to have the matter of the trial by court and sentencing, according to law, of József Mindszenty and his accomplices, put on the agenda of the General Assembly of the United Nations. The Hungarian Government wishes to emphasize that this proposal is not only in conflict with the rules of international law but serves purposes directly contradictory to those democratic ideas under whose aegis the United Nations Organisation was founded.

The legal process was started against József Mindszenty not arising from his ecclesiastical dignity or religious activity but from matters punished by severe penalty by the Codes of Law of all the democratic countries of the world and whose prosecution is made the express obligation of the Hungarian Government by the Paris Peace Treaty. In the course of the public trial conducted in accordance with the provisions of Hungarian criminal procedure it was proved beyond any doubt that József Mindszenty and his accomplices not only committed espionage in the service of foreign powers and came into conflict with the Criminal Code through speculation in foreign currencies, but that they set as their aim the overthrow of the Republic, the revival of the rule of the Hapsburg-dynasty, the restoration of the privileges of the great landowners, the exclusion of citizens of Jewish origin from public office and political life. Article 4 of the Peace Treaty, however, obliges the Hungarian Government to prevent the activities of organisations of a fascist character that wish to deprive the people of their democratic rights. The declaration on human rights

16. MTI, April 5, 1949.

adopted by the General Assembly of UN on December 6, 1948, also explicitly states that the defence of human rights does not entitle anyone to indulge in activities directed at destroying human rights (Art. 30). The Hungarian authorities and the Hungarian court in starting proceedings against József Mindszenty and his accomplices therefore had in mind not only the defence of the independent and democratic institutions of the country but also acted in complete compliance with what is laid down in the Peace Treaty and in the Charter of UN.

The inclusion of the prosecution of Mindszenty and his accomplices in the agenda of the General Assembly of the United Nations cannot therefore be justified by referring to a breach of the provisions of the Peace Treaty. In any case the Peace Treaty lays down precisely how any possible conflicts arising in the course of its execution are to be settled, and in particular after March 15 of this year, it gave the Great Powers who are signatories to the Treaty the opportunity to take definite action against any breach of the Treaty. The Powers, however, did not exercise this right, from which it follows that they did not consider there to be a breach of the Peace Treaty in connection with the Mindszenty-case. The Hungarian Government finds it all the more strange that certain among the Governments of the Powers are endeavouring to see that this question, which they themselves avoided raising within their own sphere of competence, should now come before the General Assembly of UN on the proposal of other Governments closely associated with them.

The Hungarian Government states that the majority of UN has so far set itself against accepting Hungary among the members. The case of Hungary, which is not a member state, may therefore according to Section 6 of Article 2 of the Charter of the United Nations only be discussed by the General Assembly, if Hungary, as a result of condemning József Mindszenty, were to endanger international peace and security. The Hungarian Government, however, does not presume that it is possible for any participant in the General Assembly of the United Nations to discover such a danger in connection with the prosecution of Mindszenty and his accomplices.

After the above it is obvious that putting the case of the sentencing of József Mindszenty and his accomplices on the agenda of the General Assembly of the United Nations would be unauthorized intervention in Hungary's domestic affairs. According to the explicit ruling of the Charter of UNO

(Section 7 of Article 2), the United Nations Organisation cannot interfere with matters which essentially belong under the domestic jurisdiction of any state. The application in the course of regular procedure of the Hungarian laws by a regular court against Hungarian citizens who have set up a conspiratorial group directed against the Republic, have spied in the service of foreign powers, and have committed other criminal acts, is a domestic affair of the Hungarian Republic in which neither other powers nor the United Nations Organisation has the right to interfere.

The Hungarian Government is obliged to state that the proposal to put the Mindszenty-case on the agenda of the UN General Assembly is closely connected with the campaign of slander that the enemies of peace and democracy have started against Hungary as an organic part of the preparation of a new war.

This campaign of slander in its deception speaks of the rightful measures, which the Hungarian Republic has taken against a group of reactionary conspirators, spies, and foreign exchange speculators, as a breach of human rights and of the cause of democracy and peace. The Hungarian Government most decidedly protests against the General Assembly of UN taking a deliberately distorted version of the facts as its premise.

Human rights are undoubtedly violated in those countries where members of progressive organisations are persecuted for their political convictions or where there are a whole series of discriminatory and offensive laws and regulations against Negro or other "coloured" citizens, or in others where — as in Greece and in Spain — those who fight for democracy and freedom are shot, hanged, or tortured to death by the dozen. It is a sign of inconsistency and bad faith that the ruling circles of countries, which themselves commit actual and flagrant violations of human rights, do not take exception against these and do not have them put on the agenda of the United Nations, but at the same time brazenly refer to human rights when a young democratic republic applies legal measures of retribution at law against the leaders of an organisation threatening democratic institutions and human rights — irrespective of their lay or ecclesiastical rank. The Hungarian Government is only fulfilling its duty when it arrays before the court people who — as they themselves have publicly confessed — based their criminal activities on the perspective and provocation of a new war.

The Hungarian Government therefore declares that neither legal basis nor any other reason exists why the General Assembly of the United Nations should put the question of the prosecution of József Mindszenty on its agenda. This step was initiated by those in whose service Mindszenty and his accomplices committed their crimes and who wish in this way to hasten to the aid of their accomplices.

On the basis of the aforesaid, the Hungarian Government most decidedly protests against the General Assembly of the United Nations making the prosecution of József Mindszenty the subject of its debate and thus interfering in Hungary's domestic affairs.

NOTE OF THE BUDAPEST LEGATION OF THE
UNITED STATES SLANDERS THE HUNGARIAN GOV-
ERNMENT BY ALLEGING THAT IT VIOLATES HUMAN
RIGHTS

NOTE OF THE U.S. LEGATION IN BUDAPEST TO THE HUN-
GARIAN MINISTRY FOR FOREIGN AFFAIRS (APRIL 2, 1949)

No. 360

The Legation of the United States of America presents its compliments to the Ministry for Foreign Affairs of Hungary and, acting under the instructions of the United States Government, has the honor to refer to Article 2 of the Treaty of Peace with Hungary and to the Hungarian Government's record with respect to the fulfillment of its obligations under that Article to protect human rights and the fundamental freedoms. Article 2 of the Treaty of Peace reads as follows :

"1. Hungary shall take all measures necessary to secure to all persons under Hungarian jurisdiction, without distinction as to race, sex, language or religion, the enjoyment of human rights and of the fundamental freedoms, including freedom of expression, of press and publication, of religious worship, of political opinion and of public meeting.

"2. Hungary further undertakes that the laws in force in Hungary shall not, either in their content or in their application, discriminate or entail any discrimination between persons of Hungarian nationality on the ground of their race, sex, language or religion whether in reference to their persons, property, business, professional or financial interests, status, political or civil rights or any other matter."

Since the entry into force on September 15, 1947 of the Treaty of Peace with Hungary, the United States Government, as a signatory of that instrument, has observed closely developments in Hungary with a view to ascertaining whether the Hungarian Government has been fulfilling its obligations under the Treaty. The United States Government attaches particular importance to the obligations, set forth in the aforementioned Article, which require the Hungarian Government to secure to all persons under Hungarian jurisdiction the enjoy-

ment of human rights and of the fundamental freedoms. On the basis of its observations during the period, the United States Government concludes that the Hungarian Government, although it has had ample opportunity to carry out its commitments in good faith, has deliberately and systematically denied to the Hungarian people, by means of privative measures and oppressive acts, the exercise of the very rights and freedoms which it has pledged to secure to them under Article 2 of the Treaty. The disregard shown by the Hungarian Government for the rights and liberties of persons under its jurisdiction, as illustrated below, has indeed become so notorious as to evoke the condemnation of free peoples everywhere.

The abridgement of rights and freedoms begun by the Hungarian Government in the Armistice period has continued without abatement since the entry into force of the Treaty of Peace. Through arbitrary exercise of police power and perversion of judicial process, the Hungarian Government and its agencies have violated the rights of citizens as free men to life and liberty. Denial of freedom of political opinion is complete in Hungary. Democratic political parties which held substantial mandates from the people have been through the Government's initiative successively purged, silenced in Parliament, fragmentized and dissolved. To enforce rigid political conformity the Hungarian Government and the Communist Party which controls it have established a vast and insidious network of police and other agents to observe, report on, and seek to control the private opinions, associations and activities of its citizens.

The Hungarian Government despite the provisions of the Treaty of Peace has circumscribed freedom of expression. Freedom of press and publication does not exist. Basic decrees pertaining to the press are restrictive in character and are so interpreted in practice. No substantive criticism of the Government or the Communist Party is permitted. Government control of printing establishments and of the distribution of newsprint has been exercised to deny freedom of expression to individuals or groups whose political opinions are at variance with those of the Government. In the field of reporting, absence of formal censorship has not obscured the record of the Hungarian Government in excluding or expelling foreign correspondents who have written dispatches critical of the regime, or intimidating local correspondents into writing only what is acceptable or favorable to the regime.

Freedom of public meeting on political matters has been regularly denied to all except Communist groups and their collaborators. In the case of religious meetings on various occasions attendance at such gatherings has been obstructed and the principals subjected to harassment. The Hungarian Government, moreover, has pursued policies detrimental to freedom of religious worship. It has sought by coercive measures to undermine the influence of the Churches and of religious leaders and to restrict their legitimate functions. By arbitrary and unjustified proceedings against religious leaders on fabricated grounds, as in the cases of Cardinal Mindszenty and Lutheran Bishop Ordass¹⁷, the Hungarian Government has attempted to force the submission of independent Church leaders and to bring about their replacement with collaborators subservient to the Communist Party and its program. Such measures constitute violations of the freedom of religious worship guaranteed by the Treaty of Peace.

The Hungarian Government bears full responsibility not only for acts committed since the effective date of the Treaty of Peace which are in contravention of Article 2, but also for its failure to redress the consequences of acts committed prior to that date which have continued to prejudice the enjoyment of human rights and of the fundamental freedoms. The United States Government, mindful of its responsibilities under the Treaty of Peace, has drawn attention on appropriate occasions on the flagrant conduct of the Hungarian authorities in this regard. The Hungarian Government, however, has failed to modify its conduct in conformity with the stipulations of the Treaty.

In the circumstances, the United States Government, as a signatory of the Treaty of Peace, finds that the Hungarian Government has repeatedly violated the provisions of Article 2 of that Treaty. Inasmuch as the obligation of the Government of Hungary to secure to all persons under Hungarian jurisdiction the enjoyment of human rights and the fundamental freedoms is expressly stipulated in the Treaty, no specious argument that the matters raised in the present Note are purely of a domestic character can be accepted. The United States Government, accordingly, calls upon the Hungarian Government to adopt prompt remedial measures in respect of the violations referred to above and requests the Hungarian Govern-

17. Condemned for foreign exchange offences.

ment to specify the steps which it is prepared to take in implementing fully the terms of Article 2 of the Treaty of Peace.

The Legation of the United States of America avails itself of this opportunity to renew to the Ministry for Foreign Affairs the assurances of its highest esteem and consideration.

NOTE OF REPLY BY THE HUNGARIAN GOVERNMENT
REJECTS THE INTERVENTION BY THE GOVERNMENT
OF THE UNITED STATES IN HUNGARIAN
DOMESTIC AFFAIRS

NOTE OF THE HUNGARIAN MINISTRY FOR FOREIGN AFFAIRS
TO THE U. S. LEGATION IN BUDAPEST (APRIL 8, 1949)

2672/b—1949

The Hungarian Ministry for Foreign Affairs presents its compliments to the Legation of the United States of America and, acknowledging receipt of the Latter's Note No. 360 of April 2, 1949, has the honour to communicate as follows:

The Government of the United States accuses the Government of Hungary of the violation of the Treaty of Peace referring, first of all, to Article 2, Paragraph 1 of the Treaty of Peace which obliges Hungary to secure "to all persons under Hungarian jurisdiction, without distinction as to race, sex, language or religion, the enjoyment of human rights and of the fundamental freedoms." It is well known that concerning the free enjoyment of human rights the Republic of Hungary, well before the conclusion of the Treaty of Peace, abolished all discriminations as to race, sex, language and religion which existed under the Horthy regime. Thus, the Government of Hungary has fully complied with the provisions of the Treaty of Peace. The Government of Hungary wishes to point out that it is the Government of the United States that launches the above reproaches against the Government of Hungary whereas, it is notorious, that in the United States serious discrimination exists between citizens of different race and colour and that by far not every person can equally enjoy human rights.

Furthermore, the Government of the United States refers to Paragraph 2 of Article 2 of the Treaty of Peace, which, among others, obliges Hungary not to discriminate by her laws between Hungarian citizens in reference to "their persons, property, business, professional and financial interests" etc. The Government of Hungary categorically protests such an interpretation of this Article of the Treaty of Peace which

would dispute the legality of the measures taken by this Government by which it has passed the large estates into the hands of the people and declared common property the capitalist monopolies. This kind of interpretation of the Treaty of Peace equals the defence of the medieval latifundia, capitalist monopolies and their owners, who were the principal supporters of fascism in Hungary and at the same time Hitler's most ardent henchmen in the war against the Allied and Associated Powers and thus against the United States of America. Consequently the above interpretation of the Treaty of Peace does not only mean the defence of large estates and capitalist monopolies, but it also means that the Government of the United States wishes to help the adherents of the reactionary and fascist regime who were in power in Hungary and to hamper the successful democratic transformation of the country.

The Government of Hungary calls the attention of the Government of the United States to Article 4 of the Treaty of Peace which explicitly obliges Hungary not only to dissolve the fascist organisations but also not to allow "the existence and activities of organisations of that nature, which have as their aim denial to the people of their democratic rights."

The Government of Hungary points out that it has been and is proceeding in the sense of these provisions of the Treaty of Peace when dissolving the organisations and parties aiming at the restoration of the old fascist regime and when summoning to the Court those who pursue an activity to overthrow the democratic Republic. The protest of the Government of the United States against the measures taken against the fascist and anti-democratic organisations by the Government of Hungary when fulfilling the provisions of the Treaty of Peace, makes it obvious that it does not intend to respect the Treaty of Peace but wishes to extend its support to those reactionary and anti-democratic elements who would like to restore the rule of the large estates and the monopolies in Hungary.

The Government of Hungary states that while the Republic of Hungary has rigorously observed the stipulations of the Treaty of Peace, the Government of the United States repeatedly violated the provisions of the Treaty of Peace with Hungary. One of the military officials of the United States, General L. D. Clay, abrogated by a stroke of the pen Article 30 of the Treaty of Peace, which stipulates that Hungarian property taken to Germany should be restituted. As a result of

this violation of the Treaty of Peace, Hungarian property in the value of several hundred millions of forints got lost in the American Occupation Zone of Germany. Contrary to the stipulations of the Treaty of Peace and other international agreements, the American authorities several times refused the extradition of the Hungarian war criminals applied for by Hungary on the one hand, and on the other they are giving full and official support to the most responsible Hungarian criminals of the fascist war, such as the former regent Miklós Horthy, Colonel-General Ferenc Farkas de Kisbarnak, Lieutenant-General Gusztáv Hennyey, who waged war with fascist methods also against the United States and are still openly professing fascism. The support systematically given by official quarters of the United States in the last years to the conspiratory organisations of reactionary Hungarian politicians is also incompatible with the spirit of the Treaty of Peace. The Hungarian Court established as a fact that the Minister Plenipotentiary of the United States and other United States officials have actively collaborated with reactionary conspiratory organisations aiming at the overthrow of the democratic Republic of Hungary, recognized by the Treaty of Peace, and desirous to restore the old regime brandmarked in the Treaty of Peace.

The Government of Hungary declares once more that Hungary has fulfilled, fulfils and will fulfill all obligations embodied in the Treaty of Peace. At the same time, the Government of Hungary emphatically protests the tendency of the Government of the United States to use the stipulations of the Treaty of Peace as a pretext for illegitimate interference in the domestic affairs of the sovereign Hungarian State and for supporting the reactionary and fascist forces opposed to the Government of Hungary. On the basis of the above exposed arguments the Hungarian Government considers the Note of the United States a new attempt at illegitimate interference in the domestic affairs of this country and a new phase in the campaign of reactionary incitement pursued by the imperialist quarters of the United States in the service of their aims threatening peace and directed against the Hungarian People's Democracy.

For these reasons the Government of Hungary emphatically rejects the Note of the Government of the United States.

VI

LEADING ROLE OF THE USA IN THE CONSPIRACY BY THE RAJK-GANG OF SPIES AND MURDERERS

- No. 1.** The exposure of the American "Operation X". From the article entitled "The Liberation of the East" which appeared in "Die Tat", dated April 26, 1949.
- No. 2.** Extracts from the testimonies of László Rajk and Tibor Szőnyi. (September 19, 1949)

The American imperialist-led Rajk-conspiracy was one of the most important links in the chain of attempts initiated by official circles of the United States for the overthrow of the Hungarian People's Republic and to remove Hungary from the camp of independent countries building Socialism. A precondition to this was to have been the liquidation of the existing democratic order. It was after the exposure and failure of the conspiracy of the reactionary forces led by Ferenc Nagy and later by Mindszenty that the making use of the Rajk-gang of conspiring murderers and spies, planted into responsible positions in the Hungarian Working People's Party and into government agencies, came to the forefront in the plans of the Americans.

The intensification of the activity of Rajk and Co. took place in the spring of 1948, that is at a time when John Foster Dulles made public the existence of the American imperialist plan, called "Operation X", on the organisation of an underground movement led by the USA in the People's Democracies. The essence of this secret plan was reported on the basis of what John Foster Dulles has said in the Western press and thus among other places in the issue of the Swiss paper "Die Tat", dated April 26, 1949.

In May 1949 the Hungarian authorities exposed and put an end to the attempt to apply in practice "Operation X" in Hungary. During the course of the trial which took place in September 1949, it became irrefutably clear from the testimonies delivered by the accused László Rajk and Tibor Szőnyi, in public trial in the presence of the representatives of the foreign press and in broadcast over the radio that Rajk and his accomplices were the agents of the American secret service. The task of the Rajk-gang was mainly to disorganise and split the Hungarian Communist Party, later the Hungarian Working People's Party, to prevent the cooperation of the democratic forces in Hungary and to place various American spies in responsible positions.

Later, through the mediation of Tito, they received an assignment from the American espionage service to organise a conspiracy for the violent overthrow of the Hungarian people's

democratic system, to murder its leaders, and to remove Hungary from the peace-camp by means of a violent coup d'état.

The United States espionage service assigned the American agent Rajk to Rankovich, the ill-famed minister of home affairs of the Tito clique, to whom from this time on he was subordinated. Henceforth, the centre for the organisation and immediate direction of the conspiracy of the Rajk-gang aimed at overthrowing the Hungarian People's Republic was the No. 1 head agency of American imperialism in South-East Europe, the Tito clique.

It is characteristic of the international links of the Rajk gang that in spring 1948, the Budapest Minister of the United States of America Chapin, in a conversation with László Rajk, reaffirmed the promise that Rankovich has made that "when the time for action comes, the United States will try and find something to engage the attention of the Soviet Union, so that the Soviet Union should not be able to interfere when power was being taken over in Hungary". With the exposure of the Rajk-gang of conspirators, the State of the Hungarian People's Democracy not only defended the Hungarian people from sufferings worse than any they had yet endured, similar to those of the Yugoslav people who have been betrayed and enslaved, but furthermore exposed one of the most dangerous conspiracies of the American imperialists against peoples, on an international scale.

THE EXPOSURE OF THE AMERICAN "OPERATION X" —
FROM THE ARTICLE ENTITLED "THE LIBERATION
OF THE EAST" WHICH APPEARED IN "DIE TAT",
DATED APRIL 26, 1949

". . . The theory that the Russian, Polish, Czech, Hungarian and Yugoslav people are basically on the side of the West and desirous of liberation has now become the foundation for practical resolutions of actions in Washington. It is now already a fact that the Americans are actively supporting the Churches and the non-Communist, illegal trade-unionists in all the countries behind the Iron Curtain. The very active anti-Communist "lobby" in Washington in which of course the Eastern emigrés are especially active, today no longer has to preach to deaf ears. Money and arms are smuggled into the totalitarian states to the East by numerous routes. The Iron Curtain (a simile in whose correctitude there has always been doubt) is today more like a net with innumerable larger or smaller loops. Today not only the Communists have their "fifth column". Since John Foster Dulles about a year ago disclosed the beginnings of the underground movement, called "Operation X", which is supported by the West, much has happened in this field. In the first place the West on Communist pattern has tried to infiltrate near the ruling strata, the cadres, the elite of the People's Democracies and this has, it is said, succeeded above expectations . . ."

EXTRACTS FROM THE TESTIMONIES OF LÁSZLÓ RAJK AND TIBOR SZŐNYI¹ (SEPTEMBER, 1949)

FROM THE EXAMINATION OF LÁSZLÓ RAJK

Rajk: (...) immediately upon my return home I was given an important position in the Party, I became the secretary of the Budapest Party organisation. Not long after I had received this assignment from the Party leadership, I was visited by a man named Kovách, who was a member of the American military mission. This was around August-September, 1945. He informed me that he had received a message from Sombor-Schweinitzer², who was in the American Zone, through which he discovered that I had worked for the Horthy-police. Being in possession of this information, Schweinitzer ordered me to place myself at the disposal of the American intelligence service. If I did not carry this out, they would denounce me to the Communist Party leadership. Of course I agreed to do this. Kovach asked for political information about the Hungarian internal political situation. He told me that he did not want to entrust a person like me, holding such an important office, with the job of petty intelligence work, with the duties of an ordinary agent. He wanted me, as one close to leading political circles, to supply information to the organisations of the United States in Budapest on those political questions about which they could not otherwise acquire knowledge from any other source. I informed Kovach — I think Kovách held the rank of Lieutenant-Colonel, as a member of the military mission, — about the internal political situation. My information on the 1945 elections was of special importance to him.

I also informed Kovach that according to the information and estimation of the Communist Party, the various right-wing elements, the followers of the Horthy-Szálasi regime, the Trotskyists, the Weiszhaus group³, the right-wing parties,

1. László Rajk and His Accomplices Before the People's Court. Budapest, 1949. (Blue Book, pp. 45—163)

2. Head of Horthy's political police who to this day is in American service.

3. An anti-party fraction in the service of Horthy's police that had infiltrated into the Communist Party.

such as the Smallholders Party and the right-wing of the Social-Democratic Party, had started a strong organisation in Hungary, trying to place nationalist, chauvinist and anti-Soviet elements hostile to the People's Democracy, everywhere in the factories, institutions, offices. Lieutenant-Colonel Kovach told me that he knew of this, for it did not happen without the knowledge of the United States, but on the contrary, — with the necessary transmission apparatus — under the leadership and direction of the United States, because their chief endeavour in Hungary was to liquidate the left-wing revolutionary socialist elements and to establish a right-wing regime. Therefore my task was to inform him about everything that the Communist Party planned in order to liquidate these elements, and through my office in the Party to help these elements to carry on the political activities I have mentioned with the least possible hindrance.

Lieutenant-Colonel Kovach, one of the members of the United States Military Mission in Budapest, at the end of 1945 or the beginning of 1946 — I don't remember clearly anymore — connected me with Martin Himmler⁴.

Himmler's conception was — and probably it was not his own individual conception but a part of the general policy of the United States — that if we could at least make it a matter of general knowledge through propaganda that there was no unity within the Communist Party but that under my leadership there was a strong anti-Soviet and pro-American nationalist fraction, this would in itself cause such disorientation and confusion in the camp of the left-wing forces, as would make it more easily possible for the right-wing forces to get the upper hand.

At the same time Martin Himmler told me that in all probability this would be my last talk with him and with the representatives of the American intelligence agencies in general, for they would hand over their whole network to the Yugo-

4. An American officer of Hungarian origin, an agent of the CIC.

slavs, and in the future I would get instructions for further work through Yugoslav channels.

(. . .) On the American side I had one other connection; this was my secret connection with American Minister Chapin, which was of an irregular nature, occurring only from time to time.

Martin Himmler, when I talked with him at the end of 1946, also told me that taking advantage of my influence as Minister of Home Affairs — for at that time I was already Minister of Home Affairs — I should endeavour to place in key positions people who were in their eyes reliable, that is people following the policy of the Americans, or people who were attached to American intelligence agencies; to place them not only in the Ministry of Home Affairs, but taking advantage of the office I held in the Hungarian Communist Party as well as the post I filled in the government, to place such elements in other parts of the Government machinery, too. . . . In addition, Lieutenant-Colonel Kovách attached to me as early as the beginning of 1946 Tibor Szőnyi⁵, who was active in their organisation.

There was a close connection between the Yugoslav leading circles, the government circles, Tito, Rankovich and others, and the American intelligence agencies — of that I convinced myself from the fact that in 1945 the Americans sent a vast majority of their own men home to Hungary, all through Yugoslavia. And they did this in such a way that it was also known to the Yugoslavs that these persons were American agents. So, for instance, Tibor Szőnyi and his companions, this Trotskyist group from Switzerland which consisted entirely of persons in the organisations of the Americans, came home through Yugoslavia.

I should mention that of all the facts the most decisive and most obvious one, which proved to me the connections of the leading Yugoslav statesmen, Prime Minister Tito and Minister of Home Affairs Rankovich with the Americans, was my talk, my meeting with Rankovich in the summer of 1947 when I spent my holidays in Yugoslavia, in Abbazia.

5. An accomplice of Rajk and second accused in the trial. An American agent who having infiltrated into the Communist Party reached a high position.

Summing up the political parts of what Rankovich told me there I can tell you the following: We have to strive to overthrow the people's democratic regimes of the people's democratic countries which came into being after the Liberation, to prevent their socialist development, partly to win over the democratic revolutionary forces, to separate them from the side of the Soviet Union and partly, where there is no other way, to annihilate them. Instead of the people's democratic regimes in all these countries, that is, in the People's Democracies, bourgeois democratic regimes must be set up; that is, instead of development towards socialism, capitalism must be restored. These bourgeois democratic governments would turn towards the United States instead of towards the Soviet Union and in such a way that rallying around Yugoslavia, or rather Tito, they would form a federation under the leadership of the Yugoslav government, a federation which would rely on the United States. This federation would at the same time form a military block on the side of the United States and against the Soviet Union.

The President: After the Kelebia meeting⁶ did you talk about this with any American officials?

Rajk: Yes. This happened in the spring of 1948. I talked with Mr. Chapin, the Budapest Minister of the United States. I informed him that I had had talks of this kind with Rankovich and that at these Rankovich had emphasised that when the time came for action, the United States would try to time something for them to tie down the Soviet Union and so to prevent the Soviet Union from interfering in the seizure of power in Hungary.

Chapin hesitated a little whether to make a statement before me or not — later he did, and said that he knew of this plan and that the United States would not put any obstacles in the way of carrying out Yugoslavia's policy. This, at any rate, made it obvious for me that it was not simply out of personal vanity that Tito wanted to be the leader of several countries at the head of a confederation, but that Tito had submitted his finished plan to the Americans, that they had approved it or perhaps they had even worked it out together, and Tito's government was simply carrying this out.

6. The secret conversation between László Rajk and Alexander Rankovich in the village Kelebia, on the Hungarian—Yugoslav frontier

. . . there was also unity of policy between Tito, the United States, Britain, and the great Western powers in general and the Vatican to overthrow the power of democratic governments of the people's democratic countries. Apart from this, said Rankovich, he stressed in any case the basis of Tito's message, that the most important thing in the overthrow of government power was armed strength. I should here not only count on the Hungarian armed forces which exist in Hungary, I should before all else count on Tito who, departing from the Kelebia plan, was ready to put at my disposal significant Yugoslav units immediately at the beginning of the overthrow of government power. In this connection Rankovich told me the following in Tito's name: suitable people will be chosen and various units will be formed, which they will station at the Hungarian-Yugoslav frontier. So that their use should not cause a stir in Hungary, they are trying to compose these units of Yugoslav Hungarians and they will cross the Hungarian frontier in Hungarian army uniforms.

In addition to this armed force, Prime Minister Tito also took other armed forces into consideration when working out his plan, notably the former Horthyist and Szálasiist military police and gendarmeric fascist units in the West, in the Anglo-American zone. In connection with this he told me that at the time when he talked to me, measures had already been taken by them, that is by Prime Minister Tito and Minister of Home Affairs Rankovich, to get in touch with the commanders of these units. As Hungary is separated from these zones along the Austrian frontier by a border line which is a Soviet zone, these units would come back to Hungary from Austria through Yugoslavia and whatever happens, these forces would already be at my disposal at the time when the putsch was to be carried out.

FROM THE EXAMINATION OF DR. TIBOR SZŐNYI

Szőnyi : (. . .) I came into contact with the American secret service in Switzerland in the autumn of 1944. During the war, from the end of 1938, I resided in Switzerland as a political emigré. During the war, political emigrés from almost every Central and East-European state, among them left-wing, Communist

groups, were staying in great numbers in Switzerland. Among the left-wing political emigrés the intelligence organs of Great Britain, and especially of the United States of America were doing very active work as far back as the first year of the war. During the war, the American military strategic intelligence, the so-called Office of Strategic Services, had its European centre in Switzerland. Its head was Allan Dulles, as representative in Europe. Officially, Allan Dulles was assigned to the American Legation in Bern. Actually he was the European head of the OSS. In the summer of 1944, towards the end of the war, in its last year it had become obvious that a part of the East-European and Central-European countries would be liberated by the Soviet troops. At that time, the American intelligence service, under the leadership of Allan Dulles, began to concentrate on the task of bringing into its organisation spies from the political emigrés there, especially from the left-wing, Communist groups. The purpose of this was to infiltrate these people into the territories liberated by the Soviet troops, to carry out underground activity against the Communist Parties there. It was in the course of this activity that I came into contact with the American spy organisation. The chief helpmate and closest collaborator of Allan Dulles in his work of organising spies from among the political emigrés was Noel H. Field, who was officially the head of an American relief organisation in Switzerland, of the Unitarian relief organisation, called the Unitarian Service Committee. In reality, he was a direct collaborator of Dulles in the spy organisation. His duty as head of the relief organisation was to extend financial help and assistance to the political emigrés, and through this to establish connections and friendship with them and do organisation work for the American spy ring. Further helpers and direct collaborators of Allan Dulles in this work were the Yugoslav spies. In fact, Miša Lompar, who was then in Zürich officially as the head of the Yugoslav emigré group, was, however, in reality even then an American spy and direct collaborator of Dulles.

Later Miša Lompar became Consul General in Zürich, a diplomat by profession. An assistant of Dulles was the Yugoslav spy Latinovich, who worked first in Switzerland, in Geneva, and later became Consul General in France, in Marseilles.

I was the leader of a Hungarian political emigré group which was formed at the end of 1942 or at the beginning of 1943, under the name of the Swiss Group of the Hungarian Independence Front. This group consisted of students, intellec-

tuals, and politically vacillating elements whom I educated in 1944 in a chauvinistic and pro-American spirit under Miša Lompar's influence, as a result of his organising activities... My group came to the conclusion that after the war we had to take a position in Hungary within the Communist Party, and in general we would have to represent such a political line as would make Hungary range herself on the side of the United States. Lompar proposed to me in September 1944 that I should enter into direct contact with OSS leader Allan Dulles. Lompar and Field were active in this sense not only with the Hungarian political emigré group, but with other political emigré groups too... At the end of September 1944, my first personal meeting with Allan Dulles took place in Berne. I met Dulles regularly until my return home in January 1945. My formal enrollment into the American spy organisation took place at the end of November 1944, in Berne. At this meeting Dulles explained to me at length his political conception for the period after the war and told me that the Communist parties would obviously become government parties in a whole series of Eastern-European countries which would be liberated by Soviet troops. So support for an American orientation and the American collaboration policy should be carried on first of all within the Communist Party. He asked me about my chances of infiltrating into the Communist Party in Hungary. When I had given him adequate information about that, he set me certain tasks. At this meeting at the end of November 1944, despite there being no difference of opinion between us in the question of the common activities and though I entirely identified myself with the point of view he explained to me, Dulles showed me, as a means of terrorising me, the receipt I had signed on a previous occasion for Noel H. Field, the leader of the relief organisation I mentioned before, for a subsidy I had received. I saw this receipt in Dulles' hand in November 1944. Later I met Dulles more than once. I agreed with him that after our return home we would remain in contact with each other, and I would use in this contact the cover-name "Péter" and he the cover-name "Wagner".

Dulles gave orders at the end of November 1944 to prepare together with my group to return home, and that he himself would organise the transference of the group to Hungary. However, only part of the group started on this journey.

Immediately after my discussion with Dulles I turned to Mihajlo Lompar who supplied us — the group of six — with forged papers for the journey. These documents showed us to be Yugoslav officers going to Yugoslavia as a Yugoslav officers' delegation. In addition Miša Lompar gave us a confidential letter to the home affairs authorities in Belgrade which said that we were travelling to Hungary as agents of the American secret service and asked them to assist us in our journey from Belgrade onwards. On Dulles' instructions Field had previously authorised 4,000 Swiss francs for the travelling expenses of the group and he organised the illegal crossing of the Swiss-French frontier.

When in 1944, at the end of November and then in December, I had my last two talks with Allan Dulles, the head of the OSS in Berne, then he first of all gave me definite instructions on the tasks which would await us on our return to Hungary and afterwards. At the same time he told me the channels for forwarding intelligence.

In Hungary I was helped by Colonel Obrad Cicmil, the head of the Yugoslav Military Mission and a member of the Allied Control Commission, with whom András Kálmán, a member of my group, was in direct contact here in Budapest.

After we had got home we carried out together the assignments I got at my two last meetings in Berne from Allan Dulles, the European head of the OSS. First of all, of course, we concealed the fact that we had connections with the American secret organisations and thus I was able through deceit to get into a very significant job right at the beginning — a position in the Hungarian Communist Party. I then used this position to place the rest of the members of my group, through my recommendations, partly in the Party, partly in other state or economic posts, in influential, important positions.

I contacted Rajk at the end of November 1946.

In May 1949, about two weeks before my arrest, during the conversation at the Party rest-home which I mentioned before,

Rajk gave me exhaustive information about the detailed, practical plan for the putsch. He told me among other things — and this he settled with Yugoslav Minister of Home Affairs Rankovich — that the physical destruction of leading Hungarian statesmen, namely of Ministers Rákosi, Farkas and Geró was planned.

Rankovich promised to help in the execution of the terroristic acts against Hungarian statesmen which I have already mentioned.

In addition to this armed help, foreign support from other directions too was promised for the carrying out of the putsch. Namely that Hungary would get economic and financial aid from the USA after the putsch had been carried out. Further — and Rajk told me this as far back as 1948 — it was promised to him that if the putsch succeeded and Rajk became Prime Minister, the USA would support Hungary's admission to the United Nations.

The President : What essential changes did you intend in the foreign and domestic policy of Hungary if the plot succeeded?

Szönyi : The first thing was the establishment of a new government. It was also planned that the political structure of the country should be changed in the way Rajk had discussed with the leading Yugoslav politicians, with the Yugoslav domestic political situation as a model. That is, a change in which the role of the parties, first of all that of the Hungarian Working People's Party, would have been pushed into the background and in its place a People's Front on a broader basis would be established as an organisation to direct the political life of the country.

(...) The same slow and gradual changes were intended in foreign affairs. We wanted also to carry out slowly, step by step, the aim of turning Hungary from the friendly side of the Soviet Union and the People's Democracies to the side of the USA. This was necessary because we knew very well that there was powerful sympathy for the Soviet Union within the ranks of the Hungarian working people and at the same time sympathy for America was entirely or in great measure lacking. Thus such a change could have been realised only slowly, gradually.

VII

THE UNWARRANTED INTERVENTION OF THE UNITED STATES GOVERNMENT ON THE NATIONALISATION OF CERTAIN ENTERPRISES

- No. 1. The United States Government casts doubt upon the legality of the measures on nationalisation. (March 3, 1950)**
- No. 2. The Hungarian Government in its reply exposes and rejects the unfounded interference by the United States Government. (March 20, 1950)**

Apart from organising espionage and diversionist activities, paralysing production of enterprises which were United States property, and directing acts of economic sabotage, the Government of the United States also tried to hinder the peaceful development of the Hungarian People's Republic by presenting the decrees of the Government on the nationalisation of certain enterprises as unlawful and in violation of the sovereign rights of the Hungarian People's Republic demanding that they be changed. It also demanded that the Government of the Hungarian People's Republic secure special rights for American capitalists. Thus the Government of the United States declared that the Edict of December 28, 1949, which provided for the nationalisation of certain Hungarian industrial and transport enterprises and provided for the compensation of the owners, was contrary to international law, and they alleged that the owners of the nationalised enterprises were not in a position to avail themselves of their rights. The Government of the United States, despite the fact that the American owners had an opportunity provided by law for reaching agreement by negotiation, as indeed agreement was reached with the interested owners of several other countries (Switzerland, Sweden), nevertheless, adopted a threatening attitude towards the Hungarian Government.

**THE UNITED STATES GOVERNMENT CASTS DOUBT
UPON THE LEGALITY OF THE MEASURES ON NATION-
ALISATION**

**NOTE OF THE U. S. LEGATION IN BUDAPEST TO THE HUN-
GARIAN MINISTRY FOR FOREIGN AFFAIRS (MARCH 3, 1950)**

No. 61

The Legation of the United States of America presents its compliments to the Ministry for Foreign Affairs of the Government of Hungary and upon the instructions of the Government of the United States has the honor to transmit the following :

The Government of the United States has noted edict No. 20/1949 issued by the Praesidium of the People's Republic of Hungary on December 28, 1949, which pertains to the nationalization of certain industry and transport organizations in Hungary. The Government of the United States has noted that whereas the edict makes reference to compensation for property taken from its owners, it fails to make adequate provision for such compensation, fails to specify the basis on which the amount of such compensation is to be fixed, and fails to make provision for recourse by the owners to courts of law in appealing the decisions of the Ministries. The Government of the United States has also noted that the interests of the Government of the USSR have been effectively exempted from nationalization under the provisions of the edict. This discrimination is in clear violation of the Treaty of Friendship, Commerce and Consular Rights of 1926.

The Government of the United States is aware that the present conditions in Hungary make it impossible in a practical sense for an American citizen to exercise local remedies under Hungarian laws and before Hungarian courts. In a political situation where an American citizen cannot freely obtain the

services of a Hungarian attorney of his choice effectively to assert his rights, where the laws and authorities are openly hostile to American interests, any remedies which may appear available under Hungarian laws are in fact illusory and non-existent and warrant the Government of the United States under the established principles of international law and practice in intervening diplomatically on behalf of its nationals to obtain compensation for their properties without their having to exhaust illusory remedies ostensibly available to them.

Accordingly, the Government of the United States hereby notifies the Government of Hungary that the Government of the United States reserves all rights on its own behalf and on behalf of its nationals under international law, under the Treaty of Friendship, Commerce and Consular Rights concluded between the two countries in 1926, and under the Treaty of Peace with Hungary. The Government of the United States moreover informs the Government of Hungary that it holds the Government of Hungary wholly responsible for the payment of adequate and effective compensation for the property rights of American nationals affected by the present edict as well as by previous laws and decrees.

To this end the Government of the United States herewith espouses the claims of American nationals arising from the exercise of the present edict as well as from previous laws and decrees and accordingly invites the Government of Hungary to enter into negotiations for the prompt settlement of its obligations.

The Legation of the United States avails itself of this opportunity to renew to the Ministry for Foreign Affairs the assurance of its high consideration.

THE HUNGARIAN GOVERNMENT IN ITS REPLY
EXPOSES AND REJECTS THE UNFOUNDED INTER-
FERENCE BY THE UNITED STATES GOVERNMENT

NOTE OF REPLY OF THE HUNGARIAN MINISTRY
FOR FOREIGN AFFAIRS TO THE U.S. LEGATION IN
BUDAPEST (MARCH 20, 1950)

03049/1950

The Hungarian Ministry for Foreign Affairs presents its compliments to the Legation of the United States of America and in reply to Its Note No. 61 of March 3, 1950, has the honour to communicate as follows :

The Hungarian Ministry for Foreign Affairs wishes to make it clear that the Edict No. 20/1949 of December 28, 1949, pertaining to the nationalisation of enterprises, is by no means in contradiction with international law or with the regulations of the Peace Treaty. The Hungarian People's Republic as a sovereign state has the indisputable right to decide the question of nationalisation and to determine the ways and means of the compensation to be paid for the nationalised enterprises. The allegation of the United States Government, according to which the above mentioned Edict contains regulations of a discriminative character, is incorrect. In fact the Edict exempts from nationalisation such properties which under the provision of international treaties concluded since the signature of the Armistice Agreement became foreign property : consequently no discrimination exists which would foresee exceptional treatment in favour or to the detriment of certain states.

The Hungarian Government categorically refutes the allegations of the United States' Note, wholly lacking any factual basis stating that American citizens cannot exercise the necessary remedies in Hungary in defence of their interests.

The Hungarian Ministry for Foreign Affairs calls the attention of the Government of the United States to Art. 12 of the Edict on nationalisation according to which "nationalisation takes place against compensation. Compensation will be provided for by further regulations".

As to the compensation of nationalised American properties,

the Hungarian Government has never barred the way of entering into negotiations. As a matter of fact such negotiations with other countries are at present under way.

The Hungarian Government, however, in expressing its readiness to enter into negotiations on compensation cannot fail at the same time to point out the claims of the Hungarian People's Republic against the Government of the United States. The Hungarian Government particularly wishes to call the attention of the United States Government to its obligation under Art. 30 of the Peace Treaty, by virtue of which it has to restitute to Hungary her property carried West by the German fascists. The United States Government, on April 15, 1948, expelled without any legal ground the Hungarian Restitution Mission in Karlsruhe. It has not only been barring restitutions since, but also promotes the "selling" to the local German population of the Hungarian properties legally due to Hungary and often even their handing over to fascist Hungarian war criminals. The Hungarian Government has repeatedly protested — without any result — against such action violating the provisions of the Peace Treaty and causing considerable damage to the Hungarian people's economy. The Hungarian Government wishes to put on the order of the day the discussion of damages suffered in consequence of this unlawful action at the same time when the American compensation claims will be put up for discussion.

Finally, the Hungarian Government feels necessary to invite the attention of the United States Government to the circumstance that the effective settlement of the claims put up for compensation of nationalised United States properties presupposes the existence of commercial relations between the two countries. It is understood that in the absence of such relations Hungary is unable to afford dollar payments.¹

The Hungarian Ministry for Foreign Affairs avails itself of this opportunity to renew to the Legation of the United States the assurance of its high consideration.

1. See Chapter X.

VIII

THE ESPIONAGE AND SABOTAGE ACTIVITY OF AMERICAN AGENTS (THE VOGELER-CASE)

- No. 1.** The Budapest Minister of the United States in a Note worded in a threatening way endeavours to prevent the trial by Court of Vogeler and his fellow-spies. (December 20, 1949)
- No. 2.** Note of Reply by the Hungarian Government rejects the threats of the United States. (December 24, 1949)
- No. 3.** The Budapest Minister of the United States announces the unlawful measures taken in connection with the Vogeler-case. (January 3, 1950)
- No. 4.** Note of the Hungarian Government exposes the blackmailing manoeuvre of the United States in the Vogeler-case. (January 7, 1950)
- No. 5.** Extracts from the testimonies of the accused Robert Vogeler and Imre Geiger delivered before the Court. (White Book) (February 1950)
- No. 6.** The Hungarian Government in a Note calls upon the Government of the United States to reduce the unjustifiably large number of the staff of its Budapest Legation and to consider the recall of the officials who had been gravely compromised in the Vogeler-case. (February 23, 1950)

- No. 7. Note of Reply of the United States Legation in Budapest to the Note of the Hungarian Government, dated February 23, 1950. (March 4, 1950)**
- No. 8. The Hungarian Government expels the American diplomats compromised in the Vogeler trial. (March 10, 1950)**

After the failure of the Mindszenty conspiracy and simultaneously with the espionage activity of the Rajk-gang, the United States secret service organised sabotage activities in Hungary under the leadership of Colonel Robert Vogeler, aimed at paralysing the economy of the country. The Hungarian authorities exposed this latest economic sabotage and widespread espionage organisation in November 1949.

Vogeler and his associates, agents of the United States and British secret services, received instructions from the United States chiefs-of-staff on the one hand to organise economic sabotage in enterprises in Hungary with American interests, and on the other through using their contacts to engage in regular espionage on behalf of the United States military organs. By means of their activity they succeeded for some time in reducing production by the Budapest Standard Electric Co. — similarly to the activities they indulged in in the MAORT-case — thus causing damage to the country's construction and foreign trade. Vogeler's work was aided by that of his British accomplice, Sanders, and by the Hungarian agents he had recruited.

Vogeler's arrest by the Hungarian authorities led to a campaign of slander and threats of the rudest sort conducted against Hungary by the Government of the United States and its propaganda organs. The United States Government, together with the British Government, did not balk at any type of threat in its attempts to terrorise the Hungarian Government and prevent the trial taking place in the case of Vogeler and associates. In the time beginning from November 22, 1949, and the start of the trial on February 23, 1950, the United States Legation in Budapest intervened on behalf of Vogeler by means of 14 personal calls, 9 inquiries by telephone and 10 notes and memoranda addressed to the Hungarian Ministry for Foreign Affairs. The United States press and radio, and Secretary of State Acheson himself, tried by means of crude threats and blackmail to force the Hungarian Government not to call Vogeler to account for his crimes. The Hungarian Government in its notes and statements of views rejected unauthorised American intervention and exposed the

aggressive activity of the United States towards Hungary, an outstanding example of which was Vogeler's espionage and sabotage activity.

The Court of the Hungarian People's Republic sentenced the Hungarian accused Geiger and Radó to death, Vogeler to 15 years, Sanders to 13 years, and the other Hungarian accused to various terms of imprisonment. The American press and propaganda used the sentence on the spy and saboteur Vogeler, in whose interest statements were made by high-ranking personalities in the United States, in order to indulge in further anti-Hungarian steps. The Hungarian Government, however, exposed the true purpose of this campaign of slander and pointed out that it was the United States Legation in Budapest that had been the directing centre of these subversive activities. Acting on the conclusions drawn from the trial, the Hungarian Government called upon the United States Government to reduce the unjustifiably large personnel of the United States Legation in Budapest, which served exclusively the purposes of espionage and sabotage activity against Hungary. The Hungarian Government moreover demanded that those United States diplomats who had been gravely compromised in Vogeler's sabotage activity be recalled.

The United States Government was compelled to comply with the demand of the Hungarian Government.

No. 1

THE BUDAPEST MINISTER OF THE UNITED STATES
IN A NOTE WORDED IN A THREATENING WAY
ENDEAVOURS TO PREVENT THE TRIAL BY COURT
OF VOGELER AND HIS FELLOW-SPIES

NOTE OF THE U.S. MINISTER IN BUDAPEST TO THE
HUNGARIAN MINISTER FOR FOREIGN AFFAIRS
(DECEMBER 20, 1949)

No. 735

Excellency :

I have the honor to state that I have been directed by my Government to communicate to you the following :

I.

The Government of the United States, views with the deepest concern and dissatisfaction the attitude and conduct of the Government of Hungary in the case of Mr. Robert A. Vogeler, an American citizen, and protests the action of the Hungarian authorities in subjecting him to secret arrest and indefinite detention incommunicado. In order that there may be no misunderstanding on the part of the Hungarian Government regarding the importance which my Government in the attendant circumstances attaches to this case, I am authorized to set forth its position in the most emphatic terms and to point out that the absence of a satisfactory settlement of the matter must inevitably affect other aspects of United States-Hungarian relations.

II.

As you are aware, Mr. Vogeler, who is an assistant Vice-President of the International Telephone and Telegraph Cor-

poration and who as the special representative in Central Europe of that Corporation had been engaged for some weeks in negotiating with the Hungarian Government a proposed agreement relating to the operation of International Telephone and Telegraph manufacturing properties in Hungary, was arrested secretly by the Hungarian Security Police on November 18, 1949, at an undisclosed place in Hungarian territory while travelling by private automobile from Budapest to Vienna. On November 19, having been notified by Mrs. Vogeler in Vienna that her husband had not arrived there as expected, I called personally at the Ministry for Foreign Affairs to inform you of Mr. Vogeler's unexplained disappearance and after expressing my serious concern requested that the Hungarian authorities make a prompt and energetic investigation of his whereabouts. You replied that you had no information but that you would investigate the matter at once and advise me of the results as soon as possible. In response to further inquiries by the Legation, the Ministry for Foreign Affairs stated on November 20, that it still had no information on the matter and on November 21, that the police had reported that they had no knowledge of Mr. Vogeler's whereabouts.

On November 22, when I again personally called on you, I reiterated my Government's grave concern over the unexplained disappearance of Mr. Vogeler and expressed dissatisfaction with the statement of Hungarian Police Authorities, reported by the Ministry for Foreign Affairs, that they had no knowledge of Mr. Vogeler's whereabouts. I further stated that since all circumstances pointed to Mr. Vogeler's detention, I must insist upon the right of American Consular Officers to visit him in order that they might satisfy themselves as to his welfare and protection of his right to competent legal counsel of his own choice in defense against any charges placed against him. At this point you stated that you were able to inform me that Mr. Vogeler had been arrested on November 18, by the Security Police; that you did not know where his arrest occurred; and that the police had evidence, including a "confession" by Mr. Vogeler, confirming that he had engaged in espionage and sabotage and was implicated in the attempted escape of a Hungarian citizen from Hungary. I expressed my confidence that Mr. Vogeler was innocent of these charges and again requested an immediate opportunity for American Consular Officers to visit him. While disclaiming authority in the matter, you replied that you would take

up my request with the competent authorities and would inform me in the matter as soon as possible.

Since November 22, the Legation has been in touch with the Ministry for Foreign Affairs by telephone once or twice daily, and on two further occasions, November 29 and December 14, respectively, I personally called on Undersecretary Berei and yourself to renew my longstanding request for an explanation of the charges against Mr. Vogeler and an opportunity for American Consular Officers to visit him. As you are well aware, the Hungarian Government has neither taken any action nor made any satisfactory response to these repeated representations. It is also pertinent to recall in this connection that having sought for many days an interview with Deputy Prime Minister Rákosi and subsequently, on December 1, having received assurances from the Ministry for Foreign Affairs that an appointment with Mr. Rákosi would be arranged during the week of December 4, I was eventually informed on December 12, that he was on vacation and would not return for several weeks.

This is the record of inaction, evasions, and bad faith on the part of the Hungarian authorities in the case of Mr. Vogeler.

III.

The foregoing conduct of the Hungarian Government has served only to confirm my Government in the conclusion that the charges which have been made against Mr. Vogeler are wholly false and that the Hungarian Government is motivated by ulterior purposes in this affair. Mr. Vogeler has already been held incommunicado for a period of over a month, without access to American Consular Officers, and there has been no indication from the Hungarian authorities when his detention under these conditions will be terminated. The secretive proceedings of the police in the circumstances can only raise doubt as to the treatment which Mr. Vogeler has received during his detention. Such treatment must be considered according to prevailing concept of justice in civilized countries as arbitrary and inhumane, and as a clear denial of justice. It is the considered view of my Government therefore that the Hungarian Government by its unjust procedure in the case of Mr. Vogeler has acted in derogation of basic human rights as these are embodied in the principles of international practice, in Articles 8—12 of the Universal Declaration of

Human Rights approved by the UNGA, in civilized codes, and in the obligations laid specifically upon Hungary in Article 2 of the Treaty of Peace. The treatment of Mr. Vogeler by the Hungarian Government is also clearly contrary to the spirit and letter of the Treaty of Friendship, Commerce and Consular Rights between the United States and Hungary, proclaimed October 4, 1926¹, which provides that United States nationals shall receive within Hungarian territory "the most constant protection and security for their persons and property, and shall enjoy in this respect that degree of protection that is required by international law". Moreover, the refusal of the Hungarian Government to permit American Consular Officers' prompt access to Mr. Vogeler is likewise contrary to the above-mentioned Treaty and in disregard of general international practice with respect to Consular rights.

IV.

The Government of the United States calls upon the Hungarian Government promptly to release Mr. Vogeler and to permit his immediate departure from Hungary. My Government, moreover, reserves all rights to claim damages on its own behalf and on behalf of Mr. Vogeler for any injuries resulting from the action of the Hungarian Government or its nationals in connection with his arrest and detention.

V.

The Government of the United States is concerned not only with the case of Mr. Vogeler as an American citizen whose treatment at the hands of the Hungarian authorities must be considered offensive to those concepts of justice which prevail among all civilized peoples ; it is also concerned, as a signatory of the Treaty of Peace with Hungary, with the state of affairs in Hungary which is exemplified by the unjust procedures used against him. Thus the Hungarian Government, while continuing its systematic denial of fundamental human rights and freedoms to its own citizens, is also depriving persons of other nationality within Hungary of those same rights and freedoms.

In these circumstances, my Government has given careful consideration to the question whether American citizens

1. The American - Hungarian Treaty of Friendship, Trade and Consular Rights, concluded in Washington on June 24, 1925.

are any longer free to transact normal business, or to visit in Hungary without suffering surveillance, arbitrary arrest, and other intolerable molestations at the hands of the Hungarian police authorities and other infringements of their rights. The conduct of the Hungarian Government over a considerable period of time, and specifically in the present case, compels the conclusion that such freedom is presently denied to Americans in Hungary. The United States Government accordingly is taking immediate steps to prohibit travel by private American citizens to Hungary until further notice.

The Government of the United States is giving urgent consideration to such further measures as may be appropriate in the absence of prompt action by the Hungarian Government to resolve the case of Mr. Vogeler on a satisfactory basis.

Accept, Excellency, the renewed assurance of my highest consideration.

**NOTE OF REPLY BY THE HUNGARIAN GOVERNMENT
REJECTS THE THREATS OF THE UNITED STATES**

**NOTE OF THE HUNGARIAN MINISTRY FOR FOREIGN AFFAIRS
TO THE U.S. LEGATION IN BUDAPEST (DECEMBER 24, 1949)**

14075/1949

The Hungarian Ministry for Foreign Affairs has the honor to acknowledge receipt of the Note No. 735 of the United States Government of December 20, 1949, and by order of the Hungarian Government requests the Legation of the United States to communicate to Its Government as follows:

In Its above-mentioned Note the Government of the United States under the pretext of defence of "fundamental human rights" and "concepts of justice which prevail among all civilized peoples" in fact intervened in favour of the protection of and the assistance to an American citizen who made use of his business activity and of his economic and social position he enjoyed in Hungary to carry out subversive work against the Hungarian People's Republic and to commit acts of espionage and sabotage.

The Hungarian Government has to point out that during the recent months it has become undoubtedly evident on several occasions that United States enterprises and individuals systematically abusing their business relations and economic privileges assured to them by the Hungarian State have displayed an activity of espionage and committed economic and political crimes against the interests of the Hungarian State, violating Hungarian penal law. The Hungarian Government categorically declares that such individuals as displaying activity against the democratic system of the People's Republic of Hungary and against the Hungarian people, that is to say spies, wreckers and saboteurs, should they be citizens of any country, can in no circumstances be assured free activity and impunity by the Hungarian Government on its territory.

The Government of the United States refers in Its Note to the Treaty of Friendship, Commerce and Consular Rights between Hungary and the United States proclaimed in 1926, in the terms of which United States nationals shall receive

within Hungarian territory protection and security required by international law. This Treaty has always been observed by the Government of the Hungarian People's Republic whose intention is to continue to observe it regarding United States citizens staying in Hungary and indeed displaying economic, cultural and other peaceful and lawful activities. But neither the Treaty of 1926 between Hungary and the United States nor international law in general contain any dispositions or regulations which would oblige the Government of the Hungarian People's Republic to secure in its own country personal freedom and impunity to spies, saboteurs and enemy agents or which would empower the United States Consul to claim special rights in connection with United States citizens arrested for such crimes.

In Its aforesaid Note the United States Government under the guise of well-sounding phrases on human rights and concepts of justice prevailing among civilized peoples, claims not only the release of an individual arrested for espionage but, moreover, puts in a claim both on behalf of the arrested person and of the United States Government because the Hungarian authorities have disclosed the espionage affair on the American-owned enterprise Standard and rendered the criminals harmless.

The Government of the Hungarian People's Republic points out with astonishment and indignation that the Government of the United States wishes to stress its desires exposed in Its Note by trying to resort to threat against Hungary in a way most unusual between States maintaining normal diplomatic relations with each other and roughly offending the sovereignty of the Hungarian People's Republic.

The Government of the Hungarian People's Republic most emphatically refutes these threats, and refutes as a whole the Note No. 735 of the Government of the United States of December 20, 1949, as a repeated rude attempt to interfere with the interior affairs of the Hungarian People's Republic.

The Hungarian Ministry for Foreign Affairs avails itself of this opportunity to renew to the Legation of the United States the assurances of its high consideration.

THE BUDAPEST MINISTER OF THE UNITED STATES
ANNOUNCES THE UNLAWFUL MEASURES TAKEN IN
CONNECTION WITH THE VOGELER-CASE

NOTE OF THE U.S. MINISTER IN BUDAPEST
TO THE HUNGARIAN MINISTER OF FOREIGN AFFAIRS
(JANUARY 3, 1950)

No. 1

Excellency :

I have the honor to refer to the Note which I communicated to you on December 20, 1949, and to the Hungarian Government's reply thereto on December 24, concerning the case of Mr. Robert A. Vogeler, an American citizen.

The Government of Hungary has clearly failed in this case to live up to its obligations under the Treaty of Friendship, Commerce and Consular Rights between the United States and Hungary and to international practice in regard to the right of consular officers to extend protection to nationals of their country. This right is in no way limited by the fact that a United States national may be accused of violating Hungarian Law or detained on such charges or by the nature of the accusations levelled against him. Indeed it is precisely in the case of those nationals who are accused of crimes and detained that the exercise of the consular rights of protection is most urgently required. Yet the Hungarian Government has for more than forty days denied all access to Mr. Vogeler. Another American citizen Mr. Israel Jacobson was, moreover, held incommunicado for nearly two weeks by the Hungarian police and has now been expelled from Hungary without the charges against him having been officially made known to me in spite of repeated requests on my part.

The Hungarian Government, in its Note of December 24, accuses Mr. Vogeler of "espionage and sabotage" and arbitrarily states that Mr. Vogeler is guilty of these charges even before he is afforded any sort of public hearing or judicial examination. The question arises whether it is now accepted judicial procedure in Hungary that the police shall draw up the charges, produce a "confession" and hand down the verdict, before a case is even

brought before a court of law. The United States Government states categorically that it cannot recognize as just or in any way conclusive as to the facts of the case such arbitrary judgement by the police or any subsequent action by a Court which, without impartial examination and weighing of the evidence, merely endorses a verdict of guilty announced prior by the police authorities.

My Government has seen no shred of evidence which would indicate that the charges lodged against Mr. Vogeler or those directed by the Hungarian press and radio against Mr. Jacobson are anything but unfounded. Mr. Vogeler has been engaged in strictly legitimate private business mutually advantageous to his Company and to the Hungarian economy, Mr. Jacobson has been engaged in the humanitarian work of caring for thousands of indigent men, women and children of Hungarian nationality for whom the Hungarian Government was not providing. The Hungarian Government has been fully cognizant of the activities of both of these men over a long period and has permitted them to continue because it profited by those activities. Apparently it has become increasingly inconvenient to the Government of Hungary that the Hungarian people should have contact with representatives of the free world. It suits its purpose, moreover, that these contacts should be severed in a manner which represents quite normal and necessary business practices as "espionage and sabotage". Under these circumstances, in which any United States business man or relief administrator in Hungary may be subjected to arbitrary arrest and imprisonment, the USA Government has found it necessary to refuse to permit private American citizens henceforth to travel in Hungary.

In view, moreover, of the serious restrictions placed by the Hungarian Government on the exercise of consular rights recognized under international law, as prescribed in the Treaty of Friendship, Commerce and Consular Rights between the United States and Hungary, the Government of the United States finds it inappropriate to continue to permit the maintenance of separate Hungarian consular establishments in Cleveland (Ohio) and New York City.

I am accordingly instructed by my Government to inform you that recognition of the Hungarian Consul in New York City is withdrawn and that the consular establishments in New York and in Cleveland are required to cease all operations and to close on or before 12 o'clock midnight, January 15, 1950. You are further informed that all consular functions which the Hun-

garian Government may wish to perform within the United States must thereafter be conducted through the Legation of Hungary in Washington, D. C.

The Government of Hungary is again reminded that as long as the rights and interests of the United States and its nationals continue to be so grossly violated in Hungary, other relations between the United States and Hungary cannot fail to be seriously affected.

A copy of this communication is being brought to the attention of the Minister of Hungary in Washington.

Accept, Excellency, the renewed assurances of my highest consideration.

NOTE OF THE HUNGARIAN GOVERNMENT EXPOSES
THE BLACKMAILING MANOEUVRE OF THE UNITED
STATES IN THE VOGELER-CASE

NOTE OF THE HUNGARIAN MINISTRY FOR FOREIGN AFFAIRS
TO THE U. S. LEGATION IN BUDAPEST (JANUARY 7, 1950)

0146/1950

The Hungarian Ministry for Foreign Affairs has received the United States Government's Note No. 1 of January 3, 1950, by which it imparts that the recognition of the Hungarian Consul in New York City is withdrawn and that the consular establishments in New York City and in Cleveland are required to cease all operations and to close on or before 12 o'clock midnight, January 15, 1950, and that all consular functions which the Hungarian Government may wish to perform within the United States must thereafter be conducted through the Legation of Hungary in Washington.

The statement of the United States Government's Note reproaching the Hungarian Government for accusing the United States citizen Vogeler with acts of espionage and sabotage "even before he is afforded any sort of public hearing or judicial examination", can be considered by the Hungarian Ministry for Foreign Affairs only a conscious disregard of facts.

It was the right and the duty of the Hungarian authorities to keep public opinion objectively informed the more so because the American press, radio and the official organs of the Government did their utmost to bewilder international and Hungarian public opinion.

When on one hand the United States Government objects to the Hungarian Government's procedure of publishing the results of the investigation against Vogeler, on the other It does not hesitate to declare — disregarding the facts established by the investigation and also before the judicial examination — that Vogeler was innocently arrested and that he had been "engaged in strictly legitimate private business" only. Moreover, in Its Note of January 3, 1950, It even contests the competence and objectivity of the independent Hungarian Court.

The whole activity and intervention of the United States

Government and Its diplomatic representatives in the Vogeler-case do not aim at the safeguarding of "consular rights recognized under international law" — as stated in the United States Government's Note — but at trying to enforce by means of threat with reprisals on one hand and by means of promises on the other the release and impunity of a United States citizen arrested for a well-founded suspicion of having committed acts of espionage and sabotage directed against the Hungarian People's Republic.

In connection with the foregoing the Hungarian Ministry for Foreign Affairs wishes to make clear that

a) on November 22, 1949, the Minister of the United States in Budapest intervened with the Hungarian Minister for Foreign Affairs that Vogeler be "expelled from the country" by the Hungarian Government ;

b) on December 14, 1949, the Minister of the United States in Budapest declared in his conversation he had with the Minister for Foreign Affairs, that the United States Government would no more accept any other satisfaction than the immediate release of Vogeler enabling him to leave Hungary ;

c) on December 20, 1949, in Its Note No. 735, "the United States Government calls upon the Hungarian Government promptly to release Mr. Vogeler and to permit him immediate departure from Hungary" ;

d) on December 30, 1949, the Minister of the United States in Budapest in a conversation with Secretary of State Mr. Andor Berei, made a personal proposal according to which disregarding that the Hungarian authorities deem Vogeler guilty whilst the United States Government does not, they should release Vogeler and expel him from the country ; if so the United States Government would consider the exchange of Notes non-existent and abstain from applying counter-measures and even the gradual development of economic relations between the United States and Hungary could be realized ;

e) on January 2, 1950, the Counsellor of the Legation of the United States, Mr. Mokma, in his conversation with a competent official at the Hungarian Ministry for Foreign Affairs informed the latter that the Legation of the United States in Budapest had been instructed to hand over to the Hungarian Ministry for Foreign Affairs a Note of the United States Government requesting the cessation of the activities of the Hungarian Consulates in New York and Cleveland and added that this Note will be temporarily withheld and be handed over only if

the Hungarian Ministry for Foreign Affairs failed to give a satisfactory answer to the questions put by Minister Davis concerning the Vogeler affair.

It is evident of what has been said above that the objective of the United States Government was not to assure the impartiality of the investigation and the judicial hearing but to secure impunity to an individual gravely suspected of acts of espionage and sabotage and of whose guilt the United States Government Itself is in fact convinced as It claimed his liberation and expulsion putting aside judicial procedure.

The United States Government in Its Note of January 3, 1950, declares that "apparently it has become increasingly inconvenient to the Government of Hungary that the Hungarian people should have contact with the representatives of the free world." The Hungarian Government does not wish to embark upon a dispute as to what extent and what kind of "liberty" prevails in the United States. It seems strange to the Hungarian Government, however, that in the view of the United States Government the representative of the "free world" is exactly Vogeler, the agent of the monopolist-capitalist trust International Standard Electric Corporation (ISEC) and of the spying organisation ODI (Office of the Director of Intelligence), who is under well-founded suspicion of espionage and other crimes.

In Its Note the United States Government refers to the "Treaty of Friendship, Commerce and Consular Rights" between Hungary and the United States of America of 1926, as well as to international practice, and accuses Hungary with the violation thereof. The Hungarian Government makes it clear once again that neither the above mentioned Treaty nor international law or practice contain any disposition or regulations obliging the Government of the Hungarian People's Republic to assure special rights to the Consul of the United States regarding arrested American citizens charged with such crimes.

The Treaty of 1926 has not been violated by the Hungarian Government but by the Government of the United States which, by unilateral measures has put an end to the functioning Consulates within the United States, assured by this Treaty.

In Its Note the United States Government again resorts to threat declaring that if the Hungarian Government does not change Its attitude in the Vogeler case, "other relations between the United States and Hungary cannot fail to be seriously affected". The Hungarian Government thinks it necessary to

emphasize once more that it desires the improvement of the relations between the United States of America and Hungary, but no threat or menace with reprisals can alter its firm standpoint that, as in the past, It will not tolerate, in the future either, any foreign interference with Its interior affairs.

The Hungarian Ministry for Foreign Affairs avails itself of this opportunity to renew to the Legation of the United States of America the assurance of its high consideration.

EXTRACTS FROM THE TESTIMONIES OF THE ACCUSED
ROBERT VOGELER AND IMRE GEIGER DELIVERED
BEFORE THE COURT² (FEBRUARY, 1950)

FROM THE EXAMINATION OF ROBERT VOGELER

Vogeler : In 1945, Colonel Behn³ summoned me to him and advised me that I was to go to Europe as the ISEC representative in Austria . . .

About 20 people of the corporation were selected at the same time to come to Europe and there was a representative named Ogilvie, a vice president, who was assigned to come to Hungary.

The President : Did Ogilvie receive similar instructions as to espionage work to be conducted here in Hungary?

Vogeler : All the people that were selected for this duty had been approved by the Chiefs of Staff, and Ogilvie as well as myself had instructions to do espionage work and Ogilvie had special instructions as far as Hungary was concerned.

The President : What relations were there between the ISEC and the General Staff, — because just before, you mentioned that the approval of the Chiefs of Staff was needed before these people were nominated.

Vogeler : During the war, ITT had very large contracts with the military. After the war these contracts were terminated and naturally the income of the company reduced and therefore it was felt that a closer cooperation with the military should be desirable.

Therefore, at about this time, high-ranking military officers were appointed as executives to the company.

The President : Whom could you name among these?

Vogeler : Well, for instance the president of ITT, Sosthenes Behn, was a colonel in the army, William Harrison, president of ISEC, was a general in the U. S. Army. Admiral Ellery W. Stone was in the Navy during the war and was in charge of the

2. R. Vogeler, E. Sanders and Their Accomplices Before the Criminal Court (White Book). Budapest, 1950. Hungarian State Publishing House.

3. President of the ITT.

American subsidiaries of our company. William Halsey, admiral in the U. S. Navy, was a member of the Control Board. Roger B. Colton, member of the Board of Directors, was a general in the U.S. Army.

The President : Let us now return to the time when you were instructed to come to Vienna in 1945. What instructions did you then receive and, after arriving, with whom did you establish contact?

Vogeler : Arriving in Vienna in 1945, I immediately made contact with the diplomatic people, as well as the military intelligence people.

The President : With whom, by name?

Vogeler : I contacted with G2, which is the intelligence section of the Army, Brigadier-General Howard.

The President : What instructions did you receive from Brigadier-General Howard?

Vogeler : Brigadier-General Howard introduced me to Colonel Forney who was then the chief of CIC, the Counter Intelligence Corps. Col. Forney then assigned me to the technical division of the Counter Intelligence Corps, to collaborate with Major Townsley. I was then assigned to evaluate and to check various technical information that was collected by the Counter Intelligence Corps. I have had instructions that the important informations that I thus received should be forwarded to New York to the company and the balance of it to Washington.

The President : Where in Washington? To whom?

Vogeler : To the headquarters of the intelligence, of the Army Intelligence Corps.

The President : At this time, what type of information and material did you collect in Central Europe?

Vogeler : The information I collected was mostly of a technical nature, inventions, processes and patents, and general economic, financial, military and political information.

The President : When did this political line change?

Vogeler : About 1947 when the relations between the U. S. and the Soviet Union deteriorated . . . it became evident that the People's Democracies were rallying around the Soviet Union.

The President : Under these altered political conditions

what changes did you execute in the espionage organisation of the U. S.?

Vogeler : As I mentioned, up until that time the espionage work was of a general character. After that time when the American policy became more aggressive, the work in the intelligence organisations took on a more aggressive character and more of a military character.⁴

Vogeler : In October 1948 when Colonel Behn and I visited Hungary we held a confidential meeting in his sitting room at the Hotel Gellért. (. . .) At this meeting the following people were present : Colonel Behn, Geiger⁵, Sanders and myself.

The President : What instructions did Colonel Behn give at this meeting as regards the production policy of the Standard works in Budapest?

Vogeler : Well, at this meeting Colonel Behn laid down several points to guide the factory in Budapest. Among these were the following points : the New York company would not invest any capital in the Hungarian subsidiary. Secondly the company, the Standard company in Budapest, was not to expand. As a matter of fact it was to decrease its activities. Thirdly, the company was not to engage in business activities in countries where hard currency was available. Further, the sales of the Company were to be limited to 90 million forints per year. And the Standard Company in Budapest was to pay for all expenses incurred by visiting representatives from New York, the living expenses, as well as the travel expenses, and lastly they would have to pay in advance . . . Standard Budapest Company was to pay in advance for all informations, drawings, etc. that they would receive from other companies, and they would pay in dollars . . .

Vogeler : In January of 1949, I was advised by Colonel Behn that I was to supervise the activities of the Budapest Standard factory. In February of 1949, I made a trip to New York and discussed my new assignment with Colonel Behn, the president of the company, and Mr. Bowley, vice-president in charge of foreign subsidiaries. At the meeting, they re-

4. White Book, pp. 114—119.

5. Imro Geiger, general-manager of the Standard Electric Company, an American spy and first accused in the trial.

counted the instructions that Behn had given at the Gellért Hotel in 1948, and in essence the further instructions were that as far as Standard Budapest operations were concerned, the production capacity of the plant, by decreasing the active capital and to immobilise the activities by the purchase of superfluous and useless raw materials and piece-parts, and thirdly to sabotage the production of equipments destined for the Soviet Union and for the People's Democracies.⁶

Vogeler : Upon my return from the U. S. in February 1949, I had a meeting with Colonel Bixel, Mr. Hudson and Major Townsley at the ODI headquarters in Vienna . . .

The President : Was this just . . . did you just happen to meet, or was this in fact a conference?

Vogeler : This was a conference, a called conference.

The President : Who took part, and what did your superiors assign you as your intelligence activities in Hungary?

Vogeler : As I mentioned, present were Col. Bixel, Mr. Hudson, Major Townsley, and myself. At this meeting we reviewed the general intelligence policy of the U. S. towards the People's Democracies. The following four points were specifically discussed: I was to gather military information on the Hungarian Army, of military formations, the units, the type of equipment, that they used and the conscription. Secondly, I was to collect political and economic information, such as wage levels, standard of living, money in circulation, etc., government decrees . . .

The President : What further instructions did you receive?

Vogeler : Thirdly, because of my technical specialisation, I was instructed to obtain information on specific technical developments in Hungary.

The President : For example, what type of technical questions?

Vogeler : Well, I was instructed to find out about development in radar, the production of miniature radio tubes, radio control apparatus for rockets and airplanes, information on uranium and oil deposits, information on processes, if any, that were used in the refining of uranium, and fourthly, I was instructed to contact atomic physicists, or nuclear physicists, who might be willing to work for the United States.

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6. White Book pp. 122—124.

The President : What were your instructions? Having come to Hungary, how were you to send the data which you collected in Hungary out to the centre in Vienna?

Vogeler : Colonel Bixel advised me that the military attachés at the Legation in Budapest had been advised of my arrival and I was instructed at that meeting to contact the military attaché in Budapest when I arrive. I was to submit my information, my intelligence material to him for forwarding to Vienna.

The President : Who was this person?

Vogeler : At that time, it was the Military Attaché Colonel Stokes, and the Deputy Military Attaché Lieutenant-Colonel Hoyne, and also political and commercial information was to be submitted to the commercial attaché.

The President : By name?

Vogeler : At that time, Mr. Mag, and later Mr. Smith.⁷

The President : Among the written material of the trial there are proofs that at one stage you showed Geiger in your office at Nádor Street a plan of the Tungsram Works? ...

Vogeler : That is correct.

The President : From whom did you receive this photostat copy?

Vogeler : In October, one day I was sitting with Colonel Kraft who was the present ... who was the then military attaché at the Legation, and Air Attaché Griffin showed me the photostat of the Tungsram factory.

The President : Where did this happen?

Vogeler : In Colonel Kraft's office.

The President : On the premises of the U. S. Legation?

Vogeler : That is correct.

The President : What did Major Griffin ask from you in connection with this plan?

Vogeler : Well, Major Griffin had already known that I had visited the Tungsram factory on one occasion, and he asked me if I could identify the individual buildings on the plan. For instance, he wanted to know which was the administration building, the research building, the glass factory and so forth.

The President : The boiler house, did that interest him, where that was?

Vogeler : Yes, that also, anything as a matter of fact, that was of military importance.

7. White Book, pp. 125—126.

The President : Why did the Tungram factory interest you especially?

Vogeler : Well, the Tungram factory is one of the largest manufacturers in Hungary of radio vacuum tubes and as my specific instructions had been to obtain certain information regarding certain radar and other vacuum tubes, it was important for me to visit the factory and to see what production and what research was going on. . . . During a visit we were conducted by various engineers of the factory and I asked questions that were on the surface innocent but were calculated to obtain the information I wanted.⁸

The President : Robert Vogeler, I now ask you to tell us through whom you sent the espionage material which you collected in the way which you have already described, to the centre in Vienna . . .

Vogeler : I sent the material that I collected through the Legation, the American Legation in Budapest to Vienna. . . .

In most cases I submitted my material to Mr. Smith, the commercial attaché, but also in several instances regarding military information, to Colonel Hoyne, the deputy military attaché.

The President : Did you send material through Colonel Kraft, and did Colonel Kraft know of your espionage activities?

Vogeler : Yes, Colonel Kraft knew of my espionage activities, he and I were old friends, I had met him already in Vienna several years ago.

The President : Did you get concrete data through the Legation, for example coded, ciphered telegrams?

Vogeler : Yes, we got instructions from New York from the concern, regarding sabotage activities as well as confidential correspondence through the American Legation.

The President : (. . .) Sum up briefly those aims, those purposes which were the guiding principles of your superiors, in conducting and ordering these sabotage activities.

Vogeler : It was the purpose of the company not to let the subsidiaries in the People's Democracies expand their

8. White Book. p. 131.

activities. As a matter of fact it was the purpose to decrease the productive capacity of these factories. This policy had two purposes. One was to reduce the effectiveness of the factories themselves in the People's Democracies, and secondly to eliminate them from competition against other subsidiaries that were located in the hard currency areas.

The President : You served in the Vienna centre of the intelligence organisation, do you, therefore, have any knowledge whether in the other people's democratic states the U. S. legations and embassies conduct similar activities?

Vogeler : Yes, in my conversation with various diplomatic people, ministers such as Mr. Jacobs in Czechoslovakia or Mr. Erhardt in Austria, I was told that the main purpose since the deterioration of relations between America and the Soviet Union and People's Democracies, that the main purpose for establishing diplomatic contact was to obtain information from these countries.

The President : Did you have complete confidence in Geiger? Were you not worried by the fact that he was a member of the Communist Party and later of the Hungarian Working People's Party?

Vogeler : I, we had complete confidence in Geiger as I knew from Pinkney and from Geiger himself that he had formerly been associated with the right-wing Social-Democrats in Hungary.

The President : At the time of the merging of the Social-Democratic Party with the Communist Party into the Hungarian Working People's Party, Geiger was worried about having to join the Working People's Party?

Vogeler : He discussed this with Pinkney and they, Pinkney decided that he should go to the Legation and discuss it with the then Minister, Mr. Chapin.

The President : And did they in fact discuss this question?

Vogeler : Yes, Geiger and Pinkney both discussed it with Mr. Chapin asking him if it would jeopardise Geiger's position with the Americans.

The President : And what was the answer?

Vogeler : Mr. Chapin thought it would be better for the purpose of covering up his activities that he join the Hungarian Working People's Party, and he wrote a letter to that effect that it was under coercion that Geiger joined the Party.

This letter was left at the Legation on file, and later I had occasion to refer to it and knew that it was there.⁹

FROM THE EXAMINATION OF IMRE GEIGER

Geiger : The Budapest Standard plant served as a base for American espionage after the war. The Budapest Standard plant was at the same time the financial source from which the Americans obtained the material resources necessary for the planning and carrying out of their espionage, sabotage and other destructive, diversionist activities. However, the Standard factory was also of value to the American intelligence, because it enabled them to send spies into Hungary under the cover of company representatives. These spies, Ogilvie, Behn, Pinkney and Sanders by name, who were sent here, used it as a cover organisation to enable them to conduct their active spying and subversive activities. I know about the activities of Ogilvie, Vogeler and Sanders in Hungary because I was their accomplice in the carrying out of their activities and carried out sabotage and spying activity under their direction. The American head office of the concern was itself in touch with leading circles in the United States, with the general staff and their espionage organs.

Geiger : It was the ambition of the ISEC concern to gain control over the Hungarian post office, telephone and telegraph network in order to be able to influence Hungarian political and economic life. It was also its intention to establish a base here for its espionage and destructive activities. In the interest of this triple purpose Ogilvie brought the so-called Telcom-plan with him when he arrived.¹⁰

9. White Book, pp. 135—138.

10. White Book, p. 26 and p. 35.

THE HUNGARIAN GOVERNMENT IN A NOTE CALLS UPON THE GOVERNMENT OF THE UNITED STATES TO REDUCE THE UNJUSTIFIABLY LARGE NUMBER OF THE STAFF OF ITS BUDAPEST LEGATION AND TO CONSIDER THE RECALL OF THE OFFICIALS WHO HAD BEEN GRAVELY COMPROMISED IN THE VOGELER-CASE

NOTE OF THE HUNGARIAN MINISTRY FOR FOREIGN AFFAIRS TO THE U.S. LEGATION IN BUDAPEST (FEBRUARY 23, 1950)

02671/1950

The Hungarian Ministry for Foreign Affairs presents its compliments to the Legation of the United States and has the honour to communicate as follows.

In connection with the trial before the criminal Tribunal of Budapest of the case of Imre Geiger and his accomplices the Hungarian Government brings to the notice of the Government of the United States the following :

In the course of the hearing before the criminal Tribunal it has been established that the one immediately directing the espionage and sabotage activities as put forward in the indictment was Rober Vogeler, Colonel of the United States Army, who through the medium of his agents acquired state secrets bearing upon important interests of the Hungarian State and also displayed espionage and sabotage activity against the Hungarian People's Republic, in his own person under the pretext of business activity.

The Government of the United States and Its Legation in Budapest attached so great an importance to the person of Vogeler that since the latter's detention the Minister and the officials of the Legation intervened in his interest at 14 occasions personally, at 9 occasions by telephone and deemed necessary to transmit Notes or Memoranda at 10 occasions. They have been emphasizing all the time that the charges against Vogeler are unfounded. Minister Davis, for instance, in the Note of December 20, 1949, "directed by his Government" communicated among others that "the foregoing conduct of the Hungarian Government has served only to confirm my

Government in the conclusion that the charges which have been made against Mr. Vogeler are wholly false". In his Note of January 3, 1950, Minister Davis wrote: "My Government has seen no shred of evidence which would indicate that the charges lodged against Mr. Vogeler... are anything but unfounded. Mr. Vogeler has been engaged in strictly legitimate private business..."

In the course of the trial before the criminal Tribunal it has been, however, proved that the statements of the Hungarian Government made in the case of Vogeler as well as the attitude of the Hungarian Ministry for Foreign Affairs displayed in this case in connection with American interventions and its replies given to the Notes of the Legation of the United States were in perfect conformity with the facts.

In the course of the hearing before the criminal Tribunal it has been proved that several officials of the Legation of the United States in Budapest have played an active part in the subversive work of the group of spies and saboteurs against the interests of the Hungarian State. Vogeler made a constant and systematic use of the machinery of the Legation for his spying activity. The correspondence of Vogeler serving his espionage purposes was thus forwarded with the help of the American Legation's own cipher, that is with the help of the official cipher of the United States diplomatic set. Vogeler has admitted that he had forwarded the espionage material through the medium of United States Colonel Stokes, Military Attaché, and Lieutenant-Colonel Hoyne, Deputy Military Attaché. He further admitted that he had to convey the spying data of political and commercial character to Commercial Attaché Mag and later to Smith. He established contact with Major Muentner, Air Attaché, and his deputy, Mr. Griffin. He admitted having forwarded his reports through the Legation to his mandators with the help of Mr. Smith and Mr. Hoyne already mentioned above and that Colonel Kraft, too, had knowledge of his activity. Sanders in his deposition pointed out that the contact between him and Commercial Attaché Smith had been established by Attaché Emery Kiraly as early as June 1949.

Among these diplomatic officials the following persons are actually on duty at the American Legation in Budapest: Colonel James B. Kraft, Military Attaché, Lieutenant-Colonel John T. Hoyne, Deputy Military Attaché, and Donald E. Griffin Deputy Air Attaché.

On the basis of what has been exposed above, the Hungarian

Government raises the question what the American Government's intentions are in connection with these persons and whether It is willing to draw the consequence logically deriving from the above facts?

The Hungarian Government also deems it opportune to raise the question whether the Government of the United States is willing to reconsider the repressive measures taken without awaiting the issue of the hearing at Court in connection with the detention of and the refusal to release Vogeler, proved to be a spy and a saboteur, measures like the prohibition to United States nationals to travel to Hungary, and the arbitrary closing of the Hungarian Consulates in New York and Cleveland.

The Hungarian Ministry for Foreign Affairs points out that the actual number of diplomatic officials of the United States Legation in Budapest (22 persons, out of whom 7 are military officers) greatly exceeds the pre-war number of its officials under the regime of Horthy (6) and exceeds many times the similar staff at the Hungarian Legation in Washington. In addition to this the United States Legation in Budapest has 48 employees of American nationality. In view of what has been said and considering the fact that in the course of the hearing before the Court it has become evident what purposes were served by the maintenance of such a disproportionately large staff at the Legation, the Hungarian Ministry for Foreign Affairs can see no reason for the further keeping up of this situation and requests the United States Legation urgently to reconsider the question of reducing this number of its staff.

The Hungarian Government, moreover, is well aware of the fact that according to the latest data, 103 Hungarian citizens are employed at the United States Legation. The overwhelming majority of these persons are individuals coming from among the elements of the late fascist regime, the partisans of the old Hungarian ruling classes imbued of hatred against the democratic regime, whose activity as undoubtedly proved by the facts in the process against Vogeler is to give assistance to the espionage directed against the Hungarian People's Republic. That is why the Hungarian Ministry for Foreign Affairs deems it opportune to raise the question whether the United States Government considers it appropriate to keep at Its Legation in Budapest a great number of Hungarian employees who are generally known to be enemies of the Hungarian People's Democracy, and whether It is willing to alter this untenable situation by Its own initiative?

The Hungarian Ministry for Foreign Affairs avails itself of this opportunity to renew to the Legation of the United States the assurance of its high consideration.

NOTE OF REPLY OF THE UNITED STATES LEGATION
IN BUDAPEST TO THE NOTE OF THE HUNGARIAN
GOVERNMENT DATED FEBRUARY 23, 1950

NOTE OF THE U.S. LEGATION IN BUDAPEST TO THE HUN-
GARIAN MINISTRY FOR FOREIGN AFFAIRS (MARCH 4, 1950)

No. 62

The Legation of the United States of America presents its compliments to the Ministry for Foreign Affairs of Hungary and has the honor to refer to the Ministry's Note of February 23, 1950, in which the Hungarian Government on the basis of its proceedings against Mr. Robert Vogeler raises certain questions regarding the staff of the Legation and inquires whether the United States Government is willing to reconsider its prohibition of travel by United States nationals to Hungary and its closing of the Hungarian Consulates in New York and Cleveland.

The Legation of the United States is instructed to inform the Ministry for Foreign Affairs that the United States Government does not recognize the proceedings against Robert Vogeler which were completely *ex parte* and were characterized throughout by demonstrably preposterous falsehoods as confirming in any way the validity of the charges brought against him or against other United States citizens.

In view of the character of this "trial" and of the wholly groundless charges against personnel of the Legation, the United States Government considers improper and irrelevant the inquiries contained in the Hungarian Government's Note. If the Hungarian Government insists on the withdrawal from Hungary of certain United States officials as *persona non grata*, it has the right under international law to do so. However, the above-mentioned allegations are clearly not a proper basis for such demand.

The United States Government has no intention in the existing circumstances of altering its decisions prohibiting the travel of United States citizens in Hungary and closing the Hungarian Consulates in New York and Cleveland. As to the first, the sentencing of Mr. Vogeler to prison on false charges merely confirms this Government's conviction that it is unsafe

for American citizens to visit Hungary under present conditions. As to the second, the closing of the Hungarian Consulates in the United States was based and continues to be based on the Hungarian Government's refusal to permit United States consular officers in Budapest to perform their normal protective consular functions.

With regard to the overall number of diplomatic officials and other employees at the American Legation in Budapest, the United States Government knows of no rule of international law or practice under which the Hungarian Government would be entitled to limit or fix that number. The United States Government, moreover, wholly rejects the allegations concerning the Hungarian employees of this Legation which are set forth in the Note of the Ministry for Foreign Affairs. These employees have been engaged in no activities to which objection could legitimately be raised.

The Hungarian Government, by its recent actions detrimental to the rights and personal safety of American citizens, by its treatment of American interests in Hungary, and by its restrictions on the exercise of protective functions by American consular officers, has itself created a situation prejudicial to the conduct of normal diplomatic consular and commercial relations. Because of this situation, the United States has already reduced the staff of the Legation below that which it could consider necessary for the conduct of normal relations with friendly government. The United States Government will continue to adjust the composition of its Legation staff in accordance with its own judgement of its requirements and in doing so it will of course take into account the arbitrary and unfriendly attitude of the Hungarian Government.

The Legation of the United States of America avails itself of this opportunity to renew to the Ministry for Foreign Affairs the assurance of its high consideration.

THE HUNGARIAN GOVERNMENT EXPELS THE
AMERICAN DIPLOMATS COMPROMISED IN THE
VOGELER TRIAL

NOTE OF THE HUNGARIAN MINISTRY FOR FOREIGN AFFAIRS
TO THE U. S. LEGATION IN BUDAPEST (MARCH 10, 1950)

019080/1950

The Hungarian Ministry for Foreign Affairs presents its compliments to the Legation of the United States of America and referring to Its Note No. 62 of March 4, 1950, has the honour to communicate as follows :

By its Note No. 02671/1950 of February 23, 1950, the Hungarian Government wished to give an opportunity to the Government of the United States to draw at Its own discretion the conclusions following from the facts proved true in course of the trial in the case of Geiger and his accomplices before the Criminal Court. The Hungarian Government in doing this wanted to avoid the deterioration of the relations existing between the two countries. The Hungarian Ministry for Foreign Affairs states that the United States Government is not willing to draw the consequences following from the above-mentioned facts, at Its own discretion. Consequently the Hungarian Government invites the Government of the United States to recall Military Attaché Colonel James B. Kraft, Deputy Military Attaché Lt.-Colonel John T. Hoyne and Deputy Air Attaché Major Donald E. Griffin from their post in Budapest as persons considered "personae non gratae" by the Hungarian Government.

The Hungarian Government cannot share the opinion of the United States Government according to which the maintenance of the overgrowth in number of the staff of the United States Legation in Budapest would merely depend on the unilateral decision of the United States Government without permitting the Hungarian Government to say anything in this matter. If this view were to be accepted as correct, this would mean that the Legation of the United States could raise the number of Its staff without any limit. The Hungarian Government cannot approve of this standpoint and the Government of the United States cannot give any acceptable reason which

would motivate the disproportionately large number of the staff of the Legation compared with the pre-war number of the staff. It has become evident in the criminal case of Geiger that the overgrown number of the staff is necessary merely because many of the officials do not perform the normal diplomatic duties of the members of the Legation but are engaged in intelligence activity. That is why the Hungarian Government maintains its standpoint that the overgrown number of the staff of the Legation of the United States in Budapest has to be reduced.

The Hungarian Government categorically refutes the statements of the Note of the American Legation based on the conscious disregard of facts when it attempts to contest the legitimacy of the procedure of the Hungarian Court, in particular by mentioning "demonstrably preposterous falsehoods" and "wholly groundless charges". In this connection the Hungarian Government observes that the officials of the United States Legation in Budapest were present in Court during the whole trial in question where they were given opportunity to convince themselves that beside the detailed confession of the accused the perpetration of the crimes figuring in the sentence as well as the part played by the officials of the United States Legation in connection with these crimes have been proved beyond any doubt also on the basis of the depositions of many witnesses and a great number of factual proofs. Besides, the United States Government can address its own organs of intelligence in order to take evidence also on the basis of the official data of these organs.

The Hungarian Government finds it most strange that in its Note the United States Government speaks of the "arbitrary and unfriendly" attitude of the Hungarian Government while it was exactly the United States Government that took a number of arbitrary and unfriendly measures against Hungary. The United States Government has for a long time not been willing and is not willing at present to comply with its obligations concerning the restitution of the Hungarian property carried to the West in violation of Article 30 of the Peace Treaty. Moreover, apart from the measures taken lately and already mentioned in the last Note of this Ministry to prohibit American nationals to travel to Hungary and to close without any reason or legal ground the Hungarian Consulates in New York and Cleveland, it took special measures to block Hungarian claims in America.

As far as this blocking is concerned, the Hungarian Ministry for Foreign Affairs has to observe that the Government of the United States despite its obligation under the Peace Treaty had in the past as well refused to release the Hungarian claims practically without exception, in order to impede the economic reconstruction of this country. The above-mentioned measure the more lacks any foundation as Hungary has complied with its obligation of payment to the United States; this makes it evident that in the present case one faces but a step of purely demonstrative character and without any legal foundation which intentionally emphasizes the malevolent attitude of the United States Government towards Hungary.

All what has been exposed above proves beyond dispute that it is the Government of the United States that is taking one unfriendly step after another towards the Hungarian People's Republic.

The Hungarian Ministry for Foreign Affairs avails itself of this opportunity to renew to the Legation of the United States the assurance of its high consideration.

IX

THE CONSPIRACY BY JÓZSEF GRŐSZ AND ACCOMPLICES ORGANISED UNDER THE DIRECTIVES OF THE BUDAPEST LEGATION OF THE UNITED STATES

- No. 1. Extracts from the Grey Book. From the testimonies of József Grósz, Dr. Endre Farkas and Dr. Alajos Pongrácz. (June 1951)**
- No. 2. The Hungarian Government protests against the espionage activity of certain members of the United States Legation in Budapest and demands their recall. (July 2, 1951)**
- No. 3. The defamatory note of the United States Legation in Budapest in connection with the Grósz trial. (July 7, 1951)**
- No. 4. The Hungarian Government exposes the attempts at interference by the United States in connection with the Grósz conspiracy. (July 10, 1951)**

The Government of the United States did not, even after the exposure of the Mindszenty conspiracy, abandon its plan of using the freedom and possibilities enjoyed by the Catholic Church in Hungary to overthrow the Hungarian People's Republic. After Mindszenty's arrest it commissioned his successor, Archbishop József Grösz of Kalocsa, the head of the Catholic Church in Hungary, to continue Mindszenty's treacherous activities.

The conspiracy by József Grösz and his associates constitutes an aggravation of the American aggression against the Hungarian People's Republic. The subversive activity of József Grösz and his accomplices began on American initiative and was throughout under the most direct control and direction of the United States Legation in Budapest.

The conspirators were servitors of the former fascist system, persons deprived of their financial and political power, professional spies who, on American instruction, drew up a concrete plan to overthrow the legal state order of the Hungarian People's Republic and to take over power by force. In order to carry out their plan, they started to organise terrorist groups, worked out their political ideas for when power would be taken over, compiled their list of government, and in the person of József Grösz even appointed the temporary head of State who would at a given time have handed over power to the Hapsburg family. Every step taken by Grösz and Co. was directed by the Budapest Legation of the United States and they also organised the conspirators to engage in paid espionage activity.

Grösz and his accomplices, acting in accordance with the directives received from the American Legation in Budapest, relied on the immediate outbreak of a new world war, when they would be able to seize power by means of American armed intervention and with the help of fascist troops maintained by the Americans in the American Zone of Germany and Austria and in Yugoslavia.

Already from 1949 onwards the Budapest Legation of the United States established closer contacts with József Grösz and accomplices by entertaining the idea of the impending outbreak

of a third world war and of an American aggression this being the only hope for regaining their political and economic power.

The conspirators in the service of the United States had as their aim to destroy the achievements of the Hungarian People's Democracy, to restore the system of big estates and the rule of monopoly capital, to reinstall the rule of the hated oppressors of the Hungarian people, the Hapsburg monarchy. Among the accused was a priest, who had organised and committed murderous assaults against the Soviet soldiers, a professional Horthyist spy, and an estate manager, who had committed acts of cruelty on the former big estates of the priests and fascist politicians. These people were also engaged in espionage activity on assignments by American officials and in return for regular pay.

On the basis of the exposure of József Grösz and his accomplices the Hungarian Government called upon the Government of the United States to recall the Legation officials who had been gravely compromised in the Grösz conspiracy and whom the Hungarian Government considered personae non gratae. At the same time the Hungarian Government called upon the U. S. Government to close down the library, the cinema and music performance hall of its Information Service, which proved to be the cover for its espionage and diversionist activity. The United States Government attempted in a provocatively couched note to deny the facts laid down in the Hungarian statement and it had its propaganda apparatus start a new campaign of slander against Hungary. It was nevertheless bound to comply with the Hungarian Government's demand. The Hungarian Ministry for Foreign Affairs stated in its note of reply that the Grösz conspiracy had been an organic part of the campaign waged by the Government of the United States against Hungary and the other People's Democracies.

EXTRACTS FROM THE GREY BOOK¹. FROM THE TESTIMONIES OF JÓZSEF GRŐSZ, DR. ENDRE FARKAS, AND DR. ALAJOS PONGRÁCZ² (JUNE 1951)

FROM THE EXAMINATION OF JÓZSEF GRŐSZ

Grősz : (...) In March 1950, I was visited by Endre Farkas³ in the Central Seminary and he said that the Americans wanted a text from him which would show that I was taking part in the conspiracy. He said that I did not have to say this definitely. It was sufficient to say it in a disguised way. Then, while he dictated, I jotted down on a visiting card that I supported the work in the interests of the Catholic Church. He said that the Legation would be satisfied with this.

The President : Did you sign it?

Grősz : I did.

The President : Did you send it to the Legation?

Grősz : Farkas took it with him.

The President : What other statements did you give?

Grősz : Then I gave another statement on July 5th, 1950. Farkas then visited me in the afternoon in the Central Seminary and told me that now the American Legation wanted from me a manifesto worded openly whether I would really be willing to take over the office of the head of State.

The President : Did he say why they were on this occasion not satisfied with a declaration of this sort couched in concealed terminology?

Grősz : He said that the Legation would be satisfied with this disguised statement but it seems that the American State

1. The Trial of József Grősz and His Accomplices (Grey Book). Budapest 1951. The State Publishing House. The publication prepared on the basis of the stenographic records of the trial of the conspirators.

2. Grey Book, pp. 25—106.

3. Dr. Endre Farkas, a lawyer and attorney to the Holy See, the third accused.

Department is not content with this but wants it explicitly. Then he said that they wanted this urgently now because they were expecting a Yugoslav attack against Hungary in the nearest future⁴. . . and then undertaking the office of the head of State might soon be very timely.

The President: By whom was it worded? Did you do it? Or was it brought complete?

Grósz: This statement was brought along in two type-written copies by Endre Farkas.

The President: Why were two copies necessary?

Grósz: They were necessary because Farkas said that the Legation would return one of the copies with some sort of clause to indicate that they had accepted it.

The President: Did you sign this manifesto?

Grósz: I signed this manifesto.⁵

The President: Tell us please, with what American wishes did Farkas come forward on such occasions?

Grósz: One request was, on one occasion, that now following the manifesto as head of State, the *homo regius* statement, I should appoint the entire cabinet. This was one of their requests. Another request was that we should ask for a loan from America for our government. Farkas told us that we could get 290, or possibly 292—296, in fact about 290 million dollars.

The President: You should ask for this loan in writing as head of State, was that it?

Grósz: Yes, and I should oblige myself in the name of the future government that I would actually use this loan. On another occasion he told me that a member of the American Legation would like to meet me personally in Pál Bozsik's⁶ parish in Remetékertváros, in order to be able to discuss the affair of the conspiracy personally.⁷

The President: (. . .) the Americans wanted a written appointment⁸, but you considered this dangerous, and for this

4. In summer 1950.

5. Grey Book, pp. 30—31.

6. A parliamentary deputy in the counter-revolutionary period, second accused.

7. Grey Book, p. 32.

8. It is here a matter of the "government" which was to be appointed by Grósz. Grósz and his associates wanted to compose their "government" from among counter-revolutionary politicians; there were also fascists and war criminals on their "government list".

very reason you endorsed this but were not willing to issue a written appointment, were you?

Grösz : Yes, and then later also, up to November, they urged this several times. On two occasions Farkas came to see me.

The President : How was Friedrich⁹ appointed for the post of prime minister?

Grösz : Finally Pál Bozsik's appointment was cancelled. Farkas reported that the Americans did not consider it right that the head of the provisional government should be a priest.

The President : Why?

Grösz : Because the resistance of the masses had to be taken into account and violent measures would be needed and they did not want these violent measures to be attached to the name of a priest. I accepted this view and considered it most correct.

The President : Did you consider Friedrich suitable for heading the government during the transition period?

Grösz : I then mentioned to Farkas that if Bozsik's nomination for the post of prime minister was cancelled then István Friedrich could be considered, who would probably be acceptable to the Americans as well and who in 1919, following the defeat of the revolution, had already filled such a position as first prime minister of the counter-revolutionary government.

The President : In other words, a sanguinary terroristic rule, Siófok and Orgovány¹⁰. Tell me, did the Americans have any particular requests or instructions regarding organisation, for instance, regarding the establishment of other organisations besides the cabinet?

Grösz : On another occasion Farkas announced that together with Bozsik they had begun the organisation of an advisory body, the Senate.

The President : What body, the Senate?

Grösz : This advisory body, the Senate, was supposed to have the task of giving advice to the government, there not being any Parliament. In the first half of August, Farkas reported to me that on instructions from the Americans they had begun the establishment of armed groups.¹¹

9. István Friedrich was the first prime minister of Miklós Horthy's counter-revolutionary system in 1919. His murderous reign of terror became notorious even abroad.

10. Hungarian localities notorious for the atrocities committed there during the counter-revolution.

11. Grey Book, p. 33.

The President : Was there any request on the part of the Americans to begin to designate people considered trustworthy by them for economic key positions also?

Grósz : Yes, there was. Farkas said, and he repeatedly invited me that I too should think about this, to name people who in case of a change of regime could fill economic key positions.¹²

The President : Which is the Western country whose Envoy you got into contact with first?

Grósz : First with the American Minister Schoenfeld. I went to see him in May.

The President : Tell us briefly what you talked about, and what information you gave him.

Grósz : We wanted to procure information on the possible entry of American troops into Hungary ; I supplied him with information on the position of the country and questions of the Church. I was asked by Schoenfeld why we did not put up a certain amount of resistance against the democratic regime and Soviet units stationed here. I replied that we lacked organised detachments for this ; one cannot face a well equipped army with hoes and scythes.

The President : With what other American diplomats were you in contact?

Grósz : With Naval Captain Dietrich, here on behalf of the American Mission, who on more than one occasion came to Kalocsa when I invited him to the Archbishop's Palace. On one occasion I permitted him to hold a confidential meeting at the Episcopal Palace with Béla Zsedényi, President of the Provisional Parliament, Géza Teleki, Minister of Education, Béla Varga, the Vice-President of the Smallholders Party and with János K. Tóth, an official of the Ministry for Foreign Affairs.

The President : Was the secret meeting held in your Archbishop's Palace? Did you supply data to Dietrich directly?

Grósz : Yes, on such occasions I handed them to him directly, too.¹³

12. Grey Book, p. 34.

13. Grey Book, p. 42.—43.

FROM THE EXAMINATION OF DR. ENDRE FARKAS

The President : So what was the aim and essence of your organisation?

Farkas : The essence was the restoration of the Hapsburg dynasty in Hungary with the aid of the Americans, with troops coming from abroad, and not least with the Hungarian troops located in the West and with armed groups to be organised by us here at home. Thus we wanted to overthrow the People's Republic, to seize power, and then to restore the Hapsburgs on the throne.

The President : Can you tell me by name, concretely, where and to whom you sent abroad your political programme, the so-called memorandum on the legal succession?

Farkas : To Spellman and Otto¹⁴ at the same time. Bozsik — who enclosed a letter in Latin — asked Cardinal Spellman to make this principle known to Western statesmen and politicians so that they should see how the Hapsburg dynasty could be restored in Hungary.

The President : How did you send this to Otto Hapsburg?

Farkas : We sent it to Spellman and asked him to forward it.

The President : To the Vatican also?

Farkas : Later in the summer of 1950 Bozsik translated the same memorandum into Latin and sent it to Secretary of State Montini, to the Vatican, in Rome.

The President : Through whom?

Farkas : We sent all these things abroad through the U. S. Legation . . .

The President : With whom by name were you in contact at the American Legation in Budapest?

Farkas : As I know from Gyomlay¹⁵, at first he was in contact with a Secretary of Legation by the name of Petrow, then with Dr. Alajos Pongrácz¹⁶, who was an employee of the Legation, and beginning about the summer of 1950 — as he reported — he was in contact with Secretary of Legation Sherer.¹⁷

14. Otto Hapsburg.

15. A member of the conspiracy.

16. The fifth accused.

17. Grey Book, p. 54.

FROM THE EXAMINATION OF DR. ALAJOS PONGRÁCZ

The President : How did you come to be in the service of the American Legation in Budapest?

Pongrácz : I was employed through my distant relative Lewis Revey, Press and Cultural Attaché. I met Revey in January 1946 at my brother-in-law's home. He entrusted me with lesser tasks during 1946, such as filing the photographic and feature material in the press and cultural section. He also commissioned me to procure certain data of a cultural nature. When I was placed on the B-list¹⁸ in September 1946, I visited Revey and asked him whether he could employ me in the press and cultural department. Revey promised it to me then and on December 9, 1946, I entered the service of the press and cultural section of the American Legation.

The President : Before you were engaged, did you inform the American Legation that you had been an intelligence officer of the General Staff under the Horthy regime?

Pongrácz : I mentioned it to Revey and when I entered their employment I filled out a questionnaire in which I included military service, also the fact that I served in Department II. of the General Staff¹⁹.

The President : Did you with that only wish to win their confidence?

Pongrácz : Yes.

The President : Tell us how you began your espionage activities for the American Legation.

Pongrácz : From 1946 until the spring of 1949, Revey, the Press and Cultural Attaché, was my immediate superior. He entrusted me with procuring data of a cultural nature. Revey commissioned me with obtaining information of a more and more confidential character.

The President : Were you as an old, trained intelligence officer aware of the fact that this information was of a confidential character and contrary to the treason laws, that is, this was information prohibited to be in the possession of foreign powers?

Pongrácz : I was not aware of this at the beginning, but later realised that this information was of such a character. Despite that fact, however, I continued my activities.

The President : You were aware that you were engaged in espionage work.

18. Dismissed from the civil service for having a fascist record.

19. Counter-espionage department of the Horthy regime.

Pongrácz : Yes, I knew that.

The President : Will you now name those people of the American Legation whom you supplied with such information. Please, list their names.

Pongrácz : Including the details, Mr. President?

The President : No, not the details.

Pongrácz : After the departure of Lewis Revey, from 1949 right up until my arrest, my immediate superior was Ruth Tryon, Cultural Attaché, whom I also supplied first with information of a cultural nature and later with political, economic and military data. From the beginning of 1950 I supplied information of a cultural nature to Miss Tryon and to Mary Eich, Secretary at the American Legation. After the beginning of 1949 I submitted information mainly on government measures concerning the Hungarian Roman Catholic Church to Toon and later to Petrow, Legation Secretaries. In the summer of 1949 I came into touch with Griffin, Air Attaché, whom I supplied with information on airfields in Hungary, Griffin also instructed me to continue procuring information of such a nature.

The President : In this way, therefore, you came into direct contact with the military branch of the American Legation?

Pongrácz : Yes.²⁰

Pongrácz : At the beginning of 1949 Gyomlay informed me that he was a member of the illegal royalist conspiracy, the aim of which was to seize power. I reported on this to Petrow although I knew that Gyomlay and Petrow were in direct contact. Petrow took note of the fact of this Catholic conspiracy with satisfaction, and told me that the Legation approved its aims and also promised assistance. At the same time Petrow instructed me to maintain contact with the conspiracy or rather the organisation — at that time that was all that was discussed — furthermore he instructed me that I should obtain data by making use of this conspiracy.

The President : Tell me, what do you know of Grósz's manifesto as head of State?

Pongrácz : In June 1949, at the beginning of June, Gyomlay told me that the Americans ordered the illegal organisation to see that Archbishop Grósz of Kalocsa signed a manifesto

20. Grey Book, pp. 98—99.

in which he would state that according to the ancient laws of Hungary, in the absence of the king and if the Prince Primate was prevented from doing so, the Archbishop of Kalocsa was entitled to exercise power as head of State, that he as Archbishop of Kalocsa wished to exercise this power of head of State and would appoint a temporary government. Gyomlay then brought me a draft to this effect to the Legation and asked me to type it. I typed the draft in two copies on the white paper of the Legation, dating it July the 5th 1950.

The President : There at the American Legation?

Pongrácz : At the American Legation. I handed over these two typed copies to Gyomlay. At the end of July Gyomlay came to the American Legation and showed me the first copy of the manifesto which — he said — Archbishop Grósz had signed on the orders of the Americans.²¹

Pongrácz : After Gyomlay had shown me the manifesto I rang up Legation Secretary Sherer and told him that Gyomlay would like to speak with him. Sherer then instructed us, or rather instructed me, that we should see him. We went to his official premises and I interpreted Gyomlay's words to Sherer. Gyomlay said that Archbishop Grósz had, in accordance with the instructions received, signed the manifesto about being head of State and handed it over herewith.

The President : What did Secretary of Legation Sherer say when he received the manifesto?

Pongrácz : Sherer merely expressed his satisfaction that the Archbishop had signed the manifesto and said that he would hand it over to his superior Davis, the American Minister in Budapest.²²

21. Grey Book, p. 101.

22. Grey Book, p. 102.

THE HUNGARIAN GOVERNMENT PROTESTS AGAINST
THE ESPIONAGE ACTIVITY OF CERTAIN MEMBERS
OF THE UNITED STATES LEGATION IN BUDAPEST
AND DEMANDS THEIR RECALL

NOTE OF THE HUNGARIAN MINISTRY FOR FOREIGN
AFFAIRS TO THE U. S. LEGATION IN BUDAPEST (JULY 2, 1951)

08111/1951

The Hungarian Ministry for Foreign Affairs presents its compliments to the Legation of the United States and on behalf of its Government imparts the following:

It has been established at the competent Hungarian Court in the course of the recent criminal case of József Grósz and his accomplices that several officials of the United States Legation in Budapest had actively taken part, together with the persons accused, in a conspiracy aiming at the overthrow of the Hungarian People's Republic and in the espionage activity of the same persons.

It has been proved beyond any doubt on the ground of concurring confessions and testimonies of the accused and witnesses as well as real evidences that nine former or actually active officials of the United States Legation — regardless of the most elementary provisions of International Law -- interfered in a most outrageous manner with the internal affairs of the Hungarian State and having abused their diplomatic privileges were engaged in illegal activity against the Hungarian working people and its State. Members of the staff of the American Legation at Budapest established close ties with arrow-croser and Horthyist elements hostile to the people with the goal of organising and encouraging them for espionage and a conspiracy aiming at the annihilation of the land-reform, the nationalisations, and the democratic rights of freedom, and instructed the leaders of this conspiracy to form a bloodthirsty counter-revolutionary terror government opposed to the legal Government of the Hungarian People's Republic.

The Legation of the United States employed Alajos Pongrácz, a notorious spy of Horthy and the Gestapo, after having been fully informed of his dark past. This spy, named

Pongrácz, making use of his post held at the Legation of the United States regularly did intelligence work and acted as liaison between the Latter and the leaders of the reactionary anti-democratic conspiracy.

The Government of the Hungarian People's Republic points out that almost without exception in all fascist conspiracies revealed in recent years officials of the Budapest Legation of the United States were involved. This fact is closely linked with the general policy of the United States which fosters, supports by all means the outcasts of Hitler's Hungarian lackey, Szálasi, who have fled abroad and considers them as its allies. In the American Zone of Germany armed formations are being organised with official American support under the leadership of arrow-crosser generals, who escaped their well-deserved fate in 1945 only because they fled and hid from being made responsible for their deeds. "Committees" composed of such runaways and elements hostile to the people are also swarming in the United States, themselves openly spreading hatred against the Hungarian People's Democracy and its Government with the official support of the American Government. The United States are putting their radio network at the disposal of these fascist criminals and are supporting them pecuniarily. These arrow-crosser generals, bloodthirsty ghetto commanders, inhumane murderers, open or undercover fascist mouthpieces of the Horthy regime who have been serving seven years ago Hitler and his regime, raging and wading in blood, — are now appearing as the champions of democracy, as the "Voice of America" and are howling, agitating and calumniating in the name of liberty, humaneness and progress against everything created by the liberated Hungarian people with its assiduous work.

Although in the view of the Hungarian Government the fact that notorious fascist sleuthhounds, dirty of the Hungarian workers' blood, as newly born democrates are voicing the eulogy of the United States and attacking the People's Democracy, wholly abrogates the propaganda effect aimed at by the United States and although such propaganda unveils the political motives for which the Government of the United States fosters and supports the remnant of the base fascist mob, it still protests in the strongest terms against such attitude of the Government of the United States, as one incoherent with normal relations between the two countries.

The Government of the Hungarian People's Republic demands at the same time that the Government of the United

States immediately recall the Legation officials of whom it has been established in the criminal case against Grösz and his accomplices that they have carried out espionage and diversionist activity and who are still on duty in Budapest, else the Government of the Hungarian People's Republic will be obliged to take appropriate measures. It is also demanded that the Government of the United States close the library, as well as locals for motion pictures and music of the United States Information Service (U.S.I.S.) which proved to have served as organs camouflaging acts of espionage and subversive activity.

The Ministry for Foreign Affairs of the Hungarian People's Republic avails itself of this opportunity to renew to the Legation of the United States the assurance of its high consideration.

THE DEFAMATORY NOTE OF THE UNITED STATES
LEGATION IN BUDAPEST IN CONNECTION WITH
THE GRÓSZ TRIAL

NOTE OF THE U. S. LEGATION IN BUDAPEST TO THE HUNGARIAN MINISTRY FOR FOREIGN AFFAIRS (JULY 7, 1951)

No. 4

The Legation of the United States of America presents its compliments to the Hungarian Ministry for Foreign Affairs and has the honor to inform the Ministry as follows :

The Government of the United States categorically rejects the allegations directed against the Legation of the United States and members of its staff by the Hungarian Government in Its Note of July 2, 1951, and regards the demands put forward by the Hungarian Government on the basis of these charges as arbitrary and unwarranted. The activities of the United States Legation in Hungary have been legitimate in every respect and in full conformity with international diplomatic practice. The United States Government concludes therefore that the conduct of United States Legation officials has been called into question only to serve the propaganda aims of the Hungarian Government.

In the view of the United States Government, the proceedings in the trial of Archbishop Grósz establish nothing except that the Hungarian authorities are continuing by ruthless and unconscionable measures to terrorize the Hungarian people into mute submission to the existing regime and its totalitarian program. In this instance, as on many past occasions, the Hungarian Government has contrived a tissue of falsehoods in a brazen though futile attempt to justify before the world its continuing campaign to crush all dissent and to suppress the human rights and fundamental freedoms of its citizens. It is also evident that the Hungarian Note of July 2, 1951 reflects the extreme annoyance of the Hungarian Government that the Hungarian people, despite unending Communist propaganda and repression, continue to maintain their feelings of deep friendship for the United States as well as their firm confidence that the United States Government will not cease to concern itself with their tragic plight.

Without accepting or crediting in any way the preposterous charges which the Hungarian Government has advanced, the United States Government has taken the decision to discontinue certain cultural and informational activities mentioned in the Hungarian Government's Note, since it is clear that the Hungarian Government has rendered impossible the maintenance of open and normal contacts and the free exchange of ideas and information between the two peoples. The United States Government believes, however, that the attitude of the Hungarian Government in this regard will be viewed with deep resentment and regret by the Hungarian people, who have shown a great interest in cultural contacts with the people of the United States and who are fully aware that this policy of the Hungarian Government is aimed at further isolating them from the free world. By its behavior in this matter, the Hungarian Government has effectively demonstrated before the entire world that it dare not tolerate, even to limited degree, the exercise of freedom of opinion.

The Legation of the United States of America avails itself of this opportunity to renew to the Hungarian Ministry for Foreign Affairs the assurance of its high consideration.

THE HUNGARIAN GOVERNMENT EXPOSES THE ATTEMPTS AT INTERFERENCE BY THE UNITED STATES IN CONNECTION WITH THE GRÓSZ CONSPIRACY²³

HUNGARIAN NOTE²⁴ (JULY 10, 1951)

The Government of the Hungarian People's Republic most categorically rejects the Note of the United States Government of July 7, 1951, which tries to interfere in a brazen way with the affairs of the Hungarian People's Republic and the Hungarian people. The Government of the Hungarian People's Republic states that the Government of the United States is unable to deny its support granted to fierce fascist and reactionary enemies of the Hungarian people and the criminal, diversionist, and spying activity of the officials of the American Legation, as set forth in the Note of the Government of the Hungarian People's Republic of July 2, 1951. Instead of this, the Government of the United States, which in its own country flouts the most elementary rights of freedom and is actually waging a campaign of terror against the followers of peace and progress, wants to teach the Hungarian people a lesson on human rights. The Government of the United States better mind its own business.

As to normal relations between the two countries, their course is being rendered difficult by the Government of the United States through its open support granted to Hungarian fascism, to all enemies of the Hungarian working people, and through its using the American Legation at Budapest, as a spying center. In its Note of July 7, the United States Government tries to conceal such activity by brutal calumnies which the Government of the Hungarian People's Republic stigmatises and refutes in the sharpest way.

23. The United States Government, in accordance with the demands made by the Hungarian Government in its Note of July 2, recalled three of its Budapest Legation officials who had been declared as "personae non gratae" and whose espionage activity had been proved in the course of the Grósz trial, and it had the Budapest library, film and music premises of its so-called "Information Service", which had served as a cover for espionage activity, closed down.

At the same time, however, the Government of the United States on July 7, sent a provocatively worded note to the Hungarian Government in which it calls the Hungarian demands "arbitrary and unjustified" and resorts to crude slanders to avoid having to give a straight answer to the questions raised in the last Hungarian Note. The Hungarian Government on July 10 rejected this Note by the United States Government in this Note.

24. MTI, July 10, 1951.

X

FOREIGN TRADE DISCRIMINATION AGAINST THE HUNGARIAN PEOPLE'S REPUBLIC APPLIED UPON THE INSTRUCTIONS OF THE UNITED STATES

- No. 1. Protest of the Hungarian delegates Imre Karczag and Zoltán Szántó at the meetings of the Economic Commission for Europe against American discrimination in foreign trade. (May 1949, June 1950, June 1951)
- No. 2. Text of Article 7 of the American-Hungarian Treaty of Friendship, Trade and Consular Rights concluded on June 24, 1925.
- No. 3. Note of protest of the Hungarian Ministry for Foreign Affairs to the Budapest Legation of the United States over the abrogation of Article 7 of the Treaty of Friendship, Trade and Consular Rights, concluded on June 24, 1925. (August 29, 1951)
- No. 4. West-German authorities upon the instructions of the American occupation authorities stopped the delivery of a consignment intended for Hungary. (May 12, 1951)
- No. 5. The United States exerts pressure upon the Swiss Government for a policy of discrimination in foreign trade. (August 7, 1951)
- No. 6. The New York Times reports on the latest measures of discrimination taken by the United States Department of Commerce. (October 4, 1951)

The Government of the United States has, in pursuit of its warlike aims and in order to retard the economic development of the Hungarian People's Republic, in practice stopped in 1948 trade relations with the Hungarian People's Republic and has reduced the existing agreements between the two countries at naught. Despite the fact that the Government of the Hungarian People's Republic has on several occasions emphasized that it wishes to maintain normal trade relations with the United States as well as with other Western Governments, it has as a result of the discriminating trade policy of the United States not been possible to establish these relations with the USA. The United States authorities have in consequence of this policy of discrimination also regularly refused the delivery of medicines and equipment necessary for work in public health. Thus, for example, the Hungarian Government in May 1951, filed a licence application to the American authorities for Streptomycin. The competent authorities promised that they would forward the application to the committee for decisions on licence applications. The committee refused the licence application on the ground that it was "contrary to national interests".

The Government of the United States has not only prevented the development of trade relations with the United States and Hungary but also exerts political and economic pressure upon states which desire to maintain normal trade relations with the Hungarian People's Republic. As a result of the policy of the USA, a number of European countries are — acting against their own interests, — decreasing the traditional volume of their trade with the Hungarian People's Republic and are taking measures of discrimination, the execution of which is, as the Western papers report, supervised by American authorities.

The Hungarian Government has on several occasions pointed out before international bodies that the discriminating measures, the hostile attitude of the United States, impede normal economic relations between countries that they violate the interests not only of the Hungarian People's Republic but also of other

states, and are contrary both to international law and to the principle of the freedom of trade, which is emphasized so frequently precisely by the United States.

PROTEST OF THE HUNGARIAN DELEGATES IMRE
KARCZAG AND ZOLTÁN SZÁNTÓ AT THE MEETINGS OF
THE ECONOMIC COMMISSION FOR EUROPE AGAINST
AMERICAN DISCRIMINATION IN FOREIGN TRADE¹
(MAY 1949, JUNE 1950, JUNE 1951)

EXTRACT FROM THE SPEECH OF IMRE KARCZAG

(Fourth Session, fourth meeting, May 10, 1949)

*Mr. Karczag*² (Hungary) recalled that as recently as February of the current year representatives of all the countries of Europe had for the first time expressed their agreement with the principle that there should be a general increase in intra-European trade, and especially in trade between Eastern and Western Europe. Measures adopted since that date, however, reflected a tendency in the reverse direction.

... To take one example, the work of the Steel Committee was of the greatest interest for Hungary. At the beginning of 1949, the Director of the Steel Division had put forward a scheme whereby the scrap available in the British-United States Combined Zone of Germany would be allocated among European countries on the same basis as was coke and coal. That scheme, however, had not been adopted, and allocations of scrap were at present being made in Paris for the exclusive benefit of Marshall Plan countries.

The Hungarian and Czechoslovak Governments had requested that the question of the allocation of scrap should be written into the agenda of the last session of the Steel Committee. In that Committee, the United States representative had stated that it might be possible for Czechoslovakia and other countries to purchase scrap from the Combined Zone of Germany. The only development that had taken place since that statement had been made, had been that stocks of scrap had risen while prices had fallen.

1. The official publication of the Economic and Social Council.

2. Under-Secretary of State Imre Karczag, head of the Hungarian delegation to the ECE meeting of 1949.

EXTRACT FROM THE SPEECH OF IMRE KARCZAG

(Fourth Session, nineteenth meeting, May 19, 1949)

Mr. Karczag (Hungary) declared that in his opinion the reestablishment of normal trade relations between the countries of Eastern and Western Europe was essential to European prosperity.

... In support of his assertion that such a discriminatory policy was a proven fact, he quoted extracts from a number of letters received by Hungarian importers from United Kingdom and French exporters, regretting the latter's inability to make deliveries owing to the refusal, for unknown reasons, of the authorities to grant export licences, even for such harmless goods as raw materials for the pharmaceutical industry. Participation by Western European businessmen in international trade fairs in Eastern Europe seemed to come under the same political ban. Such measures were clearly not in the interests of the Western European countries themselves.

EXTRACT FROM THE SPEECH OF ZOLTÁN SZÁNTÓ

(Fifth Session, third meeting, June 1, 1950)

Mr. Szántó³ (Hungary): ... Everyone knew that Europe's present difficulties, the result of an economic crisis which was constantly growing more acute, arose out of the discriminatory policy represented by the Marshall Plan, imposed upon the countries of Western Europe by governing circles in the United States of America. The ever-increasing number of unemployed, the ever-growing dollar deficit and the constant emphasis on a discriminatory policy in the countries of Western Europe were so many grave threats to the economy of Western Europe, and ran counter to the interests of nations and peace alike.

... While the problem of markets was becoming increasingly urgent for Western Europe, the volume of trade between Eastern and Western Europe did not correspond even in the slightest degree to the possibilities presented on the one hand by the unsold stocks in the West, and on the other by the prosperity of the countries of the East, where economic development was

3. Envoy Extraordinary and Minister Plenipotentiary Zoltán Szántó, Minister of the Hungarian People's Republic in Paris and head of the Hungarian delegation to the annual meeting of the ECE.

proceeding at an unprecedented pace. The cause was to be found in the discriminatory measures adopted by the Governments of the countries taking part in the Marshall Plan, in violation of the principle of equality of rights in commercial relations.

... It was the same hostile attitude which was disrupting the economic life of Europe. That attitude was the sole explanation of the policy imposed by the United States of America upon certain countries of Western Europe, and revealed itself in the discriminatory measures applied to their trade with the eastern countries, and even in the breaking off of trade relations as a means of exerting political pressure, as done by the United Kingdom Government in the case of Hungary.

EXTRACT FROM THE SPEECH OF ZOLTÁN SZÁNTÓ

(Sixth Session, twelfth meeting, June 5, 1951)

Mr. Szántó (Hungary) stated that the Hungarian Government considered that trade and co-operation between countries with different political ideologies was highly desirable.

... American discriminatory practices were being increased daily, with the object of imposing an economic blockade in preparation for war. That blockade covered not only so-called strategic materials, but all classes of goods. To quote the French newspaper *Le Monde*, nobody had yet determined the exact meaning of the term "strategic materials". Hungarian trade organisations were constantly receiving complaints from their counterparts in Western European countries to the effect that applications for the export of certain innocuous goods had been rejected, without any reason being given. The country solely responsible for those discriminatory practices was the United States of America, and it was significant that a businessman had recently written a letter to a Belgian newspaper, inquiring by what right the United States had interfered in commercial relations between his undertaking and undertakings in Eastern European countries. Such happenings were occurring not only in Belgium, but in other countries too, for the United States of America blackmailed commercial firms desiring to trade with Eastern Europe by threatening to black-list them and ensure that they received no further United States orders. It was a known fact, for example, that controls had been imposed by the United States of America on Swedish and Swiss trade with Eastern European countries.

It had been gratifying to hear the Belgian representative say that his country desired to trade with all other countries indiscriminately. The satisfaction of that desire, unfortunately, did not rest solely with the Belgian Government. The Hungarian Government had had a similar experience with the Belgian Government, for when a Hungarian trade delegation had successfully negotiated a trade agreement with Belgium to a stage where documents had already been printed and the agreement was ready for signature, the Belgian Government had informed the Hungarian trade delegation that Belgium could not sign the agreement in question. No reason had been given, but it was plain where the responsibility for that decision lay.

In spite, however, of the imperialistic and discriminatory policy practised by the United States and by other countries, Hungary had been able to obtain machine tools and other products necessary for the implementation of her investment programme, thanks to the assistance of the Soviet Union . . . Thus, in spite of the slanderous remarks that had been made by the United States representative to the effect that those countries were being exploited by the Soviet Union, the fact remained that the countries in question could not have carried out their industrialisation programmes, had they not received Soviet Union aid. United States efforts to blockade Eastern Europe, far from injuring Hungary, were primarily proving harmful to Western Europe.

TEXT OF ARTICLE 7 OF THE AMERICAN-HUNGARIAN
TREATY OF FRIENDSHIP, TRADE AND CONSULAR
RIGHTS CONCLUDED ON JUNE 24, 1925⁴

Article 7

Between the territories of the High Contracting Parties there shall be freedom of commerce and navigation. The nationals of each of the High Contracting Parties equally with those of the most favored nation, shall have liberty freely to come with their vessels and cargoes to all places, ports and waters of every kind within the territorial limits of the other which are or may be open to foreign commerce and navigation. Nothing in this Treaty shall be construed to restrict the right of either High Contracting Party to impose, on such terms as it may see fit, prohibitions or restrictions of a sanitary character designed to protect human, animal or plant life, or regulations for the enforcement of police or revenue laws.

Each of the High Contracting Parties binds itself unconditionally to impose no higher or other duties or conditions and no prohibition on the importation of any article, the growth, produce or manufacture, of the territories of the other than are or shall be imposed on the importation of any like article, the growth, produce or manufacture of any other foreign country.

Each of the High Contracting Parties also binds itself unconditionally to impose no higher or other charges or other restrictions or prohibitions on goods exported to the territories of the other High Contracting Party than are imposed on goods exported to any other foreign country.

Any advantage of whatsoever kind which either High Contracting Party may extend to any article, the growth, produce, or manufacture of any other foreign country shall simultaneously and unconditionally, without request and without compensation, be extended to the like article the growth, produce or manufacture of the other High Contracting Party.

4. Société des Nations
Recueil des Traités
Vol. LVIII. Nos. 1, 2, 3, 4.

With respect to the amount and collection of duties on imports and exports of every kind each of the two High Contracting Parties binds itself to give to the nationals, vessels and goods of the other the advantage of every favor, privilege or immunity which it shall have accorded to the nationals, vessels, and goods of a third State, and regardless of whether such favored State shall have been accorded such treatment gratuitously or in return for reciprocal compensatory treatment. Every such favor, privilege or immunity which shall hereafter be granted the nationals, vessels or goods of a third State shall simultaneously and unconditionally, without request and without compensation, be extended to the other High Contracting Party, for the benefit of itself, its nationals and vessels.

All articles which are or may be legally imported from foreign countries into ports of the United States in vessels of the United States may likewise be imported into those ports in Hungarian vessels without being liable to any other or higher duties or charges whatsoever than if such articles were imported in vessels of the United States; and reciprocally, all articles which are or may be legally imported from foreign countries into the ports of Hungary in Hungarian vessels, may likewise be imported into these ports in vessels of the United States without being liable to any other or higher duties or charges whatsoever than if such articles were imported from foreign countries in Hungarian vessels.

The stipulations of this Article do not extend to the treatment which is accorded by the United States to the commerce of Cuba under the provisions of the Commercial Convention concluded by the United States and Cuba on December 11, 1902, or any other commercial convention which hereafter may be concluded by the United States with Cuba, or to the commerce of the United States with any of its dependencies and the Panama Canal Zone under existing or future laws.

NOTE OF PROTEST OF THE HUNGARIAN MINISTRY FOR FOREIGN AFFAIRS TO THE BUDAPEST LEGATION OF THE UNITED STATES OVER THE ABROGATION OF ARTICLE 7 OF THE TREATY OF FRIENDSHIP, TRADE AND CONSULAR RIGHTS, CONCLUDED ON JUNE 24, 1925

NOTE OF THE HUNGARIAN MINISTRY FOR FOREIGN AFFAIRS TO THE U. S. LEGATION IN BUDAPEST (AUGUST 29, 1951)

The Hungarian Ministry for Foreign Affairs presents its compliments to the Legation of the United States and, acting under instructions from its Government, imparts the following :

In Its Note delivered to the Hungarian Legation in Washington, July 5, 1951, the Government of the United States requested that Article 7 of the Treaty of Friendship, Commerce and Consular Rights concluded between the two countries on June 24, 1925, be cancelled, or in case of non-acceptance of the above proposal, denounced the Treaty as a whole. In connection therewith the Government of the Hungarian People's Republic states that by this announcement the Government of the United States made a step forward on the path of Its general policy hostile to the Hungarian people, the main objective whereof is to hamper and impede by all means the peaceful cooperation, the "friendly intercourse . . . through provisions responsive to the spiritual, cultural, economic and commercial aspirations of the peoples" the promotion of which has been set as the goal of the Treaty in question in its preamble.

The United States Government concluded the Treaty mentioned herein before with the Hungarian Government at a time when an antidemocratic regime was ruling in the country, the policy whereof directly led to its participation in the aggression of Hitlerite Germany and in its war waged against the bulk of the world, — including the United States of America. During the existence of this regime no disturbing circumstance whatsoever occurred in the operation of the Treaty for many years and the Government of the United States did not deem it necessary at that time either to limit or to denounce the Treaty.

This recent step of the United States Government is, however, no surprise for the Government of the Hungarian People's Republic. The American Government has made it plain for a long time, how much antipathy it felt against the Hungarian People's Republic and the Hungarian people peacefully building its country. Persons engaged on official duty by the Government of the United States, including persons pertinent to the diplomatic service, were repeatedly supporting the criminal, subversive activities of the ferocious enemies of the Hungarian people and the fascist elements left behind by the outlived regime striving to overthrow the regime of the People's Republic.

It was by its aversion against the regime of the People's Democracy, that the Government of the United States was induced to violate numerous articles of the Treaty of Peace concluded with Hungary, including, e. g., the article by virtue whereof the American Government has been obliged to restitute the Hungarian goods carried away by the fascists.

The American Government frustrated Hungary's admission to the United Nations on account of the same motives and carried out activities adverse to the Hungarian People's Republic before other international fora.

On the other hand, the Government of the United States applied its policy hostile to Hungary also in the field of international commerce and exchange of goods. It artificially reduced the exchange of goods between the two countries to a minimum. It took measures of an outstandingly discriminative character in this domain and has been also generally disregarding the provisions of the Treaty of Friendship, Commerce, and Consular Rights for a long period. The formal denunciation of the Treaty, which was already rendered illusory on account of the United States Government's attitude breaching the Treaty, consequently serves — besides further loosening the relations between the two countries, — also the goal of enabling the Government of the United States to set aside its responsibilities deriving from the breach of the Treaty. The Government of the Hungarian People's Republic does not intend, however, to further that by a posterior consecration of an unlawful practice the Government of the United States be discharged of its undertakings set forth in the Treaty. The Government of the Hungarian People's Republic therefore rejects the revision of the Treaty of Friendship, Commerce and Consular Rights of June 24, 1925, as proposed by the Government of the United States.

The Hungarian Ministry for Foreign Affairs avails itself of the opportunity to renew to the Legation of the United States the assurance of its high consideration.

WEST-GERMAN AUTHORITIES UPON THE INSTRUCTIONS OF THE AMERICAN OCCUPATION AUTHORITIES STOPPED THE DELIVERY OF A CONSIGNMENT INTENDED FOR HUNGARY⁵ (MAY 12, 1951)

West-German authorities stopped on Friday the delivery of rails which were on way to Hungary through West-Germany.

The United States High Commissioner for Germany, Economic Division, stated that the West German Permit Agency had had a permit issued for the delivery of the consignment in the customary way, but that the Allied and German authorities had prevented export because they did not deem it expedient to deliver the consignment.

(Translated from Hungarian)

5. Reuter, Frankfurt, May 12, 1951.

THE UNITED STATES EXERTS PRESSURE UPON
THE SWISS GOVERNMENT FOR A POLICY OF DIS-
CRIMINATION IN FOREIGN TRADE

FROM THE ARTICLE OF MICHAEL L. HOFFMANN, PUBLISHED
IN THE AUGUST 7, 1951, ISSUE OF THE NEW YORK TIMES

Switzerland has modified her policies on trade with Eastern Europe in a manner that will make possible the end of the United States curb on export licenses for Switzerland. This extremely delicate question for a strictly neutral country, which nevertheless is wholly Western in outlook and sympathies, has been under discussion for several weeks in Berne.

Despite the desire on both sides to keep the matter from becoming public, Switzerland's plans to reduce shipments of certain categories of materials to Communist-controlled countries leaked out via Paris.

Private businessmen in Switzerland had already surmised that some development had taken place, as they suddenly found their applications for export licenses to Switzerland taken out of the icebox in the United States Department of Commerce.

There is not any "agreement" and Switzerland has not made any commitments to anybody. To do so would be a violation of her concept of neutrality.

What the Swiss Government has done is to state its intentions with respect to three categories of goods, all on the United States secret lists. These statements of intention have been accepted reasonably satisfactory by the United States.

The first category contains scarce raw materials that are being embargoed for shipment to Communist countries by most members of the North Atlantic Alliance. Switzerland has agreed to cut shipments of these items, many of which make up part of her traditional trade with Eastern Europe to one-third of the average value of such shipments during the last two years.

As for the second group of items, of somewhat less strategic importance, Switzerland has agreed to keep this group within the limits of present export quantities. There is no question of transshipment through Switzerland of these products,

as Switzerland already has established controls to prevent that from taking place on any significant scale.

The third group covers items of direct importance in the development of atomic energy. No significant amounts of such items enter into Swiss trade with the East anyway. The Swiss have agreed to accept now new orders for any items in this category.

Ordinarily the Swiss Government would get into hot water with the Swiss public over a matter of this kind. No matter how the matter is dressed up Switzerland has modified her trade policy at a time when the United States is taking steps to cut off supplies of goods vital for the Swiss economy and this modification has been in the direction desired by the United States.

It will be difficult to explain this as anything but submission to United States pressure in a matter intimately entwined in traditional aspects of national sovereignty, not to mention traditional concepts of neutrality.

**THE NEW YORK TIMES REPORTS ON THE LATEST
MEASURES OF DISCRIMINATION TAKEN BY THE
UNITED STATES DEPARTMENT OF COMMERCE***

In its Wednesday issue the New York Times carries a long report on the order issued by the United States Department of Commerce which has banned two European firms from American foreign trade for shipping American goods to Hungary. According to the order of the Department, a Swiss and a Rotterdam firm may in the future not take part in any form of export or import trade because they made an attempt to ship machine tools in the value of 118,000 dollars to Hungary.

American foreign trade conditions forbid the delivery of materials serving military purposes to the countries behind the Iron Curtain. The Dutch firm placed its order with its textile works in Italy so as to obtain a United States export permit. The Rotterdam firm to whose address the goods had to be delivered took steps following instructions from the Budapest Hungarian General Shipments Enterprise to have the goods transported to Hungary . . .

* New York Radio, October 4, 1951.

XI

UNITED STATES AUTHORITIES ACTING IN VIOLATION OF OBLIGATIONS THEY HAD UNDERTAKEN RETAIN LOOTED HUNGARIAN PROPERTY THAT HAD BEEN TAKEN TO THE WEST

- No. 1. Article 30 of the Peace Treaty provides for the restitution of looted Hungarian property.**
- No. 2. The United States Government undertakes an obligation to begin the restitution of Hungarian property. (March 19, 1946)**
- No. 3. The United States Government requests a list of the looted goods in order to begin the restitution. (July 6, 1946)**
- No. 4. The United States authorities in violation of the Peace Treaty expel the Hungarian Restitution Mission. (April 16, 1948)**
- No. 5. The Hungarian Government calls upon the United States Government to restore the looted stud of Hungarian horses. (May 30, 1947)**
- No. 6. The United States Senate Defence Committee refuses compliance with the request of the Hungarian Government on military grounds. (January 23, 1948)**
- No. 7. The Hungarian Government protests against the auctioning of looted Hungarian property. (December 20, 1949)**
- No. 8. The United States in accordance with the agreement concluded in the Vogeler-case again undertakes an obligation to restore Hungarian property. (April 21, 1951)**

- No. 9. The Hungarian Government exposes the way in which the United States tread all considerations of law under foot and the aims with regard to the refusal to restore the Crown. (April 20, 1951)**
- No. 10. The Hungarian Government protests against the violation of the agreement concluded on restitution. (May 14, 1951)**
- No. 11. Reply of the United States Government based on a distortion of the facts. (June 15, 1951)**
- No. 12. The Hungarian Government exposes the Treaty violations by the United States Government. (August 1, 1951)**

At the end of 1944 and the beginning of 1945, when Hungary was looted, the German occupiers and their Hungarian fascist servitors carried items of property valued at some 800 million dollars out of the country. The great majority of the goods they robbed was taken to the United States Zones of Occupation of Austria and Germany.

The matter of restitution of looted Hungarian property was settled under Article 30 of the Peace Treaty which states that property removed from Hungary should be restored by the occupation powers. The United States Legation in Budapest in a note handed to the Hungarian Ministry for Foreign Affairs on July 5, 1946 stated that the United States Government undertakes to restore all Hungarian property removed after October 15, 1944. The United States Government — which has used every excuse to slander the Hungarian People's Republic by saying that it does not comply with its international obligations — sabotaged the restitution of Hungarian goods right from the beginning and complied only with its obligation under the Hungarian Peace Treaty to an insignificant extent. The Government of the United States made the restoration of the goods that had been taken West dependent upon political conditions and used them as a means of blackmail, and finally, when it was not able to evade compliance with the emphatic representations of the Hungarian Government, it did not restore the industrial goods and means of transport that are the primary necessities for reconstruction, and permitted only the restitution of certain cultural, medical, and similar goods. Moreover, the United States occupation authorities made gifts of a part of the looted goods to Germans and Hungarian fascists and even placed a part of the Hungarian raw materials, food and stocks of finished products at the disposal of the German population as "American aid" without accounting for their counter-value.

After the United States Government had become convinced that it would not be able to achieve its purposes with the methods it had hitherto employed, it also openly refused to comply with its obligations in the matter of restitution and referring to the

incident at Hegyeshalom provoked by American soldiers, it expelled the Hungarian Restitution Mission from the United States Zone of Germany on April 15, 1948. Subsequently, United States authorities in Germany and Austria, despite the repeated protests of the Hungarian Government, unilaterally declared that Hungarian restitution claims with regard to the Hungarian property that had been taken there were invalid. Thus a great part of the looted Hungarian goods in the West fell into the hands of unauthorised fascist claimants or into the custody of the German and Austrian authorities. It was thus that the equipment of several factories, the Hungarian stud of thoroughbred horses, numerous transport vehicles and the gold train of 24 waggons, containing the treasures taken from Hungary by the German fascists, became the unlawful property of others.

In April 1951, the Government of the United States in connection with the expulsion of Vogeler concluded an agreement with the Hungarian Government under which, apart from stopping the broadcasts of the Voice of America on the wavelengths which interfered with the broadcasts of the Budapest radio and permitting the Hungarian Consulates in New York and Cleveland to resume their work, it would restore the Hungarian goods that had been looted from Hungary and could be discovered in the American Zone of Occupation. The complete disregard on the part of the United States of international agreements is shown by the fact that they did not comply with this agreement and continue unlawfully to retain the Hungarian goods that had been taken to the West.

It is a matter of political significance that the United States Government refused to restore the Crown of St. Stephen¹. They are retaining this Hungarian treasure of art with reference to arguments lacking any legal basis and with the aim that Hungarian fascist organisations in the West, enjoying United States support, should use this, and in this way to support the plans of the United States in preparation of a new warlike adventure as was revealed in the Mindszenty trial.

1. The crown of the first king of Hungary, Saint Stephen (XIth Century) is one of the most valuable relics of Hungarian history. In 1944 the Hungarian fascists took it to Germany and later handed it to the American military authorities. The Government of the Hungarian People's Republic repeatedly requested the American Government to hand the crown back.

**ARTICLE 30 OF THE PEACE TREATY PROVIDES
FOR THE RESTITUTION OF LOOTED HUNGARIAN
PROPERTY**

Article 30.

1. From the coming into force of the present Treaty, property in Germany of Hungary and of Hungarian nationals shall no longer be treated as enemy property and all restrictions based on such treatment shall be removed.

2. Identifiable property of Hungary and of Hungarian nationals removed by force or duress from Hungarian territory to Germany by German forces or authorities after January 20, 1945, shall be eligible for restitution.

3. The restoration and restitution of Hungarian property in Germany shall be effected in accordance with measures which will be determined by the Powers in occupation of Germany.

4. Without prejudice to these and to any other dispositions in favour of Hungary and Hungarian nationals by the Powers occupying Germany, Hungary waives on its own behalf and on behalf of Hungarian nationals all claims against Germany and German nationals outstanding on May 8, 1945, except those arising out of contracts and other obligations entered into, and rights acquired, before September 1, 1939. This waiver shall be deemed to include debts, all intergovernmental debts, all intergovernmental claims in respect of arrangements entered into in the course of the war and all claims for loss or damage arising during the war.

**THE UNITED STATES GOVERNMENT UNDERTAKES
AN OBLIGATION TO BEGIN THE RESTITUTION OF
HUNGARIAN PROPERTY**

NOTE OF THE U. S. LEGATION IN BUDAPEST TO THE HUNGARIAN MINISTRY FOR FOREIGN AFFAIRS (MARCH 19, 1946)

No. 140

The American Legation in Budapest presents its compliments to the Ministry for Foreign Affairs and has the honour to enclose a Memorandum regarding the United States Government's interim program of restitution of Hungarian property in United States Zones of Occupation in Germany and Austria.

Enclosure :

Memorandum dated March 19.

Budapest, March 19, 1946.

**ENCLOSURE TO THE NOTE No. 140, MARCH 19, 1946, OF THE
U. S. LEGATION IN BUDAPEST**

Memorandum

Pending agreement on the scope of restitution among the occupying Powers of Germany and Austria, the Government of the United States has instructed the Commander-in-Chief of the United States Zones of Occupation in Germany and Austria to undertake an interim program of restitution to the Government of Hungary of identifiable property, other than gold securities and currencies, removed from Hungary during the period from January 20, 1945 to May 15, 1945.

Accordingly, the Government of the United States invites the Hungarian Government to submit to the United States Government one or more lists of such property which the Hungarian Government has reason to believe may be located in the United States Zones of Occupation in Germany or Austria. These lists should, so far as possible, refer separately

to such property believed to be in Germany and Austria. They should further contain as much description of the property as possible and as may be required to enable the occupying authorities to identify the property and should include all available information as to the location of the property.

Following the receipt of these lists, which may indicate priorities in the urgency of return, it is intended, where necessary, to invite the Hungarian Government to send a small mission to the United States Zones of Occupation in Germany and Austria for the purpose of identifying such of the listed property as each of the occupying authorities may have been able to discover in his zone.

**THE UNITED STATES GOVERNMENT REQUESTS A LIST
OF THE LOOTED GOODS IN CRDLE TO BEGIN THE
RESTITUTION**

**NOTE OF THE U.S. LEGATION IN BUDAPEST TO THE HUN-
GARIAN MINISTRY FOR FOREIGN AFFAIRS (JULY 6, 1946)**

No. 242

The American Legation presents its compliments to the Ministry for Foreign Affairs and with reference to its Note No. 140 of March 19, 1946, relative to the restitution of Hungarian property in United States Zones of Occupation in Germany and Austria, has the honour to inform the Ministry for Foreign Affairs that under a recent directive to the Commanders of the United States Occupied Zones of Germany and Austria, the periods applicable to the restitution of property have been amended so that Hungarian property removed between October 15, 1944 and May 15, 1945 is now subject to restitution.

Accordingly, the Government of the United States invites the Hungarian Government to submit to the United States Government lists of property removed between October 15, 1944 and January 20, 1945, similar to the lists currently being submitted for property removed between January 20, 1945 and May 15, 1945.

**THE UNITED STATES AUTHORITIES IN VIOLATION
OF THE PEACE TREATY EXPEL THE HUNGARIAN
RESTITUTION MISSION**

**STATEMENT BY THE MINISTER FOR FOREIGN AFFAIRS
ERIK MOLNÁR TO THE REPRESENTATIVES OF THE PRESS
(APRIL 16, 1948)***

The Budapest Legation of the United States of America in a Note on March 25, 1948, dealt with an alleged incident that had occurred two months previously, that is on January 21, and on January 25, 1948, at Hegyeshalom.

According to the Note, the Hungarian frontier guards did not permit the American military escort of a train carrying Hungarians being repatriated from the American Zone of Germany to enter the territory of the country and it is alleged that the commander of the frontier guards did not even give permission for the American soldiers to telephone to their Legation in Budapest; further, that during their stay in Hegyeshalom the above military escort suffered various insults, in that, for instance, members of a Soviet military leave-train that was passing through misappropriated some blankets and other items of equipment from the cars of the American train and assaulted the American soldier who opposed them.

The Hungarian Ministry for Foreign Affairs communicated to the Budapest Legation of the United States within 24 hours after receipt of the Note that it would have the facts alleged in the Note examined by the competent authorities and that the Hungarian authorities would respect the rules of international courtesy as they had done in the past. If there had been incorrect procedure on the Hungarian side, those guilty would be called to account.

The Hungarian Ministry for Home Affairs in its letter, dated April 12, reported on the complete results of the investigation substantiated by the original minutes.

The Hungarian Ministry for Foreign Affairs made these facts available to the Budapest Legation of the United States on the very same day, prefacing them with a statement that it

3. MTI, April 16, 1948.

considered it most regrettable that a misunderstanding of this nature should occur between the Hungarian authorities and American military personnel.

The fact is that from the data of the investigation it appeared clearly that :

1. The military personnel concerned tried to enter the territory of Hungary without an entry permit, without a visa, and since such an attempt implies a violation of the sovereignty of the country, the Hungarian frontier authorities politely refused entry.

2. The American escort moved freely in the village of Hegyeshalom and would thus have had the opportunity to telephone to Budapest.

3. During their stay there, the American soldiers embarked on an immoderate carousal, threatened the civilian population while drunk, pointed arms at the porter of the hotel, which our frontier personnel precisely with a view to international courtesy tolerated.

4. It is a fact that during the time the American military waggons were at Hegyeshalom a Soviet military leave-train passed through the station, stopped more than one kilometer from the American waggons and after 30 minutes stay continued on to Vienna. During this time no one alighted from the Soviet train, no one came near the American train. The investigation has, however, established that the American soldiers to cover the costs of the expensive carousal sold various items of equipment to the population. The Hungarian Ministry for Foreign Affairs has informed the Budapest Legation of the United States that it is having the people concerned prosecuted as receivers of stolen goods.

The Hungarian Ministry for Foreign Affairs at the same time informed the Budapest Legation of the United States that in order to avoid any incidents in the future, it has authorized the Hungarian Government's Commissioner in Munich to issue entry-permits for the territory of Hungary to the military personnel accompanying American trains upon the request of the American authorities concerned. At the same time the Hungarian frontier guards have also received instruction to permit American military escort personnel possessing such entry permits to enter the territory of Hungary without hindrance.

While diplomatic discussions were still being carried on between the Hungarian Ministry for Foreign Affairs and the Budapest Legation of the United States, in the course of which the Hungarian Government behaved with far-reaching courtesy,

the Deputy Commander of the American Zone in Germany, General Huebner, on April 6, told the heads of the Hungarian Restitution and Repatriation Missions in Germany that in so far as he did not receive a satisfactory explanation within 72 hours of the January incident in question he would stop Hungarian repatriation transport. He did in fact adopt this measure.

At noon, on April 15, 1948, General Huebner told the Head of the Hungarian Restitution Mission that all Hungarian Restitution and Repatriation Missions were obliged to leave the American Zone in Germany within 48 hours, leaving their archives behind them.

Since the American authorities took this measure only after two months have elapsed, it is obvious that the American Military Government was looking for an excuse to put a stop to the work of the Hungarian Mission in the American Zone and to make it impossible for Hungarian commodities of considerable value that can be found in Germany to be brought home.

The Hungarian Ministry for Foreign Affairs states that by taking this step, the Government of the United States of America is violating Art. 30. of the Peace Treaty which lays down that the property of Hungarian citizens in Germany is no longer regarded as enemy property and that its restitution must be made possible. At the same time this procedure is contrary to the Note which the American Legation handed to the Hungarian Ministry for Foreign Affairs on July 6, 1946, in which the American Government undertakes an obligation to restore all Hungarian goods taken out of the country after October 15, 1944.

If the Government of the United States of America maintains the offensive measures of the American Military Government in Germany, the Hungarian Government will be obliged to use all the means at its disposal to defend its standpoint, and the goods that are Hungarian property.

**THE HUNGARIAN GOVERNMENT CALLS UPON THE
UNITED STATES GOVERNMENT TO RESTORE THE
LOOTED STUD OF HUNGARIAN HORSES**

**LETTER OF THE HEAD OF THE HUNGARIAN RESTITUTION
MISSION TO THE USFET RESTITUTION CONTROL BRANCH
(MAY 30, 1947)**

Claim No. 1050

1. General description of the goods applied for: Horses and different equipments, owned by the Hungarian State and Hungarian citizens.

2. Details are given in the attached sheets No.: 1—8.

3. Present location: U. S. of America: Aleshire Q. M. Depot (Remount) Fort Royal, Virginia; Pomona Q. M. Depot (Remount) Pomona, California; Reno Q. M. Depot (Remount) Fort Reno, Oklahoma.

4. Details concerning removal to Germany: Removed by force by Germans and the Hungarian National Socialist Government. The "By Force"-proof was handed in by this Mission under No. 384/Lou, paragraph 5, on July, 14, 1947.

5. Address in Hungary and suggestions on transport: From America to Komárom, Hungary, by ship and rail.

6. General Remarks: The property was in existence before the German occupation in Hungary.

It is requested to have this property definitely located and taken under control by the Property Control Officer concerned, — if possible, — in the custody of a Hungarian custodian.

8. Custodian: Mr. Szász, Hungarian Legation, Washington.

THE UNITED STATES SENATE DEFENCE COMMITTEE
REFUSES COMPLIANCE WITH THE REQUEST OF THE
HUNGARIAN GOVERNMENT ON MILITARY GROUNDS

REPORT OF THE "ARMY TIMES" ON THE RESOLUTION OF
THE SENATE ARMED SERVICES COMMITTEE
(JANUARY 23, 1948)

Washington. — The Senate Armed Services Committee voted this week that the Hungarian horses brought to this country as Army booty should stay here.

Sen. Wayne Morse (R., Ore.) announced the committee voted unanimously for the plan to keep the horses, which his subcommittee recommended after hearings last week.

The army wanted to keep the horses; the State Department wanted them returned to Hungary. Shipment of the 134 horses was held on pending action of the Senate committee.

More said the report sustained completely the Army position, and overruled completely the State Department opposition in the dispute.

The subcommittee decided the United States has legal title to the captured horses, both under the rules of land warfare, and under the Hungarian Peace Treaty.

The report also said:

"The subcommittee takes judicial notice of the fact that if these horses were returned to Hungary their chief value would be for military use in the Hungarian army, or in the case of older brood mares for the production of horses to be used in the Hungarian army.

"Further, the record shows that both the Hungarian and Russian armies rely heavily upon horses for military operations and in view of the fact that Hungary is a Russian satellite state, the sending of these horses back to Hungary would amount in fact to strengthening the military forces of Hungary and Russia."

THE HUNGARIAN GOVERNMENT PROTESTS AGAINST THE AUCTIONING OF LOOTED HUNGARIAN PROPERTY

NOTE OF THE HUNGARIAN MINISTRY FOR FOREIGN AFFAIRS
TO THE U. S. LEGATION IN BUDAPEST (DECEMBER 20, 1949)

13934/1949

The Hungarian Ministry for Foreign Affairs expresses its esteem to the United States Legation and communicates the following :

The Hungarian Government has through an advertisement appearing in the issue of the *Mittelbayerische Zeitung*, dated October 8, obtained knowledge of the fact that the Bayerisches Staatsministerium für Wirtschaft in Regensburg wishes to auction the Hungarian goods, looted by the German fascists, stored in the barges of the MFTB Nos. 624, 1111, 1209, 1211, and later unloaded from it. The restitution commission of the United States Military Occupation Authorities had previously recognized that, according to Article 30 of the Peace Treaty, these goods that are now to be auctioned were to be restored to Hungary, and even issued the permit documents Nos. 4928, 4822, 4758, 4545, 4548, 4398, 4546, 4748, 4470—1, 4470—2, 4927, as well as four Bianco Release Permits for them.

Both the Hungarian Government, that is the Minister of Finance acting for it, and the firms concerned, have protested against the unlawful procedure which is contrary to the provisions of the Peace Treaty, to the "Hauptbüro für Vermögenskontrolle und Wiedergutmachung in der U. S. Zone". The answer given to these protests, both by the above organ and by the Bayerisches Staatsministerium für Wirtschaft, was in both cases that the measures have been taken upon the orders of the United States Military Government, and further they also communicated that German official organs were not in a position to act contrary to the orders of the occupation power. (Letter No. 88.933, dated November 15, from the Bayerisches Staatsministerium to the Ministry of Finance and its letter No. 90.687, also of November 15, to the Hungarian Philips Works, furthermore the telegramme dated October 22 and 26, of the Hauptbüro für Vermögenskontrolle to the Hungarian Ministry of Finance, and its letter No. 1747/49

of November 17, to the National Enterprise for the Sale of Forest By-Products.)

For the above reasons, therefore, the Hungarian Ministry for Foreign Affairs requests that measures be taken by the United States Legation towards the United States Military Authorities in Germany concerned (High Commissioner for Germany, Office of Economic Affairs, Property Division, APO 757, Frankfurt am Main), in order immediately to have the unlawful misappropriation of the above Hungarian goods stopped and further that the Bayerisches Staatsministerium für Wirtschaft be instructed to hand over the Hungarian goods in its custody.

The Government of the Hungarian People's Republic, at the same time, is forced on the basis of the above to state that the recent communication from the United States Government, according to which they are permitting the commencement of the restitution of the Hungarian goods taken to Germany, is a completely illusory statement which lacks sincerity. This appears clearly from the fact that German subordinate organs, on the instructions of the United States authorities in Western Germany, are auctioning the looted goods which according to the Peace Treaty were to have been restored to Hungary. Apart from this, the above quoted statements of German organs prove in full that the statement of the Government of the Hungarian People's Republic made on October 3 in connection with the formation of the puppet government of Bonn estimated the situation correctly.

The Hungarian Ministry for Foreign Affairs cannot omit on this occasion once more to state that the Hungarian Government will make the United States Government responsible for all damage suffered as a result of the unlawful measures taken by the West-German authorities with regard to looted Hungarian goods.

The Hungarian Ministry for Foreign Affairs avails itself of this opportunity to renew to the U.S. Legation in Budapest the assurance of its high consideration.

**THE UNITED STATES IN ACCORDANCE WITH THE
AGREEMENT CONCLUDED IN THE VOGELER-CASE
AGAIN UNDERTAKES AN OBLIGATION TO RESTORE
HUNGARIAN PROPERTY**

NOTE OF THE U. S. LEGATION IN BUDAPEST TO THE HUNGARIAN MINISTRY FOR FOREIGN AFFAIRS (APRIL 21, 1951)

No. 139

The Legation of the United States of America presents its compliments to the Hungarian Ministry for Foreign Affairs and with reference to its Notes No. 143, May 26, 1950 ; No. 144, May 26, 1950; and No. 165, June 16, 1950, has the honor to reiterate that upon the release of Mr. Robert A. Vogeler by the Hungarian authorities and his safe arrival at the American Legation in Vienna, the Government of the United States :

(1) Will approve of the reopening of the Hungarian consular establishments in New York City and in Cleveland, Ohio ;

(2) Will, through its appropriate agencies, again validate the passports of private United States citizens who may wish to travel to Hungary ;

(3) Will, as of a date to be agreed upon informally by the Hungarian Ministry for Foreign Affairs and by the Minister of the United States in Budapest, facilitate the delivery of all Hungarian goods in the United States Zone of Germany which have been found available for restitution, and permit two Hungarian representatives to enter the United States Zone of Germany for the purpose of receiving restituted property and arranging for its transportation.

(4) Will recognize as official representatives of the Hungarian Government the two representatives whom the United States authorities in Germany will be prepared to receive, in order that they may take delivery and arrange transportation of the Hungarian goods referred to above. Their entry into the American Zone of Occupation will be facilitated for the purpose stated and the United States military and civil authorities in Germany will render all proper assistance to these representatives of the Hungarian Government in connection with the collection and shipment of the property in question.

The Legation of the United States of America avails itself of this opportunity to renew to the Hungarian Ministry for Foreign Affairs the assurance of its high consideration.

**THE HUNGARIAN GOVERNMENT EXPOSES THE WAY
IN WHICH THE UNITED STATES TREAD ALL CON-
SIDERATIONS OF LAW UNDER FOOT AND THE AIMS
WITH REGARD TO THE REFUSAL TO RESTORE THE
CROWN³**

**THE HUNGARIAN GOVERNMENT'S AIDE-MÉMOIRE TO THE
U. S. LEGATION IN BUDAPEST (APRIL 20, 1951)**

00523/1951

By an Aide-Mémoire of April 9, 1951, of the Legation of the United States in Budapest, the Government of the United States informed the Hungarian Government that it considers being outside the scope of restitution the Crown of St. Stephen carried away from Hungary by the fascists at the end of the Second World War. The United States Government tries to explain this viewpoint by alleging that the Crown has not been removed by force "but was surrendered to United States authorities for safe-keeping and is being held in trust by them".

The Hungarian Government considers such viewpoint of the Government of the United States wholly unfounded and unlawful.

It is a fact beyond doubt that the aforesaid treasure of historical and artistic value forms the property of the Hungarian State, consequently nobody else but the Government of the Hungarian People's Republic has the right to dispose thereof, or is authorized to surrender it for safe-keeping or custody to anybody and for any reason. It follows from what has been exposed above that the Government of the United States is not and cannot be authorized to withhold this treasure of historical and artistic value while the Hungarian Government is claiming its restitution.

The Government of the United States is invoking the argument that the Crown "was not removed by force from Hungary but was surrendered to United States authorities for safe-

3. The Budapest Legation of the United States in its Aide-Mémoire of April 9, 1951 again told the Hungarian Government that the United States Government would not restore the Crown which had been taken to the West.

keeping". The Aide-Mémoire in question does not indicate who surrendered the Crown to the authorities mentioned, but Minister Davis stressed while delivering the Aide-Mémoire that the Crown has been put under American custody by "a group of Hungarian officers", i. e. officers of the fascist Szálasi government subservient to Hitlerite Germany.

The circumstances exposed above make it unquestionable

a) that the "surrendering" was operated by persons being no legal proprietors of the Crown and bearing therefore no right to surrender it for safe-keeping ;

b) that the Crown was carried away from Hungary by the government of war criminal Szálasi, subservient to Hitlerite Germany. Yet, Memorandum No. IV. of May 1, 1947, of the Office of the Military Governor of the United States, Economic Division, also explicitly prescribes the restitution of values removed under the instructions of the Hungarian fascist government. It must be pointed out on the other hand that the very Szálasi, whose mandate led to the American authorities holding the Crown in trust up to this date — according to the American Aide-Mémoire, — has been extradited to Hungary as a war criminal by the same American authorities and sentenced to death and executed by the legal judicial organs of the Hungarian State.

On the ground of what has been exposed, the Hungarian Government points out that the allegation of the American Legation's Aide-Mémoire stating that the Crown of St. Stephen were a property of a "special status", and that it were "outside of the scope of restitution", is in flagrant contradiction to the general rules of International Law as well as to the regulations of the Peace Treaty, the agreements between the Allied Powers occupying Germany, and earlier statements of the Government of the United States.

**THE HUNGARIAN GOVERNMENT PROTESTS AGAINST
THE VIOLATION OF THE AGREEMENT CONCLUDED
ON RESTITUTION**

**NOTE OF THE HUNGARIAN MINISTRY FOR FOREIGN
AFFAIRS TO THE U. S. LEGATION IN BUDAPEST (MAY 14, 1951)**

00693/1951

The Hungarian Ministry for Foreign Affairs presents its compliments to the Legation of the United States and upon instructions of its Government has the honour to communicate as follows :

Under the agreement recently concluded between the Government of the Hungarian People's Republic and the Government of the United States, the Government of the United States undertook to "facilitate the delivery of all Hungarian goods in the United States Zone of Germany which have been found available for restitution" and committed itself that "United States military and civil authorities in Germany will render all proper assistance to the representatives of the Hungarian Government in connection with the collection and shipment of the property in question".

In pursuance of the above cited agreement the representatives of the Hungarian Government arrived at Frankfurt on May 9, 1951, in order to embark on the carrying out of their task. The American authorities in Western Germany declared, however, together with High Commissioner McCloy himself with whom the Hungarian representatives had a personal interview on May 11, that they had been authorized by the Government of the United States to hand over to the Hungarian representatives only goods enumerated on a list drawn up by the American authorities and considered by them as final, but not to permit research for, collection and shipment of Hungarian goods not figuring on the list, or to enter into negotiations with the representatives of the Hungarian Government thereon.

The list submitted to the Hungarian representatives on May 10, 1951 by the American authorities does not include all Hungarian goods carried into the American Zone of Germany and coming under restitution, but only a small, negligible part thereof, mainly worthless and useless litter, wrecked vehicles,

beds, knives, forks and similar objects. Those drawing up the list intentionally failed to insert therein all the numerous Hungarian goods of considerable value in the American Zone of Germany which are doubtlessly subject to restitution both under Art. 30 of the Treaty of Peace and by virtue of official announcements and executive decrees issued by the United States in re restitution.

It is obvious on the ground of the following facts in what an arbitrary and biased way the drawing up of the list submitted by the American authorities took place :

1. The list does not include numerous goods of considerable value already having been previously recognized by the American authorities as forming the property of the Hungarian State and coming under restitution thereto.

2. The list enumerates utilitary articles (dishes, etc.) of a negligible value, forming the property of the Hungarian State Railway Company, whereas it entirely fails to mention the valuable rolling stock, machines, etc. of the same Company.

3. There figures on the list a cash-deposit of DM 7253.02 deriving from the sale of certain property of lesser value of a Hungarian enterprise, while sums received of the sale of much more valuable Hungarian property and exceeding the above sum several hundred times were not inserted into the list.

All what has been exposed above makes it plain that the American authorities of occupation arbitrarily refuse to recognize Hungarian property rights and the obligation of restitution as to the goods representing a real value.

On the ground of the foregoing the Government of the Hungarian People's Republic states

1. that restitution of the property enumerated on the list submitted by the American authorities to the Hungarian representatives cannot be considered by the Hungarian Government as the fulfilment of the existing agreement ;

2. that the American authorities of occupation in Western Germany not only fail — in flagrant contradiction to the agreement — to render assistance to the Hungarian representatives in their research for and collection of property to be restituted, but even impede them in carrying out their task.

By concluding the agreement, the Government of the Hungarian People's Republic presumed that the Government of the United States will honestly comply with its commitments. The Hungarian Ministry for Foreign Affairs, on behalf of its Government, must state, however, that the conduct of the

American authorities in Western Germany towards the representatives of the Hungarian Government means that the agreement by the Government of the United States is being disregarded and eluded.

The Government of the Hungarian People's Republic expects the Government of the United States urgently to instruct the American authorities in the United States Zone of Germany, in conformity with its commitments under the agreement, to carry out promptly and fully the agreement of the two Governments as to the restitution of all Hungarian property to be restituted, without any arbitrary restrictions.

The Hungarian Ministry for Foreign Affairs avails itself of this opportunity to renew to the Legation of the United States the assurance of its high consideration.

**REPLY OF THE UNITED STATES GOVERNMENT BASED
ON A DISTORTION OF THE FACTS****NOTE OF THE U. S. LEGATION IN BUDAPEST TO THE HUNGARIAN MINISTRY FOR FOREIGN AFFAIRS (JUNE 15, 1951)***No. 161*

The Legation of the United States of America presents its compliments to the Hungarian Ministry for Foreign Affairs and with reference to the Ministry's Verbal Note of May 14, 1951, file No. 00693/1951, regarding the restitution of Hungarian property from Germany has the honor to reply as follows:

The understanding between the Government of the Hungarian People's Republic and the Government of the United States concerning the restitution of Hungarian property provides in clear terms, as set forth in the Legation's Note No. 139 of April 21, 1951, that the Government of the United States will "facilitate the delivery of all Hungarian goods in the United States Zone of Germany which have been found available for restitution" and will "render all proper assistance to . . . representatives of the Hungarian Government in connection with the collection and shipment of the property in question". The United States Government is abiding by the terms of this understanding in complete good faith and is carrying them out in strict conformity of their letter and spirit. The Government of the Hungarian People's Republic is informed that the list of goods which has been made available to the Hungarian representatives by the United States authorities in Germany includes all properties not hitherto restituted which have been found available for return to Hungary.

The United States Government reminds the Government of the Hungarian People's Republic that the United States authorities commenced restitution of Hungarian property from Germany long before ratification of the Treaty of Peace with Hungary and that very substantial amounts of property were restituted prior to the departure of the Hungarian restitution mission from the United States Zone of Germany in April 1948. The United States Government does not consider germane in the present circumstances the questions which have been raised by the Hungarian Government respecting the status

of certain items of property at some prior date, since in the intervening period the United States Government had found it necessary to reconsider its former generous policy regarding restitution and to treat this question within the limits of its obligations. The Legation of the United States is instructed to invite the attention of the Government of the Hungarian People's Republic further to the Legation's Note No. 565 of September 6, 1949, in which notification was made that final classification of all Hungarian property in the United States Zone of Germany had been undertaken and that, in view of the substantial amounts of property that had previously been returned, any balance of property which remained to be restituted would be minor.

The Government of the United States cannot accept the complaint of the Government of the Hungarian People's Republic that the United States authorities in Germany are failing, in contradiction to the terms of the United States undertaking, to render assistance to the Hungarian representatives in the collection and the shipment of the property in question. Contrary to the allegations of non-assistance and obstruction which the Hungarian Government has made, the United States authorities have made every effort to treat the Hungarian representatives fairly and courteously in accordance with the United States undertaking of April 21, and to render them every possible aid in removing property which has been found available for restitution. Regarding the question raised by the Government of the Hungarian People's Republic and its representatives in Germany concerning Hungarian rolling stock in Germany, it may be pointed out that this matter does not come within the scope of unilateral restitution but is a separate question falling under tripartite procedures and involves the question of German rolling stock held in Hungary. If the Government of the Hungarian People's Republic wishes to instruct its representatives in Germany to request the Allied High Commissioners to arrange for a meeting to discuss the possible exchange of Hungarian and German rolling stock, the Legation of the United States is authorized to state that the United States High Commissioner in Germany will not oppose such a meeting.

The Legation of the United States of America avails itself of this opportunity to renew to the Hungarian Ministry for Foreign Affairs the assurance of its high consideration.

**THE HUNGARIAN GOVERNMENT EXPOSES THE
TREATY VIOLATIONS BY THE UNITED STATES
GOVERNMENT**

**NOTE OF THE HUNGARIAN MINISTRY FOR FOREIGN AFFAIRS
TO THE U. S. LEGATION IN BUDAPEST (AUGUST 1, 1951)**

001237/1951

The Hungarian Ministry for Foreign Affairs presents its compliments to the Legation of the United States and referring to Its Note No. 161 of June 15, 1951, under instructions of its Government, imparts the following :

1. On April 21, 1951, an understanding was reached between the Government of the Hungarian People's Republic and the Government of the United States in connection with the expulsion of Vogeler, by virtue whereof the Government of the United States undertook among others to restitute the Hungarian goods carried by the Germans into the American Zone of Occupation of Germany and due to Hungary under the Treaty of Peace.

2. In a Note delivered as early as May 14, 1951, the Hungarian Government drew the attention of the Government of the United States on the fact that the American authorities in Germany are withholding the overwhelming majority of the Hungarian goods and are willing to release but a small fragment thereof.

In its reply of June 15, 1951, the Government of the United States failed even to try to deny the facts set forth in the Hungarian Note, but alleged instead, in disregard of the facts, that it "...is abiding by the terms of this understanding in complete good faith". The Government of the Hungarian People's Republic states that this allegation is in the most flagrant contradiction with the obvious facts.

3. These facts are as follows :

a) The American authorities of occupation refuse the restitution of Hungarian property which, according to doubtless written evidence, is coming under restitution by virtue of the Article of the Peace Treaty referring thereto and the exact whereabouts whereof in the American Zone of Germany has been established. They refused for example the restitution

of machines being actually stored near Schwandorf and forming the property of the Dunavölgyi Timföldipar Ltd., although the Hungarian Government had submitted to the authorities of occupation written evidence proving that the above machines had been carried to the West on a written order of the German Captain Schenk (Armeewirtschaftsführer, Armeegruppe Balck) after January 21, 1945. The same refers among others to the goods of the Magyar Waggon és Gépgyár and the Pestszentlőrinci Ipartelepek Ltd. being stored at Augsburg and its environs, as well as to the refusal to restitute the goods of the Hungarian State Railways at Planegg, Gorgweiss, Rosenberg, Kelheim and Regensburg, all property coming under restitution.

b) The American authorities are reluctant to restitute even goods to the restitution whereof American organs have already agreed previously. Thus, e. g., the property of the Nyiregyháza-vidéki és Bodroghközi Kisvasutak carried to Germany has been recognised as falling under restitution already by a document of the Military Government for Germany (U. S.) of March 11, 1948, bearing the signature of Major William W. Furie, a photostatic copy whereof is being enclosed to the present Note (Enclosure No. 1). The factual restitution of these goods has been, however, refused now by the authorities of occupation. The Note of the American Government tries to explain this usurpatory procedure by a transparent pretext alleging that the earlier recognition of the justified Hungariae claims was deriving from an overdue "generosity" of the American authorities.

c) The authorities of occupation disregard their obligations deriving from the Treaty of Peace as to the securing and controlling of the goods to be restituted, which obligations have been also foreseen by the decrees of the American Military Government in Germany as for example under Paragraph 252 of Decree No. 19. The minutes drawn up by the Landpolizei Oberbayern, Posten Grassau Bez. Trauenstein, on May 25, 1951, and being in the possession of the Hungarian Government — a photostatic copy whereof is enclosed by this Ministry to the present Note (Enclosure No. 2) — prove that the organised thieving of Hungarian goods, dismantling and wrecking of valuable machines has been continued even during the stay in Germany of the Hungarian Mission of Restitution.

d) The Note of the Government of the United States refuses the release of the Hungarian rolling stock doubtlessly to be restituted by referring to an understanding with other

powers. The American Note alleges that this property "does not come within the scope of unilateral restitution, but is . . . falling under tripartite procedure". The Government of the United States, however, in the understanding of April 21, failed to stipulate any reserve whatsoever as to the restitution of rolling stock forming Hungarian property — the understanding consequently obliges it beyond doubt to restitute these goods in the same way as all other ones. It is obvious that from the point of view of a bilateral understanding reached on goods due to the Hungarian People's Republic it is completely irrelevant whatever has been eventually undertaken by the Government of the United States towards other governments.

4. On the ground of what has been exposed, the Government of the Hungarian People's Republic states that while it duly and loyally carried out its part of the understanding concluded with the Government of the United States on April 21, 1951, the Government of the United States hitherto failed to live up to its undertaking regarding the restitution of Hungarian property. The Hungarian Government does not consider the understanding carried out by the Government of the United States until the American authorities in Germany fail to restitute all Hungarian goods to be found in the American Zone of Germany which are coming under restitution by virtue of the Treaty of Peace and the agreements concluded.

The Government of the Hungarian People's Republic therefore most energetically refutes the American Note of June 15, and calls once more emphatically upon the Government of the United States to live up to the section on the understanding of April 21 regarding the restitution of Hungarian property wholly and without delay, and specifically to instruct the American authorities in Germany immediately to release to the representatives of the Hungarian Government the Hungarian goods unlawfully withheld in the American Zone of Germany.

The Hungarian Ministry for Foreign Affairs avails itself of this opportunity to renew to the Legation of the United States the assurance of its high consideration.

XII

THE GOVERNMENT OF THE UNITED STATES IN PURSUIT OF ITS AGGRESSIVE AIMS REFUSES THE EXTRADITION OF FASCISTS, WAR CRIMINALS; SETS UP ARMS AND SUPPORTS FASCIST ORGANISATIONS, AND CONDUCTS A PROPAGANDA CAMPAIGN AGAINST THE HUNGARIAN PEOPLE

- No. 1. List of war criminals whose extradition was requested by the Hungarian Government and whom the United States Government, in violation of international agreements on the extradition of war criminals, refused to extradite.
- No. 2. The Hungarian Legation in Washington requests the extradition of the war criminal Henrik Werth. (July 20, 1949)
- No. 3. The Hungarian Legation in Washington protests against the refusal to extradite the fascist journalist Ferenc Vajtha. (July 20, 1950)
- No. 4. The United States Government rejects the request for the extradition of the fascist journalist Lajos Marschalkó. (August 10, 1950)
- No. 5. Protest of the Hungarian Legation in Washington against the refusal to extradite the war criminal Lajos Marschalkó. (October 24, 1950)
- No. 6. Testimony in the case of the fascist Air Force major József Pálffy-Laun suspected with several murders. (January 21, 1949)

- No. 7. The Austrian Foreign Office in a Note states that the United States occupation authorities reserved the decision in the case of the extradition of Pálffy-Daun for themselves. (February 10, 1949)**
- No. 8. United States Army Headquarters in Austria refuse the extradition of the fascist murderer Pálffy-Daun. (October 18, 1949)**
- No. 9. Note of the Hungarian Ministry for Foreign Affairs to the United States Government against the prevention of the extradition of Hungarian common criminals residing in the United States Occupation Zone of Austria. (July 21, 1950)**
- No. 10. Extract from the statement in London by the fascist general Ferenc Farkas de Kisbarnak on the Fraternal Community of Hungarian Fighters. (July 1950)**
- No. 11. Extracts from the testimonies of Endre Farkas and László Hévey during the Grösz trial. (June 1951)**
- No. 12. On the aims of the Hungarian fascist organisations functioning with the support of the United States Government. (April 1950)**
- No. 13. Minutes of one of the counter-revolutionary emigré groups on the fascist character of the Fraternal Community of Hungarian Fighters. (June 8, 1951)**
- No. 14. United States Authorities instruct the members of the fascist emigration to join the Fraternal Community of Hungarian Fighters.**
- No. 15. The Hungarian fascists expect American armed intervention to restore their power. (May 1950)**
- No. 16. "East European refugees" are recruited into Eisenhower's army. (March 9, 1951—August 17, 1951)**

- No. 17.** 100 millions dollars expenditure by the United States for the support of fascists. (October 10, 1951)
- No. 18.** The United States recruit 2500 foreigners to the secret service. (June 25, 1950)
- No. 19.** Commentary of the French daily *Le Monde* on the deployment of "refugees". (October 2, 1951)
- No. 20.** Hungarian fascists in the United States army. (October 15, 1951)
- No. 21.** General Clay's statement on "Free Europe Radio". (May 3, 1951)
- No. 22.** General Clay announces the programme of "Free Europe Radio". (October 25, 1950)
- No. 23.** The Daily Mail on the way the Munich broadcasting station of "Free Europe Radio" operates. (February 5, 1951)
- No. 24.** Newsweek on "Free Europe Radio". (September 17, 1951)
- No. 25.** Cooperation between the Free Europe Committee and the Hungarian fascist organisations.
- No. 26.** The New York Times announces the new Hungarian broadcasts by "Free Europe Radio". (October 5, 1951)
- No. 27.** The "Voice of Free Hungary" begins its broadcasts. (October 6, 1951)
- No. 28.** Truman in his letter to the daily "Amerikai Magyar Népszava" greets the new fascist administration of the paper. (May 27, 1948)
- No. 29.** The Hungarian Legation in Washington protests against Truman's letter to the daily "Amerikai Magyar Népszava". (June 15, 1948)

- No. 30. Note of Reply by the United States Department of State. (July 22, 1948)**
- No. 31. President Truman and the leaders of the American public life personally support the fascist emigré organisations of those who absconded to the West. (October 1950)**
- No. 32. Message of greeting from the Chairman of the United States Congress Atomic Energy Commission Senator Brian McMahon to the Federation of Hungarians in America. (October 6, 1950)**
- No. 33. On the aggressive plans of the United States against Hungary. (March 15, 1950)**
- No. 34. From the statement by President Truman in the White House to a 20-member delegation of the Federation of Hungarians in America. (October 13, 1951)**
- No. 35. Protest of the Hungarian Government to the United States Government against the organisation of subversive agents and spy gangs and the financial support accorded to them. (December 1, 1951)**

The Government of the United States in pursuit of its aggressive policy towards the Hungarian People's Republic affords asylum and impunity to several hundred war and common criminals, whom Hungary wanted to call to account for their war crimes, their crimes against the people, or their crimes under the penal code, but who succeeded in escaping to territory under American administration.

This procedure by the Government of the United States is contrary to the extradition agreement in force between the United States and the Hungarian People's Republic. The refusal to extradite war criminals is, moreover, a grave violation of the London agreement, concluded by the Four Great Powers in 1945, of the 1943 Moscow Declaration, by the Soviet Union, the United Kingdom and the United States, of the numerous declarations of the United Nations providing for the arrayal of war criminals to be called to account for their crimes, of the United Nations resolution of December 11, 1946, and of other international agreements.

The Government of the United States last extradited war criminals to Hungary on January 18, 1946. Since then, despite the fact that Major-General William S. Key, the American member of the Allied Control Commission in Hungary, on June 12, 1946 notified General V. P. Sviridov, the Chairman of the ACC, that they would extradite 30 Hungarian war criminals and despite the promise made by Colonel John Stokes on December 18, 1946, with regard to the extradition of a further 20 war criminals, the United States authorities have not extradited a single one of the criminals who were requested by the Hungarian Government.

The Government of the United States evaded fulfilment of its obligations on the basis of the most varied excuses. They refuse the extradition of notorious war criminals (generals who were mass murderers, Hitlerite agents, extreme right-wing journalists who incited to war, murderers, common criminals), such as Henrik Werth, Count József Pálffy-Daun, Lajos Marschalkó and Ferenc Vajtha, who are listed in the appendix, and even prevent the Austrian Government in extraditing criminals who fled to Austrian territory.

Official circles in the USA right from the beginning had more far-reaching plans with regard to these war criminals, murderers, and former Gestapo agents, various counter-revolutionary conspirators, who joined them later and had fled from Hungary. That was the reason why they did not, despite their existing legal obligations, extradite these criminals and escaped traitors to the Hungarian authorities. As the aggressive policy of the USA was further intensified, the Hungarian SS, arrow-cross and gendarme formations who had escaped abroad began under American direction more openly to organise themselves in the West-German occupation zone. At the same time counter-revolutionary organisations, bearing high-sounding and misleading names (Hungarian National Commission, Federation of Hungarians in America, etc.) began to be formed one after the other in the United States with the encouragement of American Government authorities. Every single one of their leaders is either a war criminal or an escaped traitor, persons fled abroad to evade being called to account before Hungarian Courts.

Fascist military organisations have been formed in the United States Zone of Occupation in Western Germany, headed through the confidence of the occupation authorities by war criminals, former arrow-cross and Horthyist generals, for instance, Ferenc Farkas de Kisbarnak and András Zákó, who openly proclaimed their endeavours to carry out their plans to restore the fascist system in Hungary in the course of a third world war planned by the USA, side by side with the U.S. Army.

The support given to them by the official authorities of the USA is proved also by the fact that apart from the official organ of the movement the so-called "Fraternal Community of Hungarian Fighters", "Hidak útján" (Upon the Warrior's Path), which is distributed free of charge, they also enabled them to publish a printed weekly called "Hungaria" in the American Zone of Germany, with the support of the occupation authorities. This weekly is the main propaganda sheet of these fascist military organisations and one of the principal members on its staff, the journalist Miklós Lázár, in the statement he himself made before the committee of incompatibility of the Hungarian National Commission, joined the above fascist military organisation and is actively taking part in it at the direct instructions of the American authorities.

At the same time as organising fascist mercenary units in Western Germany, the officially recognized Hungarian counter-revolutionary organisations embark on increased activity in the

USA. The direction of these organisations was entrusted to reactionary politicians who had been exposed by the Hungarian people and who had placed all their hopes in the warlike adventures of American imperialism. These fascist organisations received open support and encouragement for their activities from various leading American politicians, from Secretary of State Acheson, from Senators, and even on more than one occasion from President Truman himself.

The American Government, parallel with directing conspiracies, espionage and sabotage campaigns, and supporting various war criminals and escaped fascist elements, has for years conducted an unbridled and mendacious campaign of slander over the radio against Hungary. The main instrument of this campaign was for a long time a government agency, the official broadcasting station of the United States Government, the so-called Voice of America¹.

The Government of the United States, however, was not content with the Hungarian-language broadcasts of the Voice of America, which it directs against Hungary fourteen times a day from several European and overseas (African) bases, attacking the freedom and independence of the Hungarian people. Therefore, in February 1951, they also commenced operating a broadcasting station which, contrary to what has been actually the case, was said to be a private undertaking. This is the so-called "Free Europe Radio", which broadcasts from Munich. The extracts from American newspaper articles clearly show that "Free Europe Radio" is also a propaganda organ of the American Government which tries to appear only as a private enterprise, thus to be able in a yet more uninhibited way to carry on its anti-Hungarian warmongering activities. The Hungarian broadcasts of "Free Europe Radio" throw forth slanders and incitement against the Hungarian People's Republic for twelve hours a day.

It is characteristic that the reorganised Hungarian-language broadcasts by Free Europe Radio were initiated under the title "The Voice of Free Hungary" on October 6, 1951, by Count Gyula Dössowffy, who at the time of the Second World War wrote articles glorifying Hitler's victories and besmearing the vanquished people of France (Kis Ujság, June 21—24, 1940) and then after the liberation of Hungary fled the country with

¹ For example the Swiss paper "Die Tat" in its article entitled "The Liberation of the East" which was published on April 26, 1949 and which dealt with John Foster Dulles's plan called "Operation X" considers the broadcasts of the Voice of America as "an organic part of the battle that has already been started in peace-time for the liberation of the East".

American help because it was proved that he had taken part in the conspiracy against the Republic.

As a result of the anti-Hungarian policy of the United States Government, the United States of America and the territories occupied by her became a veritable rallying ground for all those murderers, war criminals, exposed traitor politicians, poison-penned Nazi journalists, whose aggressive plans aimed at the overthrow of the Hungarian People's Republic are in every way supported and encouraged by United States authorities.

It is characteristic of the open cooperation between the escaped fascists and the United States Government that the President of the United States of America most recently, on October 13, 1951, even personally received a delegation of the fascist conspiratorial organisation working under the name of the Federation of Hungarians in America and assured them of his support in their criminal activities aimed at overthrowing the Hungarian People's Republic.

**LIST OF WAR CRIMINALS WHOSE EXTRADITION WAS
REQUESTED BY THE HUNGARIAN GOVERNMENT AND
WHOM THE UNITED STATES GOVERNMENT, IN VIO-
LATION OF INTERNATIONAL AGREEMENTS ON THE
EXTRADITION OF WAR CRIMINALS, REFUSED
TO EXTRADITE²**

Count Imre Andrassy
landowner, director general

He altered the policy of the pa-
pers of which he obtained control
in a fascist spirit and had arti-
cles written praising the Nazis. He
persecuted his Jewish employees.
He played a significant part in
the political life of the fascist
regime of Szalasi and took the
cash of his publishing firm to
Germany.

Dr. Tibor Barath
university professor

A historian of fascist views. As
Government Commissioner of
the fascist government he took
the equipment of the Hun-
garian scientific institutes as
well as several treasures of art
to Germany.

Károly Bartha
general

Minister of Defence from 1941
to 1942, that is, at the time of
the Hungarian declaration of
war against the Allies. A faithful
servitor of Hitlerite interests.

2. The number of war criminals whose extradition was requested by the Hungarian Government and not granted by the United States Government is over 400.

László Bánkuti undersecretary of state	It was at his command that members of the Jewish forced labour companies received cruel treatment.
Vilmos Dominich staff colonel	Deputy to the fascist minister of propaganda in October 1944.
Mihály Francia-Kiss army officer	President of the Military Court during the time of the arrow-cross government (from October 1944). He sentenced to death and had executed Hungarian patriots (Endre Bajcsy-Zsilinszky, Vilmos Tarcsay, etc.). He had Allied prisoners of war executed at the headquarters of the bloodthirsty arrow-cross Court at Sopronkőhida, or taken to Germany.
Dr. Béla Gulyássy military surgeon	One of the notorious leaders of the counter-revolutionary terrorist gang of Iván Héjjas in 1919—20. He executed several left-wing patriots by his own hand.
József Hapsburg landowner	As a military surgeon he put heart failure as the cause of death in the death certificates of the patriots who had been killed by the gendarmes, thus to release the murderers from being called to account.
	During the time of the Nazi regime he was president of the group in the Upper House of the fascist organisation called the National Federation which had been formed in order to pre-

vented the conclusion of the armistice. He incited over the radio to the continuation of the war on the side of the Nazis.

József Heszlényi
general

At his command, during their withdrawal from Rumania in autumn 1944, the Hungarian troops massacred masses of the Jewish population and members of the resistance.

Dr. Antal Incze
parliamentary deputy

One of the intimate friends of Béla Imrédy who has been executed as a fascist war criminal. In the course of his activities as a fascist parliamentary deputy he constantly incited to war. As a doctor, he is responsible for the removal of 50 Hungarian hospitals to Germany.

Béla Jurcsek
minister

In 1944, he was a minister in the fascist Sztójay and Szálasi governments. A notorious representative of the political trend that served the Nazis. He was the protagonist of the Nazi exploitation of Hungarian agriculture.

Lajos Marschalkó
journalist

Editor of the fascist government paper "Függetlenség" (Independence) and protagonist of the Nazi war. As a Nazi agent, he incited to racial hatred and became notorious for his fascist radio commentaries.

Count József Pálffy-Daun
Air Force major

A fascist military officer, notorious for his cruelties. He had several soldiers executed without foundation.

Dr. Jenő Szemák
President of the Supreme Court

Judge in the trials of the best patriots under the Horthy regime. Under the fascist government he became President of the Supreme Court (1944) and he forced the judges under threats of having them called up into the Army to go to Western Hungary and later to Germany.

Count Lajos Széchenyi
landowner

An ill-famed extreme right-wing politician who had been a member of the arrow-cross party since 1939; in 1943 he organised a movement to unite the extreme right-wing parties in Hungary. In 1944 he was a member of the National Federation. He was founder and president of the secret fascist association called the "Etelközi Szövetség".

Ferenc Vajtha
journalist

A notorious pro-Nazi representative of the fascist Hungarian press who wrote inciting articles in the interest of continuing the Nazi war. In his writings he attacked the Allies in a disgraceful way.

Henrik Werth
colonel general

In 1941 he pressed for the declaration of war against the Soviet Union. As Chief of the General Staff he sent the Jewish labour service men to the Ukraine where 40,000 of them died. Under the Szálasi government he was a member of the Upper House and one of the leaders of the National Federation.

THE HUNGARIAN LEGATION IN WASHINGTON
REQUESTS THE EXTRADITION OF THE WAR CRIMINAL
HENRIK WERTH

NOTE OF HUNGARIAN LEGATION IN WASHINGTON TO THE
U. S. STATE DEPARTMENT (JULY 20, 1949)

The Minister of the Republic of Hungary presents his compliments to the Honorable Secretary of State and has the honor upon instructions from the Government of the Republic of Hungary to request that Henrik Werth³, former Chief of Staff of the Hungarian Army, who was tried and sentenced as a war criminal by the People's Court in Budapest, be speedily extradited to Hungary by the United States authorities in the American Zone of Germany.

The Hungarian Minister wishes to call attention to the Note Verbale No. 109.611/11—1947 (November 1947) of the Hungarian Ministry for Foreign Affairs to the American Legation in Budapest, which enclosed four lists of war criminals containing 470 names; the name of Henrik Werth appearing on List No. 3, as one of the thirty-one persons on that list to whose surrender the United States Military Government in Germany had then already consented.

The Hungarian Minister also wishes to call attention to the Note Verbale No. 122.984/8—1948 (August 1948) of the Hungarian Ministry for Foreign Affairs to the American Legation in Budapest, which urgently appealed for and stressed the importance of the extradition of war criminal Henrik Werth and which enclosed the sentence of the People's Court, and called attention to the active role Henrik Werth played in bringing Hungary into war against the Allies. The Minister of the Hungarian Republic requests on the strength of the above facts and references, representing the endeavours pursued for years that the war criminal Henrik Werth be brought to trial, his speedy extradition to Hungary.

3. Henrik Werth was not extradited by the United States authorities.

THE HUNGARIAN LEGATION IN WASHINGTON PROTESTS AGAINST THE REFUSAL TO EXTRADITE THE FASCIST JOURNALIST FERENC VAJTHA⁴

NOTE OF THE HUNGARIAN LEGATION IN WASHINGTON TO THE U. S. STATE DEPARTMENT (JULY 20, 1950)

2591/1950

The Legation of the Hungarian People's Republic presents its compliments to the Department of State and in reply to the Department's Note dated August 11, 1949, has the honor to advise as follows.

The Legation of the Hungarian People's Republic feels it cannot agree with the Department's statement to the effect that extradition of the Hungarian war criminal Ferenc Vajtha must be considered on the basis of the text of the Extradition Convention in force between Hungary and the United States. It is true that according to the last Paragraph of Article I. of the Convention concluded with Washington on July 3, 1856, the obligation of extradition does not apply to political criminals. Vajtha, however, is among the war criminals whose punishment was solemnly pledged by the Moscow Declaration of 1943 and by the London Agreement of August 8, 1945, to which the United States Government was also a party.

The request of the Hungarian Government is therefore based on international practice developed since World War II. There can be no doubt that Vajtha, who has committed the crimes enumerated in the Warrant of Arrest, is a war criminal.

On these grounds the Legation of the Hungarian People's Republic reiterates its request for the extradition of Ferenc Vajtha.

4. Ferenc Vajtha was a notorious fascist journalist and a war criminal. From 1935 onwards in his articles he glorified Nazism, incited the people in favour of the fascist war, and repeatedly attacked the Allies. Under the fascist Hungarian governments he directed the foreign political broadcasts of the radio. He was a characteristic representative of the pro-Nazi journalism that served the cause of racial incitement. After the liberation of Hungary he fled to Austria.

**THE UNITED STATES GOVERNMENT REJECTS THE
REQUEST FOR THE EXTRADITION OF THE FASCIST
JOURNALIST LAJOS MARSCHALKÓ⁵**

**NOTE OF THE U. S. STATE DEPARTMENT TO THE HUNGARIAN
LEGATION IN WASHINGTON (AUGUST 10, 1950)**

211.6415/7—2050

The Department of State has received Note No. 240/1950 dated July 20, 1950 from the Legation of the Hungarian People's Republic in further regard to the desired extradition of Lajos Marschalkó, who is charged in Hungary with certain war crimes.

It appears from the Legation's Note above-mentioned that the request for extradition in this case is based upon the Moscow Declaration of 1943 and the London Agreement of August 8, 1945, in as much as the crime charged is not among those enumerated in Article I. of the extradition Convention of July 3, 1856, as crimes for which surrender will be granted. The Department of State desires to point out in this connection that no officer of the United States has the legal authority to surrender within the United States a person in extradition save as it is given by an Act of the Congress or by the terms of a treaty for extradition. The Congress has provided for the exercise of that authority only where there is in force between the United States and the requesting government a treaty for extradition. It may be pointed out that the Moscow Declaration, which is not a formal treaty for extradition within the meaning of existing United States legislation, referring as it does to Germans, has not been interpreted under procedures set up in Germany for the surrender from within Germany of persons accused as war criminals, as imposing an absolute obligation to surrender every person accused of war crimes by the demanding country. The reference in the Legation's Note to the London Agreement for the establishment of an

5. Lajos Marschalkó was during the Second World War the editor of the pro-Nazi "Függetlenség," the government paper with the largest circulation. He was in close contact with the fascist prime minister Gömbös. In his articles he incited to racial hatred, to service of the Nazi foreign policy and a continuation of the fascist war. The Hungarian Government asked the United States Government to extradite him as a war criminal.

International Military Tribunal is not understood. The only reference in that Agreement to the surrender of war criminals is the reference in the Preamble and in Article 4 to the Moscow Declaration.

Accordingly, the Department of State is unable to accept the views of the Hungarian Government in the matter.

**PROTEST OF THE HUNGARIAN LEGATION IN
WASHINGTON AGAINST THE REFUSAL TO EXTRADITE
THE WAR CRIMINAL LAJOS MARSCHALKÓ**

**NOTE OF THE HUNGARIAN LEGATION IN WASHINGTON
TO THE U. S. STATE DEPARTMENT (OCTOBER 24, 1950)**

675/1950

The Legation of the Hungarian People's Republic presents its compliments to the Department of State and has the honor to advise as follows :

Referring to the Department's Note No. 211.6415/7—2050 dated August 10, 1950, the Legation upon instruction of its Government strongly protests against the Department's refusal of the extradition of the Hungarian war criminal Lajos Marschalkó.

As cited in the Warrant of Arrest, Marschalkó was a fascist journalist who in 1943 and 1944 published various articles in fascist newspapers, which articles incited toward the continuation of the war on the side of the Germans and endeavored to influence Hungarian public opinion in favor of the political right-wing. These slanderous articles were explicitly aimed at turning the Hungarian public against the Allies in general and the United States in particular. Photostatic copies of Marschalkó's anti-American articles entitled "The Fallen Statue" and "Everything for Hungary" were included in the Legation's Note to the State Department dated January 18, 1950, with the intent of supporting the request for Marschalkó's extradition.

In spite of this, however, the State Department in Its above-mentioned Note refuses the extradition for the reason that the crimes charged were political crimes to which the bilateral Hungarian-American extradition Convention of 1856 does not apply and also argues that for want of a pertinent agreement an extradition cannot be effected according to American Law. It is further stated that the Moscow Declaration is not tantamount to a bilateral extradition convention, nor does it impose an absolute obligation to surrender even Ger-

man war criminals. As for the London Agreement, this — according to the Note of the State Department — refers only to the establishment of an International Military Tribunal.

These arguments cannot be accepted by this Legation and attention is called to the following :

The obligation to surrender war criminals is based on the Moscow Declaration of 1943 and on the London Agreement of 1945, as well as on the decision of the UN confirming these treaties. The Moscow Declaration primarily stresses the obligation to surrender German war criminals but it is common knowledge that the countries liberated from fascist barbarism interpreted this Declaration in the sense that all fascists, who even though they were not Germans had been in the service of the German war machine or of fascism and had committed grave war crimes or crimes against peace and humanity, were to be prosecuted and were to be sent back to the countries in which their deeds had been committed. This general obligation was recognized by the UN and stressed in a unanimous decision of the General Assembly on February 14, 1946, which “recommended that Members of the United Nations forthwith take all the necessary measures to cause the arrest of those war criminals who have been responsible for or have taken a consenting part in the above crimes, and to cause them to *be sent back to the countries in which their abominable deeds were done*, in order that they may be judged and punished according to the laws of those countries.”

It clearly appears therefrom that henceforth the obligation to surrender does not apply to the German war criminals only but also to war criminals or criminals against humanity or against peace of all nations in general. In accordance with this decision 200 war criminals were delivered to Hungary by the United States Commander-in-Chief in Germany in the spring of 1946.

As to the London Agreement, it is certainly true that it served primarily the purpose of the establishment of a Military Tribunal. However, it both on the one hand hints at the full maintenance of the principles of the Moscow Declaration in Article 4 and on the other reflects in its whole structure and spirit the opinion that war crimes and crimes against humanity and peace have to be punished. The international legal principles laid down in the Charter and in the sentences of the Nuremberg Tribunal were solemnly confirmed by the 55th full session of the UN General Assembly on December 11,

1946. Recently the same principles were also formulated and accepted by the International Law Commission.

It is evident that the deeds committed by Marschalkó fall in the category which, according to these principles, is subject to prosecution and it also follows from the above arguments that the perpetrator of such crimes must be returned to the country where he committed them. The Legation of the Hungarian People's Republic reiterates its protest and is compelled to state that the United States Government has again extended protection to a fascist war criminal.

**TESTIMONY IN THE CASE OF THE FASCIST AIR FORCE
MAJOR JÓZSEF PÁLFFY-DAUN SUSPECTED WITH
SEVERAL MURDERS***

**FROM THE MINUTES OF THE HEARING OF THE WITNESS
JÓZSEF KOHÁRY BY THE POLICE AT BICSKE, IN THE CASE
OF THE SEVERAL MURDERS COMMITTED BY THE FASCIST
AIR FORCE MAJOR COUNT JÓZSEF PÁLFFY-DAUN
(JANUARY 21, 1949)**

Our unit, the 11/3 light anti-aircraft battery, was on the first Wednesday of April 1945 stationed at the village of Ráckanizsa, on the banks of the river Mura. We were billeted in one of the houses in the village. The garden faced onto the river Mura. In the forenoon we saw that German soldiers and Air Force major Count József Pálffy-Daun were escorting a group of 12 along the path by the garden towards the river Mura. I definitely recognized the Air Force major because I had worked as a labourer on his estate near Bicske. We were wondering as to what they wanted to do with those whom they were escorting, and we went down to the banks of the Mura to witness what was happening. We found out that all the people who had been escorted there were Hungarians. Pálffy and the Germans drove these unfortunate people onto the plank bridge across the Mura and, when they were over the water, machine-gunned them. They fell in the water. Most of them did not receive fatal wounds and tried to escape from the water. Pálffy shot these people with his pistol while the Germans threw hand-grenades at them. Those who were trying to get out of the water beseeched Pálffy not to hurt them, but he mercilessly shot all of them.

Present at the execution of the twelve soldiers and witnesses to this incident, apart from me, were Pte. István Szabó, a tailor by profession, at present resident in Székesfehérvár, Pte. István Lisszi, a carter, at present also in Székesfehérvár, and Pte. József Fekete, also a resident in Székesfehérvár. Apart from them, Sgt. Petóházy was also a witness to the incident.

**THE AUSTRIAN FOREIGN OFFICE IN A NOTE STATES
THAT THE UNITED STATES OCCUPATION AUTHOR-
ITIES RESERVED THE DECISION IN THE CASE OF
THE EXTRADITION OF PÁLFFY-DAUN
FOR THEMSELVES**

**NOTE OF THE AUSTRIAN FOREIGN OFFICE TO THE VIENNA
LEGATION OF THE HUNGARIAN REPUBLIC
(FEBRUARY 10, 1949)**

With reference to your Note Verbale No. 167/1949, dated January 13, 1949, the Foreign Office at the Federal Chancellery communicates that the Austrian authorities lack competence in the case of József Pálffy-Daun since the United States occupation authorities have reserved competence in the matter of József Pálffy-Daun for themselves. Thus the Hungarian Government must, in the case of the extradition request for the above person, address the United States occupation authorities in Austria.

The Foreign Office of the Federal Chancellery avails itself of this opportunity to assure the Legation of the Hungarian Republic of its high esteem.

UNITED STATES ARMY HEADQUARTERS IN AUSTRIA
REFUSE THE EXTRADITION
OF THE FASCIST MURDERER PÁLFFY-DAUN

LETTER OF HEADQUARTERS U. S. FORCES IN AUSTRIA,
LEGAL DIVISION, TO THE HUNGARIAN LEGATION IN VIENNA
(OCTOBER 18, 1949)

Gentlemen,

Reference is made to your letter of 6 October, 1949, concerning the extradition of Josef Pálffy-Daun, charged with War Crimes.

In view of the fact that the evidence submitted in support of the allegations is regarded as insufficient to establish a prima facie case, the request for the extradition of Pálffy-Daun is not approved.

Very truly yours,
John H. Corridan
Colonel JAGC
Chief, Legal Division

NOTE OF THE HUNGARIAN MINISTRY FOR FOREIGN AFFAIRS TO THE UNITED STATES GOVERNMENT AGAINST THE PREVENTION OF THE EXTRADITION OF HUNGARIAN COMMON CRIMINALS RESIDING IN THE UNITED STATES OCCUPATION ZONE OF AUSTRIA

NOTE OF THE HUNGARIAN MINISTRY FOR FOREIGN AFFAIRS TO THE U. S. LEGATION IN BUDAPEST (JULY 21, 1950)

05330

The Hungarian Ministry for Foreign Affairs presents its compliments to the Legation of the United States of America and has the honor to inform it as follows :

The Hungarian Government in various cases requested the surrender of certain fugitive criminals from the Government of Austria and though that Government complied with these requests, after some months it used to decline its previous consent to deliver up these criminals because of the refusal of the American occupation authorities' consent thereto.

As it appears on the files of this Ministry, the Austrian Foreign Office, by its Note No. 167.022—6rs/50, informed the Hungarian Legation in Vienna, that the American occupation authorities denied to give their consent to the extradition of a certain criminal, named Ferenc Gyöngyvér, against whom conclusive evidences on fraud and theft have been established by the competent Hungarian tribunal. Such motives were given by the Note of the Austrian Foreign Office No. 162.635—6rs/49 re extradition István Kovács (embezzlement) and 177.303—6rs/50, re extradition Aladár Bernát (defalcation), addressed to the same Legation at Vienna.

The Hungarian Ministry for Foreign Affairs does not consider it necessary to enumerate all injurious cases similar to those listed above, and it cannot but state its grave concern about the practice of the American occupation authorities by which they have repeatedly and successfully lent their assistance to fugitive criminals, against whom such prima facie cases were at hand that by virtue of the Hungarian and Austrian penal laws and reciprocal agreements they had to be delivered up and punished accordingly.

The Hungarian Ministry for Foreign Affairs considers to be entirely justified to protest emphatically against this policy of the American occupation authorities, and is of opinion that this policy is contrary to the normal feelings, justice and generally accepted practice of all civilized nations.

The Hungarian Ministry for Foreign Affairs avails itself of this opportunity to renew to the Legation of the United States of America the assurance of its high consideration.

EXTRACT FROM THE STATEMENT IN LONDON BY THE
FASCIST GENERAL FERENC FARKAS DE KISBARNAK
ON THE FRATERNAL COMMUNITY OF HUNGARIAN
FIGHTERS

Question: What military preparations do you consider necessary by the emigrés in connection with the plan for military staffs laid down in the Atlantic Pact?

Answer: Only one task awaits the exiled soldiers in these days: the soldiers should rally in the Fraternal Community. As a matter pertinent to their profession they should pay attention to the development of modern tactical and strategical principles.

EXTRACTS FROM THE TESTIMONIES OF ENDRE FARKAS AND LÁSZLÓ HÉVEY DURING THE GRÓSZ TRIAL (JUNE 1951)

FROM THE TESTIMONY OF ENDRE FARKAS⁷

Prosecutor : In the course of your testimony you spoke of armed Hungarian fascist groups in Western Europe. Whom do you mean by these?

Farkas : According to the information we were given by the United States Legation, they planned an invasion from the West by Hungarian troops led by Ferenc Farkas de Kisbarnak.

Prosecutor : My next question then is, you also mentioned in the course of your testimony that the conspiracy also expected armed support from Yugoslavia. What did you count on in this respect?

Farkas : In this respect we expected that we would organise armed groups at home too, together with the armed troops coming from abroad, in order to overthrow the People's Republic. I know about this armed intervention expected from Yugoslavia in general only, for mention of this was made among our fellow accused taking part in the conspiracy, but as I mentioned before, on the part of the U. S. Legation they always particularly stressed Farkas de Kisbarnak that we could expect larger units from him which would help us to overthrow the People's Republic. (*Grey Book*, pp. 67—68)

FROM THE TESTIMONY OF LÁSZLÓ HÉVEY⁸

The President : Please tell us, what outside armed forces did you wish to use in addition?

Hévey : As external forces, the armed fascist Hungarian troops stationed in Yugoslavia for whose leader we mentioned Colonel-General Oszlányi, and the armed Hungarian divisions or troops in the West which are under the command of Lieutenant-General Farkas de Kisbarnak, were considered. (*see p. 76*)

7. Endre Farkas, the third accused in the Grósz trial.

8. László Hévey, the fourth accused in the Grósz trial.

**ON THE AIMS OF THE HUNGARIAN FASCIST ORGANI-
SATIONS FUNCTIONING WITH THE SUPPORT OF THE
UNITED STATES GOVERNMENT**

**CENTRAL INFORMATION BULLETIN OF THOSE REGISTERED
WITH THE FRATERNAL COMMUNITY OF HUNGARIAN
FIGHTERS (MHBK) (YEAR 2, No. 12, APRIL 1950)**

“What is our aim? -- . . . To help those who are willing to make sacrifice for the liberation of the Hungarian Fatherland from Bolshevism not only in word and writing but, if time comes, in deed and with arms in hand, that is to keep record of the soldiers, the army, throughout the world.”

MINUTES OF ONE OF THE COUNTER-REVOLUTIONARY
EMIGRÉ GROUPS ON THE FASCIST CHARACTER OF
THE FRATERNAL COMMUNITY OF HUNGARIAN
FIGHTERS

RESOLUTION OF THE COMMITTEE OF INCOMPATIBILITY OF
THE HUNGARIAN NATIONAL COMMISSION* (JUNE 8, 1951)

“To what an extent the Fraternal Community reaches back to the Szálasi regime, and how much it even today sides with certain of the measures of the Szálasi army is proved by the memorandum to the Great Powers¹⁰ on the Lancers’ Movement, submitted by András Zákó and Miklós Korponay and included under No. 9 in the minutes of the Committee taken on November 29, 1950, and by the declaration made in Germany on September 1, 1948.

“From the text of the authorisation it becomes apparent that certain members of the staff corps¹¹ asked András Zákó to represent the military interests because it was he who before the end of the war set up the military resistance organisation which ever since continues to attempt to organise national resistance underground against the Soviet system by every means”.

“Beregffy¹², the then minister of defence, at the end of

9. Horthy's government as early as the year prior to World War II, sent Tibor Eckhardt, an American agent of long standing to the United States in order to secure the support of American reactionary leaders for the Horthy regime in a period after the end of the war. He plays an active part in the fascist organisations which the United States Government also supports, and until recently he was president of the War Committee of the National Commission led by the conspirator Ferenc Nagy, who is in the employment of the United States. In summer 1950, as president of the War Committee of the National Commission and obviously acting upon American instructions, he joined the Fraternal Community of Hungarian Fighters. The committee of incompatibility of the Hungarian National Commission, at its session of June 8, 1951 in New York passed a resolution in the matter of Tibor Eckhardt joining the Fraternal Community of Hungarian Fighters and declared that membership of the MHBK was not compatible with membership of the National Commission. After this resolution, Tibor Eckhardt in 1951, with the help of the United States, set up the fascist emigré movement called the World Federation of Free Hungarians. The resolution of the committee of incompatibility of the National Commission truly reflects the feuds among the various reactionary emigré groups over the titbits thrown to them by the United States government.

10. The USA, Great-Britain and France.

11. An organisation of the Hungarian fascist general staff officers residing in the United States occupation zone.

12. Károly Beregffy, the minister of defence in Szálasi's Hungarian fascist government.

October 1944 instructed the chief of Department II. of the General Staff (counter-espionage secret service in the Horthy-regime), Major-General András Zákó, with setting up this organisation. He accepted this assignment and organised and deployed it for action under the name of the 'Lancers' Movement'."

"From the contents of the memorandum it appears on one hand that the heads of the Lancers' Movement maintained this organisation, which served exclusively German military interests, right up to the last day of the war, and also that after the end of the war they maintained it with the same framework and in the same spirit, until finally they emerged into the limelight in emigration under the name of a Fraternal Community but with the old insignia of the Lancers' Movement now presenting themselves as a 'democratic association'."

"The declaration is a decisive proof that the staff officers commissioning András Zákó, and therefore Zákó himself too, refer the principle of legal succession of the Fraternal Community back to the resolution by Beregffy, Szálasi, Skorzeny, the SS and the German army, that is to the Lancers' Movement which served exclusively German interests..."

"According to the statement made by Lieutenant-General Béla Lengyel¹³ on November 7, 1950, the Fraternal Community was organised and is led by those officers who on October 15, 1944, and immediately prior to this occupied the most important central positions in the army general staff, in which positions they were confirmed by the arrowcross leaders and which confidential posts they retained under the arrowcross regime right up to the final debacle. These officers undoubtedly enjoyed the special confidence of Szálasi and Beregffy, beside whom they worked even beyond their sphere of authority as private advisers at Kőszeg¹⁴..."

"... in its leadership (the Fraternal Community) there are arrowcrossmen and even people who took part in the putsch of October 15, 1944, and served the Szálasi regime in high confidential posts right to the end."

"... The heads of the Lancers' Movement are represented in the leadership of the Fraternal Community of Hungarian Fighters."

"... The Fraternal Community was established by the leaders of the Lancers' Movement, András Zákó and Miklós

13. A Horthyist general residing in the U.S. zone of occupation.

14. The last headquarters of the Szálasi-gang on Hungarian territory.

Korponay. At its inception they did not make a secret of the link between the two organisations. On the contrary, they expressly referred to the fact that it was the task of the Lancers' Movement — that had been formed on Szálasi's instructions, in obedience to orders by the minister of defence Beregffy on the inspiration of the Nazi general staff and the Gestapo, and under the supervision of SS Obersturmführer Skorzeny — out of exclusively Nazi interests to carry out armed military actions and sabotage in the rear of the Russian army that had pushed forward into Hungarian territory. The organisation, recruitment, training and operative command of this partisan formation was entrusted to General András Zákó with the rights of a corps commander. He had been the head of Department II. of the general staff of the Szálasi army, which dealt with counter-espionage and secret service, and he had staff-captain Miklós Korponay as his deputy. The persons named undertook the assignment and partly carried out the task and led the formations of the Lancers' Movement up to the complete collapse¹⁵."

"András Zákó and Miklós Korponay maintained the organisation of the Lancers' Movement even after the end of the war, and during the course of the year 1949 they decided to revive it under the name of Fraternal Community of Hungarian Fighters with a programme and a form that was seemingly democratic in its framework."

"The leadership of the Fraternal Community apart from András Zákó and Miklós Korponay includes army officers who took part in the putsch of October 15, 1944 on the side of the Nazi army and the Gestapo and served right to the end of the Szálasi regime in high posts."

15. Up to the collapse of Nazi resistance.

UNITED STATES AUTHORITIES INSTRUCT THE
MEMBERS OF THE FASCIST EMIGRATION TO JOIN THE
FRATERNAL COMMUNITY OF HUNGARIAN FIGHTERS
FROM THE MINUTES OF THE RESOLUTION OF THE COM-
MITTEE OF INCOMPATIBILITY¹⁶ OF THE HUNGARIAN
NATIONAL COMMISSION (JUNE 8, 1951)¹⁷

“Miklós Lázár¹⁸ (*according to Miklós Lázár’s own account — Editor’s note*) did not establish contact with the Fraternal Community voluntarily but on instructions from an American authority and the President of the Commission.”

16. The minutes of the committee of incompatibility of the Hungarian National Commission, taken in New York on June 8, 1951, were signed by Zoltán Pfeiffer and Károly Peyer.

17. p. 41, section 3.

18. A journalist, a correspondent of the Hungarian fascist paper “Hungaria”, published in Munich.

**THE HUNGARIAN FASCISTS EXPECT AMERICAN
ARMED INTERVENTION TO RESTORE THEIR POWER**
AN ARTICLE IN THE FASCIST PAPER "UPON THE WARRIOR'S
PATH", YEAR II, No. 13, MAY 1950

"The essence of what we wrote in our last month's issue can be summed up as follows¹⁹ :

1. Only armed force can open the way to the return of the homeless Hungarians.

2. The forces of the Hungarians themselves are insufficient for this and only the armed forces of the United States can be taken into account.

3. We are entitled to hope that with the expected development of world events the military force of the United States will open up the way to our return home."

19. The paper dealt in a series of articles with the aggressive plans which the Hungarian fascist organisations in the West were to carry out with American support.

“EAST EUROPEAN REFUGEES” ARE RECRUITED
INTO EISENHOWER’S ARMY

A) AMERICAN SENATE PASSES BILL FOR ENLISTING
FOREIGNERS²⁰

SENATE

The Vice President. The bill having been read the third time, the question is, Shall it pass?

Mr. Russel, Mr. Wherry, and other Senators asked for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

The result was announced — yeas 79, nays 5.

So the bill (S. 1.) was passed, as follows :

Title I.

(.)

Title II.

Sec. 21. (a) The first section of the act entitled “An act to provide for the enlistment of aliens in the Regular Army”, approved June 30, 1950 (Public Law 597, Eighty-first Congress), is amended by striking out the words “until June 30, 1953, to accept original enlistments or reenlistments in the Regular Army for periods of not less than 5 years of not to exceed 2,500” and inserting in lieu thereof “until June 30, 1955, to accept, during each calendar year, original enlistments or reenlistments in the Regular Army for periods of not less than 5 years of not to exceed 25,000”.

(b) Section 3 of such act is amended by striking out “June 30, 1953” and inserting in lieu thereof “June 30, 1955”.

²⁰ Congressional Record, Vol. 97, No. 43. Washington, Friday, March 9, 1951.

B) EXCERPTS FROM THE RECORD OF THE SESSION OF THE
U. S. HOUSE OF REPRESENTATIVES ON AUGUST 17, 1951¹

Mr. Kersten of Wisconsin. Mr. Chairman, I offer an amendment. The Clerk read as follows :

After "United States" line 8, page 3, strike period and add : "and for any selected persons who are residing in or escapees from the Soviet Union, Poland, Czechoslovakia, Hungary, Rumania, Bulgaria, Albania, or the Communist-dominated areas of Germany and Austria, either to form such persons into national elements of the military forces of the North Atlantic Treaty Organization or for other purposes, when it is similarly determined by the President that such assistance is important in the defence of the North Atlantic area and of the security of the United States."

Mr. Kersten of Wisconsin. Mr. Chairman, earlier this afternoon, the majority leader made the statement that we, and the free world, have to become strong, but that eventually the satellite countries would have to be liberated. I think, unless we arrive at that latter conclusion, we have to look forward only to an interminable garrison state for the entire world . . . There are tens of thousands of individuals who would be capable of military service — there are tens of thousands of them in Western Europe who came from the Eastern European nations. Think of the great potential for liberty in General Anders' army. Apart from the 25,000 that may come into the American Army, there is no other way practicable, as yet, in which these people can be used.

Mr. Morano. Mr. Chairman, will the gentlemen yield?

Mr. Kersten of Wisconsin. I yield.

Mr. Morano. Are they not now recruiting an army of aliens in Europe under a law passed by the Congress recently?

Mr. Kersten of Wisconsin. It is my understanding that they may be recruited into the American Army to the number of only 25,000.

Mr. Morano. Yes, that is what I have reference to.

Mr. Kersten of Wisconsin. But, in addition to that, it is my idea that all such people, and there are many times that number, who presently are and in the future could be available for the eventual liberation of Eastern Europe . . .

Mr. Richards. I would like to support the gentleman's

21. Congressional Record. Vol, 97, No. 152. Washington, Friday, August 17, 1951

amendment, but I just cannot see it. This is a kind of foreign legion you would set up?

Mr. Kersten of Wisconsin. That is right.

Mr. Richards. As the forces are now set up, will they be made up of national forces? Who is going to support this group you are talking about?

Mr. Kersten of Wisconsin. I think that part of these funds could be used for the support of such individuals.

Mr. Richards. Do you mean General Eisenhower?

Mr. Kersten of Wisconsin. I think they should be attached to the American Army. The very provisions of this bill reads: "for the economic unification of Europe," and for the eventual "political unification of Europe". These people who are in Western Europe but whose origin is in Eastern Europe, should participate in the defense of Western Europe and eventual liberation of their homeland...

Mr. Morano. It is not true that under your amendment these aliens who are in Germany, for example, could be integrated into a German army?

Mr. Kersten of Wisconsin. Certainly.

Mr. Morano. And could be supported by the funds authorized in this bill?

Mr. Kersten of Wisconsin. Certainly...

... My amendment contemplates the possibility of aiding the underground organizations that may now exist and may come into existence in the future. It could give such underground organizations direction so that they would not be abortive...

Mr. Cooley. Mr. Chairman, will the gentleman yield?

Mr. Armstrong. I yield.

Mr. Cooley. Are not most of the refugees in the three zones of Germany, the British, French, and American, of German origin?

Mr. Armstrong. No. I did not refer to the German ethnics; I referred to those who have escaped from behind the iron curtain.

Mr. Cooley. I was leading up to this question: The gentleman said we should work them over to our side; does the gentleman mean we shall induce them to leave their homelands and come into Germany for the purpose of joining a foreign legion?

Mr. Armstrong. Actually I will say to the gentleman that

I think we should do that very thing. I believe we should offer this opportunity to them.

Mr. Cooley. Would not that aggravate the refugee problem in the western zones of Germany?

Mr. Armstrong. I mean, of course, to encourage only military man-power that we could utilize. I remind the gentleman that every one of the able-bodied men could take the place of an American man now being drafted off the farms or from the industries of the United States...

The Chairman. The Clerk will report the amendment as modified.

The Clerk read as follows :

Amendment offered by *Mr. Kersten of Wisconsin*: After "United States" line 8, page 3, strike the period and add : "and for any selected persons who are residing in or escapees from the Soviet Union, Poland, Czechoslovakia, Hungary, Rumania, Bulgaria, Albania, Lithuania, Latvia, and Estonia, or the Communist-dominated areas of Germany and Austria, and any other countries absorbed by the Soviet Union, either to form such persons into national elements of the military forces of the North Atlantic Treaty Organization or for other purposes, when it is similarly determined by the President that such assistance is important in the defense of the North Atlantic area or the security of the United States."

The amendment was agreed to.

HUNDRED MILLION DOLLARS EXPENDITURE OF THE U. S. GOVERNMENT FOR THE SUPPORT OF FASCISTS

MUTUAL ASSISTANCE ACT (OCTOBER 10, 1951)

Title I.

EUROPE

“Sec. 101. (a) . . . to be appropriated to the President for the fiscal year 1952 for carrying out the provisions and accomplishing the policies and purpose of this Act —

“(1) not to exceed \$ 5,028,000,000 for assistance pursuant to the provisions of the Mutual Defense Assistance Act of 1949, as amended, for countries which are parties to the North Atlantic Treaty and for any country of Europe (other than a country covered by another title of this Act), which the President determines to be of direct importance to the defense of the North Atlantic area and whose increased ability to defend itself the President determines is important to the preservation of the peace and security of the North Atlantic area and to the security of the United States (any such determination to be reported forthwith to the Committee on Foreign Relations of the Senate, the Committee on Foreign Affairs of the House of Representatives and the Committees on Armed Services of the Senate and of the House of Representatives), and not to exceed \$ 100,000,000 of such appropriation for any selected persons who are residing in or escapees from the Soviet Union, Poland, Czechoslovakia, Hungary, Rumania, Bulgaria, Albania, Lithuania, Latvia, and Estonia, or the Communist dominated or Communist occupied areas of Germany and Austria, and any other countries absorbed by the Soviet Union either to form such persons into elements of the military forces supporting the North Atlantic Treaty Organization or for other purposes, when it is similarly determined by the President that such assistance will contribute to the defense of the North Atlantic area and to the security of the United States . . .”

THE UNITED STATES RECRUIT 2500 FOREIGNERS TO THE SECRET SERVICE

ARTICLE BY CLIFFORD HULME, PUBLISHED IN THE
JUNE 25, 1950 ISSUE OF THE SUNDAY TIMES

For a new and secret project, the United States Army is to recruit for "specialised duties", 2,500 Russians, Balts, Poles, Czechs, and others from among the thousands who have fled from behind the Iron Curtain and are now stateless refugees in Western Germany.

All the recruits will be single men aged between 18 and 35, picked for their familiarity with the terrain and topography of "certain countries of Europe," and for their knowledge of the languages, customs, habits, psychology, philosophy and other characteristics of the peoples of those countries.

After exhaustive security screening, they will be enlisted as privates, starting at the usual £ 6 14s. a week and all found, and rising automatically to £ 7 7s. after four months. As only men of the highest ability and qualifications will be chosen, they are expected to advance rapidly to the rank of Technical Sergeant at £ 18 a week.

Marriage while serving is barred. The men must give up allegiance to their native country — a formality for stateless persons — and swear fidelity to the United States. They will be under full military discipline and watched continuously. Any man found disloyal will be court-martialled and shot.

Citizenship orders

Enlistment is for an initial period of three years. All who serve five years and secure an honourable discharge become eligible for United States citizenship, but only if the Army orders them to America on completion of service.

The Bill authorising recruitment of this Iron Curtain intelligence force reached President Truman yesterday for signature after a House debate in which several members complained they were being kept in the dark about the real purpose of the project. The secret is known only to a few outside the Army leadership and the State Department.

COMMENTARY OF THE FRENCH DAILY LE MONDE ON
THE DEPLOYMENT OF "REFUGEES"

FROM THE ARTICLE OF HENRI MEIROWITZ, PUBLISHED IN
THE FRENCH PAPER LE MONDE ON OCTOBER 2, 1951

As Le Monde has already reported, the American law on military and economic aid for foreign countries envisages one hundred million dollars worth of appropriation for special formations to be set up from among refugees from the countries east of the Iron Curtain. Reports from Washington add that these units are to be drawn into the American divisions and the Atlantic army. . . .

. . . These refugees, who have been selected especially because they are opposed to the countries from which they have fled, would be able to give the eventual occupation of their former country and the military campaign itself, the content of passion characteristic of civil wars and crusades. They would undoubtedly be prone to commit excesses since they will return to their country inspired by the spirit of retribution. And what is more, acting in the knowledge that they are not defended by international law, they too will not respect the laws of warfare.

HUNGARIAN FASCISTS IN THE UNITED STATES ARMY

FROM THE HUNGARIAN-LANGUAGE BROADCAST BY
NEW-YORK RADIO (OCTOBER 15, 1951)

In 1950, the United States Congress upon the initiative of one of the Senators authorised the Government to accept the application for membership in the United States Army of 2,500 refugees from behind the Iron Curtain. These may after 5 years military service obtain United States citizenship.

The New York Times carries a report on the arrival of the first of these groups in a training camp. The group of 44 also includes Hungarians. Their spokesman is Tamás Dósa, who spent a year on the Eastern Front. Senator Lodge visited the camp and greeted the new arrivals as volunteers in the struggle for world freedom. "Do not look upon yourselves as mercenaries — he said — you are volunteer fighters for world freedom. You are candidates for citizenship and your possibilities and position within the Army are the same as those of any American citizen."

The volunteers, most of whom speak English, will shortly be sent to American training camps.

GENERAL CLAY'S STATEMENT ON "FREE EUROPE
RADIO"

FROM THE REPORT OF THE NEW YORK TIMES (MAY 3, 1951)

Gen. Lucius D. Clay, chairman of the Crusade for Freedom, announced yesterday a new drive to raise \$ 3,000,000 from 25,000,000 to 30,000,000 Americans to expand the broadcasting operations of Radio Free Europe behind the Iron Curtain.

Last year's campaign brought in \$ 1,333,333 from 16,000,000 Americans. This made possible the powerful 135,000-watt Munich transmitter opened Tuesday for broadcasts to Czechoslovakia. . .

General Clay revealed at the Commodore Hotel that the 1951 campaign would provide for Radio Free Europe at least two more powerful transmitters. Eventually, he added, it is planned to have "bigger and better" individual transmitters for all the Soviet satellite countries.

At present the station is operated in the Frankfurt area, besides the Munich transmitter. Daily programs are sent to Poland, Hungary, Rumania and Bulgaria as well as Czechoslovakia.

GENERAL CLAY ANNOUNCES THE PROGRAMME OF “FREE EUROPE RADIO”

FROM A REUTER REPORT (OCTOBER 25, 1950)

The American General Lucius D. Clay, the former C.-in-C. of the American Zone, in his address on the occasion of the consecration of the so-called Freedom Bell said in Berlin that the organisation under his leadership was going to erect powerful broadcasting stations at places most suitable for propaganda broadcasts, beamed towards the countries behind the Iron Curtain. The staff of the broadcasting stations would consist of persons who had recently escaped from East European countries in whose language the propaganda scripts would be broadcast.

The main activities of the organisation will be :

1. Smuggling Czechs, Poles, Hungarians, and Rumanians out of their country to do propaganda work.

2. Smuggling radio-sets into the countries behind the Iron Curtain.

3. If these activities will result in the upsurge of underground movements in the countries concerned “we shall not be surprised,” he said, and added, “there is no limit to what we can do and will do.”

(Translated from Hungarian)

THE DAILY MAIL ON THE WAY THE MUNICH BROADCASTING STATION OF "FREE EUROPE RADIO" OPERATES

DAILY MAIL ARTICLE (FEBRUARY 5, 1951)

Munich, Sunday. — A man flew back from New York this week-end to his office in Munich to open a new phase in the cold war. He is an American ex-officer, Mr. Forrest McCluney, here to supervise the final preparations for a big new radio "nerve war" on the Soviet Union.

Using techniques developed at the wartime headquarters of General Eisenhower's psychological warfare branch, this new American "freedom radio" plan aims at stiffening resistance to Stalin among the 80,000,000 Eastern Europeans now living under Communism.

A 135 kilowatt medium-wave radio transmitter is now being erected under Mr. McCluney's supervision at Holzkirchen, high in the Bavarian Alps. Its cost is £ 170,000.

The scheme is being carried out not by the American Government but by a group of private U. S. citizens.

The operation is being financed by the "Committee for a Free Europe" in New York, members include such a mixed bag of names as General Lucius D. Clay, Mr. Francis Biddle, and the two movie magnates Cecil B. De Mille and Darryl Zanuck.

Mr. Forrest McCluney, European chief of the operations, was today sitting in the makeshift office of the movement in a villa in the suburbs of Munich, where he and a staff of about 100 are working. "Our Holzkirchen transmitter should be ready for action in about two months," Mr. McCluney said. "This will be aimed mainly at listeners in Czechoslovakia.

"In addition, we have already had in operation for some time a short-wave transmitter operating from the area of Mannheim, West Germany.

"Short-waves can reach listeners in Poland, Hungary, Rumania and Czechoslovakia and we plan to step up our broadcasts to those areas as well."

Refugees who come to Munich from the Iron Curtain countries report that listeners are beginning to know "Radio Free

Europe", which has as its call-sign four peals from the Freedom Bell.

"We keep our programmes quite different from those of the official Voice of America," said Mr. McCluney, "and as we are not an official agency we have much greater freedom in 'needling' the Communist stooges."

NEWSWEEK ON "FREE EUROPE RADIO"

ARTICLE OF THE AMERICAN MAGAZINE NEWSWEEK
(SEPTEMBER 17, 1951)

Unlike the Voice of America, RIAS in Berlin, and Red-White-Red in Vienna, Radio Free Europe is not a government organization; and it has only an informal connection with the State Department. It was started by the National Committee for a Free Europe, whose chairman is Joseph C. Grew, the former U. S. Ambassador to Tokyo. The financing comes from private citizens; the committee's Crusade for Freedom, headed by Gen. Lucius D. Clay, former U. S. military governor of Germany, does the fund-raising.

Radio Free Europe broadcasts in six languages: Czech, Hungarian, Polish, Bulgarian, Rumanian, and Albanian. At first, the only station it had was the one at Frankfurt, which announces its programs with four peals of the Freedom Bell. Since then, however, RFE has built a more powerful station at Munich, and it also has supplementary stations near Frankfurt and in Lisbon. The last two are used only for re-broadcasts.

Joint Project: The headquarters of Radio Free Europe are in New York in the Empire State Building, which also houses all the other activities of the National Committee for a Free Europe, including a newly created organization, Radio Free Asia. Some 110 Americans and 85 Iron Curtain refugees prepare programs and write scripts. They are assisted by about 100 free lances, all fugitives from the blessings of Stalinism.

The Americans set policy and help with technical details. However, the actual broadcast material is prepared by the exiles. All are veteran fighters against totalitarianism.

Programming: Once the RFE staff in New York has written and rehearsed the programs, they are short-waved to Europe or sent on tape for re-broadcast there. The two big stations at Frankfurt and Munich, in addition, originate programs of their own. The Munich station, for example, broadcasts eleven and a half hours a day, but only about two hours of the material comes from New York.

Radio Free Europe doesn't duplicate the Voice of America in any way. It does what the Voice can't do, as a State Department agency. The Voice must devote a considerable amount

of time and effort to anti-Communist and non-Communist countries. Radio Free Europe, instead, can concentrate on the satellites. In hiring, the Voice must give preference to American citizens, who speak as Americans. RFE uses exiles, who speak as native of the countries under the Soviet heel and whose names are known to the anti-Communist underground.

Most important of all, since Radio Free Europe is a private organization, it can say what it wants, without regard to possible diplomatic repercussions and complications. In general, the Voice is restricted to presenting the United States and U. S. foreign policy in the best possible light. It attempts to combat Communism with truthful presentation of the news and to refute Communist lies and distortions. Radio Free Europe specializes in presenting the Communist regimes in the worst possible light.

COOPERATION BETWEEN THE FREE EUROPE COMMITTEE AND THE HUNGARIAN FASCIST ORGANISATIONS

FROM THE SPEECH DELIVERED BY BÉLA VARGA, THE PRESIDENT OF THE EXECUTIVE COMMITTEE OF THE HUNGARIAN NATIONAL COMMISSION, BEFORE THE COMMISSION, IN FEBRUARY 1950 ("HUNGARIA", FEBRUARY 24, 1950. No. 109)

The New York Commission Bulletin reports: Former Ambassador Joseph Grew, the President of the Free Europe Committee, has declared that Clark Clifford has become a member of the Committee under his leadership. Clark Clifford is at present President Truman's special adviser, but he will shortly resign his post and then he will take an active part in the work of the Free Europe Committee.

In connection with the cooperation between the Free Europe Committee and the Hungarian Commission we quote the following interesting statement from the speech made by Béla Varga, the President of the Executive Committee of the Commission, at the meeting of the Commission:

"With the formation of the Free Europe Committee the conscience of the people of the United States has started moving. The refugee representative bodies of the peoples who are innocently suffering behind the Iron Curtain have received their effective aid. Today we already have offices in Washington, New York, London, Paris and Frankfurt and the local representative body of the Hungarian National Commission is now being organised in Rome. This is a tremendous development if I take into account that up to August 1949, just about all the work of the Commission took place in my own small room. Within the Free Europe Committee the Hungarian National Commission stands above all other committees. If the Free Europe Committee want to try out something then they start with the Hungarians. Last week I was in their office where there were already two Hungarians trying out the new broadcast.

"The President of the Committee tells me: 'If we want to try out something then we go to the Hungarians and try it

and make up our plans of work through the Hungarians.' There is one way for us to retain this advantage : if we maintain peace within the Commission and bring about the fullest co-operation."

THE NEW YORK TIMES ANNOUNCES THE NEW HUNGARIAN BROADCAST BY "FREE EUROPE RADIO"

REPORT OF THE MTI CORRESPONDENT IN LONDON
(OCTOBER 5, 1951)

According to a Munich report appearing in the New York Times, the Free Europe Radio, an American radio propaganda service, will open the new broadcasting station in Western Europe which is to beam radio propaganda to Hungary ceremonially on October 6. The new Hungarian radio service which is to be headed by Hungarian refugees will follow the example of the Czech service of the group, which is said to be annoying the Prague government. All the radio propaganda at present being carried on from New York will be transferred to Germany.

THE "VOICE OF FREE HUNGARY" BEGINS ITS
BROADCASTS²²

Here in the studio is Mr. Everidge Browther, the Vice-President of the Free Europe Committee. He represents the Free Europe Committee which has set up and is maintaining the Free Europe Radio. He is now solemnly handing over this new station to all women and men who will direct this broadcast to fight for the liberty of the entire Hungarian nation.

For more than a year — said Everidge Browther — Free Europe Radio has daily spoken to you, to the Hungarian nation. Today we are glad to be able to tell you that we are calling you with a new and penetrating voice, and that for twelve hours a day, in the morning, in the afternoon and in the evening, the Voice of Free Hungary relayed by Free Europe Radio will reach every Hungarian.

(Translated from Hungarian)

22. The broadcast of Free Europe Radio on October 6, 1951.

TRUMAN IN HIS LETTER TO THE DAILY "AMERIKAI
MAGYAR NÉPSZAVA" GREETES THE NEW FASCIST
ADMINISTRATION OF THE PAPER²³

PRESIDENT TRUMAN'S LETTER TO THE "AMERIKAI MAGYAR
NÉPSZAVA" (MAY 27, 1948)²⁴

*The White House
Washington*

Dear Mr. Bátor and Mr. Szántó,

It gives me great pleasure to greet the new administration of the Amerikai Magyar Népszava — a newspaper published in the language and spirit of Louis Kossuth, heroic champion of human liberties and democracy.

It is my sincere hope that your efforts to strengthen the faith in democracy of your people here and of your brethren in Hungary will be most successful.

The people of Hungary behind the iron curtain look to you for inspiration in their struggle to regain their liberties and rebuild a truly democratic state. I am sure that you who live under the blessings of American democracy will not fail them.

Very sincerely yours,
Harry Truman

23. The Hungarian fascist emigré group took over the "Amerikai Magyar Népszava" from its old owners on June 1, 1948. The editor-in-chief of the paper was henceforward Zoltán Pfeiffer, the right-wing Smallholders Party deputy, who had fled to the United States with official American aid in autumn 1947. Other leading members of the new administration of the paper include: the conspirator Ferenc Nagy; the right-wing Social-Democrat renegade Károly Feyer; the former Hungarian Minister to Washington, the deserter Aladár Szegedy-Maszák; and the fascist adventurer Tibor Eckhardt. This clique has as its openly avowed aim the overthrow of the Hungarian democratic state order with American aid. The president of the company that owns the paper is John F. Montgomery, who was under the Horthy regime Budapest Minister of the United States. The publishers are Viktor Bátor and Lajos Szántó.

24. Published in the issue of the Amerikai Magyar Népszava dated June 2, 1948.

THE HUNGARIAN LEGATION IN WASHINGTON PROTESTS AGAINST TRUMAN'S LETTER TO THE DAILY "AMERIKAI MAGYAR NÉPSZAVA"

NOTE OF THE HUNGARIAN LEGATION IN WASHINGTON TO THE U. S. STATE DEPARTMENT (JUNE 15, 1948)

2865/1948

The Chargé d'Affaires ad interim of Hungary presents his compliments to the Honorable Secretary of State and upon appropriate instructions received from his Government wishes to draw his kind attention to the following.

On June 2nd, in the Hungarian-language daily, the Hungarian People's Voice, Amerikai Magyar Népszava, a letter was published, written and signed by the President of the United States making reference to the change in ownership of the daily and with certain relation to the people of Hungary.

The Hungarian People's Voice, published in New York, is a daily which in the past has constantly backed the Horthy regime and fascism. The present policy of the above publication is the changing of government in Hungary to be brought about not by peaceful and democratic means through the will of the people of Hungary, but through the employment of force, military and otherwise, coming from the outside and thus hampering the possibility of the people of Hungary to express their will of government through the free and democratic way of the general elections.

The above referred issue of the newspaper in question refers to the fact that the new controlling force is constituted of politicians who left their country with the very notion of overthrowing the present Hungarian regime, duly and legally elected by the people of Hungary, and who are using every means of inciting hatred and even going as far as to suggest an armed conflict to overthrow, through violence and rebellion, the constituted Government of Hungary.

The circumstance to be regarded is the fact that the President of the United States maintains a Legation in Budapest and a personal representative, who by Executive Order is "to establish and maintain friendly relations between the

Government and people of the United States and the Government and people of that country". This representative is in constant rapport with the legal Hungarian Government through the usual diplomatic channels and enjoys all the diplomatic privileges and immunities due to him under international law and usage. The same Government of Hungary has been elected by the will of the people as a result of a general election in Hungary.

The letter written and signed by the Chief Executive of the United States expresses sympathy and establishes contact with another set of politicians, whose open aim, beyond the shadow of a doubt, is to overthrow the legal government to which the same Chief Executive sends and maintains a Diplomatic Mission.

These two approaches of entirely contradictory character present the case of a grave inconsequence as to American foreign policy and aims in maintaining and promoting better and peaceful understanding between the legally elected governments of nations, and threatens the constitutional integrity and political self-respect of Hungary. Furthermore, the fact of the Chief Executive of the United States giving preference to notorious traitors aiming at the forceful overthrow of a legal government, presents a deliberate breach in international relations of nations which is positively unprecedented in the history of modern diplomacy in peace-time.

Taking into consideration the above factors, the Government of the Republic of Hungary is obliged to present its most vigorous protest against this extremely unfriendly action seriously threatening the state of normalcy and making a devastating impact upon better understanding between the corresponding two Governments.

NOTE OF REPLY BY THE UNITED STATES DEPARTMENT OF STATE**NOTE OF U. S. STATE DEPARTMENT TO THE HUNGARIAN LEGATION IN WASHINGTON (JULY 22, 1948)**

The Secretary of State presents his compliments to the Chargé d'Affaires ad interim of Hungary and refers to the Legation's Note No. 2865/1948 dated June 15, 1948, which protests against a letter addressed by the President of the United States to the "Amerikai Magyar Népszava", a Hungarian-language daily published in New York, as an "extremely unfriendly action seriously threatening the state of normalcy and making a devastating impact upon better understanding" between the Governments of the United States and Hungary. The Legation's Note further alleges that the letter in question, by expressing sympathy and establishing contact with politicians whose open aim is to overthrow the legal Hungarian Government, is of a character contradicting the maintenance by the President of the United States of a diplomatic mission in Budapest aiming at the promotion of better and peaceful understanding between the United States and Hungarian Governments, that this circumstance threatens the constitutional integrity and political self-respect of Hungary, and that the President of the United States, by giving preference to notorious traitors, presents a deliberate breach in international relations which is positively unprecedented in the history of modern diplomacy in peace-time.

The communication against which the Hungarian Government complains was addressed to the editors of an American daily newspaper and the views expressed accord with the traditional United States position of support for the principles of the fundamental freedoms. The maintenance of diplomatic relations with the Hungarian Government does not imply abandonment by the United States Government of those principles nor does it obligate the United States to submit its understanding of the democratic aspirations of the Hungarian people to review by the Hungarian Government. The Government of the United States rejects the contentions set

forth in the Note of the Hungarian Legation and informs the Legation that it regards the representations of the Hungarian Government in this matter as unfounded and entirely lacking in constructive purpose.

**PRESIDENT TRUMAN AND THE LEADERS OF THE
AMERICAN PUBLIC LIFE PERSONALLY SUPPORT THE
FASCIST EMIGRÉ ORGANISATIONS OF THOSE WHO
ABSCONDED TO THE WEST**

**FROM THE HUNGARIAN-LANGUAGE BROADCAST OF THE
NEW YORK RADIO (OCTOBER 8, 1950)**

The Federation of Hungarians in America dealt at its two-day conference with questions of interest to the Hungarians living in America. The conference dealt in particular with the plight of those who have fled from Hungary. The chairman of the general meeting spoke of all these questions and then read the letter of greetings from President Truman. In his letter the President assured the Americans of Hungarian extraction that America continues to feel friendly sentiments towards the Hungarian people suffering under Communist oppression and does not relinquish hope that the Hungarian people will finally be liberated.

**FROM THE HUNGARIAN-LANGUAGE BROADCAST OF THE
NEW YORK RADIO (OCTOBER 26, 1950)**

The correspondent of New York Radio reports :

Recently the top organ of the Hungarian associations and Churches in America, the Federation of Hungarians in America, held its general meeting. This was an important and outstanding event for the Hungarians in America. This great review of the Hungarians in America, however, went beyond the territorial limits of Hungarian life in America in its significance, and was so mighty a demonstration on the side of Hungary's cause that the nine million Hungarians of the old country could also gain strength and hope from it.

...“More than fifty leading personalities of American public life sent their greetings to the delegates assembled from all over the United States demonstratively stressing ‘the sympathy of America with the Hungarian nation which has been deprived of its freedom’.”

The distinguished series of warm greetings were opened by President Truman's letter. Apart from him, 8 governors, 16 senators and 34 representatives sent their message of encouragement to the general meeting, to the representative body of the Hungarians in America.

The American statesmen, political leaders and public figures who have sent their message to the Hungarians, with faith in a better future and in words that cannot be misunderstood, are responsible statesmen whose word carries weight and whose stand is decisive.

It is not merely a polite figure of speech when the President of the United States addresses the Hungarian nation: we have not withdrawn our friendship from the subjugated people of Hungary and have not given up hope of the liberation of the Hungarian nation . . .

It is not an empty phrase when Senator Lucas reminds the Hungarians that the United States are conscious of the magnitude of their duty and resolutely undertake the lion's share in the fight against Communist tyranny.

. . . It is the fire of conviction that burns in the words of Senator Lodge when he recalls the centuries of struggle waged by the Hungarians against Eastern barbarism, and when he writes that the American people believe that the day will come when the nightmare horror of Communism will disintegrate in Hungary.

It is not a meaningless phrase when Senator Lehman declares: Hungary will again be free. Millions of free men are rising up like the swell of the seas and, led by America, they are trying to regain the freedom of the oppressed peoples.

MESSAGE OF GREETING FROM THE CHAIRMAN OF
THE UNITED STATES CONGRESS ATOMIC ENERGY
COMMISSION SENATOR BRIAN MACMAHON, TO THE
FEDERATION OF HUNGARIANS IN AMERICA

FROM THE HUNGARIAN-LANGUAGE BROADCAST OF THE
NEW YORK RADIO (OCTOBER 6, 1950)

Greeting the meeting of the Federation of Hungarians in America, Chairman Brian MacMahon of the United States Congress Atomic Energy Commission said :

“The endeavour of the Communists to subject the whole world to their power will come to an inglorious end. Hungary will be free again and the courageous Hungarian men and women will enjoy the results of the struggles they are now waging. The eyes of all free men are turned towards America.”

(Translated from Hungarian)

ON THE AGGRESSIVE PLANS OF THE UNITED STATES
AGAINST HUNGARY

FROM THE SPEECH DELIVERED BY SENATOR LODGE AT
THE MEETING IN NEW YORK OF THE FEDERATION OF
HUNGARIANS IN AMERICA* (MARCH 15, 1950)

"Hungaria" learns from New York : At the March festival of the New York branch of the Federation of Hungarians in America, United States Congressman John D. Lodge in a great speech called the attention of his country, of the United States, to Hungary and the plight of the Hungarians as well as to the struggle against Communism.

"...The people of Hungary, heirs to a great culture and an ancient civilisation, look to us for succour in these hours of dire need. They look to us to be steadfast in our loyalty to freedom. They trust to us to bear this weighty responsibility for freedom. And we can be filled with contentment at the thought that our abilities are sufficient to be able to help and to take a dynamic lead. At present we are conducting what is really a war of defence and you cannot win wars by defence.

"In the brutal world of today we must use all our strategic advantages. The terms of the "Voice of America" are veiled, whereas the struggle is being waged for the soul of mankind. We must speak with clear voices raised and with conviction that they should hear us. We must see to adequate financial support for our information service and we must supervise its work. The main aim is not just to show what the truth is in America, but to put it in such a convincing way as to be able to convert even the friends of Communism. In World War II we used flamethrowers, now it is by the light of American propaganda that we must keep awake the faith of the freedom-loving nations of the world. It is only this way that we will be able to extend the blessings of our free system to the farthest corners of this tormented world. It is our sacred task to fight this battle."

25. "Hungaria", March 31, 1950. No 114.

“...We must roll back the Iron Curtain and once more bring the peoples living behind it into our field of vision. We have no time to loose, we must act,” concluded Senator John D. Lodge.

(Translated from Hungarian.)

FROM THE STATEMENT BY PRESIDENT TRUMAN
IN THE WHITE HOUSE TO A 20-MEMBER DELEGA-
TION OF THE FEDERATION OF HUNGARIANS
IN AMERICA

FROM THE BROADCAST BY NEW YORK RADIO
(OCTOBER 13, 1951)

“What we want is that all the peoples of the earth should enjoy the same freedoms of the individual that we enjoy. After the Yalta and the Potsdam conversations we hoped that that is what would happen in Hungary, Rumania, Bulgaria, Czechoslovakia and Poland. Unfortunately that is not how the situation turned out. We shall further strive to continue to create the same freedom in the oppressed countries as we enjoy here in America . . .”

(Translated from Hungarian)

**PROTEST OF THE HUNGARIAN GOVERNMENT TO
THE UNITED STATES GOVERNMENT AGAINST THE
ORGANISATION OF SUBVERSIVE AGENTS AND SPY
GANGS AND THE FINANCIAL SUPPORT ACCORDED
TO THEM**

**NOTE OF THE HUNGARIAN MINISTRY FOR FOREIGN AF-
FAIRS TO THE UNITED STATES LEGATION IN BUDAPEST
(DECEMBER 1, 1951)**

On October 10, this year, the President of the United States of America, Mr. Truman, signed the "Mutual Security Act of 1951" which appropriated one hundred million dollars "for any selected persons who are residing in or escapees from the Soviet Union, Poland, Czechoslovakia, Hungary, Rumania, Bulgaria, Albania . . . either to form such persons into elements of the military forces supporting the North Atlantic Treaty Organization or for other purposes . . ." ,,

The text of the Act clearly shows that the appropriated hundred million dollars are allotted with a purpose to support among others spies and traitors living in Hungary as well as the war criminals and fascists who absconded from Hungary, to use them for committing hostile activities against the Hungarian people and the present democratic regime of Hungary.

The Government of the Hungarian People's Republic declares that, by the fact of the acceptance of the above-mentioned Act, the Government of the United States acknowledged for all the world that United States authorities

1. financially support Hungarian fascists as well as other reactionary elements committing subversive actions and organising diversionist acts and conspiracies ;

2. render asylum to and financially support in America and in the United States Zones of Occupation of Austria and Germany elements who have absconded from Hungary for having committed war crimes or carried on fascist activities ;

3. equip with arms arrow-cross gangsters and fascist traitors who fled from Hungary to have them commit aggressive acts against the Hungarian People's Republic.

The Government of the Hungarian People's Republic in several Notes of Protest to the United States Government and in its recent statement, dated November 24, pointed out that official American organs, among others the United States diplomatic representatives accredited to Hungary, and other officials of the American Legation encourage and organise reactionary elements hostile to the Hungarian People's Republic to carry on subversive activities, to perform acts of diversion, and to set up conspiracies — and also support them financially. The Government of the United States called the protests of the Hungarian Government "completely unfounded" and refused them. By accepting the above Act, the Government of the United States itself is rendering doubtless proof that not the protests of the Hungarian Government but the replies of denial and refusal of the United States Government were „completely unfounded“.

By enacting the above Law, the Government of the United States is furthermore giving doubtless evidence that the sheltering by the officials of the United States of arrow-cross hehmen, fascist war-criminals and mass-murderers, the refusal of their extradition, the financial support to their activities against the Hungarian People's Republic have a definite aim of arming and using these criminal elements, hostile to the people, for an attack against the Hungarian People's Republic.

The Government of the Hungarian People's Republic has a knowledge of the fact that this equipment with arms is actually in progress. In the United States Zone of Occupation of Western Germany there are functioning Hungarian fascist military organisations, headed by former war criminal, arrow-cross, and Horthyist generals, enjoying the confidence of the Occupation Authorities, who openly declare that they hope to realize their endeavours for the restoration of the Hungarian fascist system in the course of a Third World War planned by the United States side by side with the United States Army.

The Hungarian-language broadcast of the New York Radio maintained by the American Government reported on October 15, 1951, on the arrival of a Hungarian fascist group to an American military training camp.

The fact that the United States spends such a substantial sum on the support and arming of fascist elements, unmistakably shows how that "freedom" is to be understood, which

the United States Government time and again quotes to justify its interference in the affairs of other countries.

The Government of the Hungarian People's Republic establishes that the acceptance of the "Mutual Security Act of 1951" and its execution by the United States Government constitutes a flagrant interference in the domestic affairs of the Hungarian People's Republic and is an openly hostile aggressive step against the Hungarian People's Republic,

1. standing in plain contradiction to the spirit and wording of the Treaty of Peace concluded in 1947 ;

2. and also is in plain contradiction to the 1943 Moscow Declaration of the Soviet Union, the United States, and the United Kingdom, as well as to the 1945 Four Power Agreement in London and to the principles laid down in the Charter of the United Nations.

The Government of the Hungarian People's Republic most emphatically protests against the acceptance of the "Mutual Security Act of 1951" and declares that the United States has to bear all responsibility for the consequences of the execution of this Act.

STATEMENT OF THE GOVERNMENT OF THE HUNGARIAN PEOPLE'S REPUBLIC (NOVEMBER 24, 1951)

The Government of the Hungarian People's Republic whose main aim is to secure for the Hungarian people an opportunity for carrying on the work of peaceful construction and the improvement of their economic and cultural conditions, is guided in all its activities by the principles of peace and friendly cooperation between the nations and by the interests of the peace and security of the world. It is for this very reason that the Government of the Hungarian People's Republic considers it its right and its duty to point out to public opinion the world over that the Government of the United States of America belying the principles laid down in the Charter of UN, setting at naught the existing international agreements and in crude violation of the rights, the independence and the state sovereignty of the Hungarian People's Republic, repeatedly interferes in the domestic affairs of the Hungarian People's Republic, endeavours to impede her economic development and undermine and overthrow her democratic order of state and society, and thus threatens the peace and security of the Hungarian People's Republic and of the Hungarian people.

1. Documentary evidence has been adduced that as often as fascist and pro-fascist reactionary elements in Hungary have organised conspiracies to overthrow the democratic order in this country, the agents and not infrequently the diplomatic and other representatives of the Government of the United States who occupied official positions not only played an active part in these conspiracies, but supplied the initiative and played a leading role in them.

The conspiracy against the existing democratic order by Ferenc Nagy and his associates was inspired and encouraged by the United States Minister Arthur Schoenfeld, by Lt.-Colonel George Kovach, a member of the United States Military Mission, by Ecker-Rácz, the economic expert of the United

States Legation, by the United States representative Martin Himmler and others.

In the Mindszenty-conspiracy which aimed at the re-establishment of the old reactionary order and the restoration of the Hapsburgs, the United States Minister Selden Chapin played an active part, as did the Legation Secretary Stephen A. Koczak and several other members of the staff of the United States Legation in Budapest.

Minister Chapin, Márton Himmler and Lt.-Colonel George Kovach also played an active part in the conspiracy of the gang of provocateurs and assassins headed by László Rajk. The brain behind this conspiracy was Allan Dulles, the head of the United States secret service, and his immediate subordinate Noel H. Field.

The conspiracy of József Grósz and his accomplices was initiated and directed by the United States Legation Secretaries Chris G. Petrow and William A. Sherer, and several other members of the Legation staff.

2. It was established both in the course of the exposure of the above conspiracies and also in a number of other cases that officials of the United States had built up and maintained a veritable network of spies, wreckers and saboteurs in our country and that the members of the staff of the Budapest Legation of the United States played a leading part among the heads and organisers of this network. American diplomats acting in abuse of their diplomatic privileges and American industrial experts who abused the freedom of movement that was granted them used their residence in Hungary to conduct espionage on behalf of the United States secret service instead of engaging in normal diplomatic activities and to carry out wrecking and sabotage in accordance with instructions which they received from the United States Government agencies.

The United States citizens Paul Ruedemann and George Bannantine were sent to Hungary as the American heads of the MAORT Company in 1945, with instructions to use this position in order to decrease and disorganise oil-production in Hungary. In the course of their fulfilment of this assignment they enlisted several leading members of the Company who were Hungarian citizens to carry out wrecking and espionage activities.

In 1947, James MacCargar, the United States Legation Secretary in Budapest, the United States Army Captain

McClemens and Jack Guinn, an intelligence officer, a member of the CIC, — the official United States espionage organisation — who resided in Hungary as an American journalist making use of the right-wing Social-Democrats Károly Peyer, Frigyes Pisky-Schmidt and others, whom they had enlisted for espionage service, regularly engaged in collecting intelligence material and forwarding it to the Government of the United States.

Colonel Robert A. Vogeler, who has been a professional employee of the United States espionage service since 1942, was sent to Hungary with orders from official United States military authorities to indulge in espionage activity and organise an intelligence network and sabotage under the pretext of supervising the Standard Works. In these activities Vogeler enjoyed the cooperation of Colonel John H. Stokes and Lt.-Colonel John P. Hoynes, the Military Attachés of the United States Legation in Budapest, of the Commercial Attachés Edward A. Mag and Jule B. Smith, and of others.

The Hungarian authorities were bound to expel the following members of the staff of the United States Legation in Budapest for espionage activity directed against the Hungarian People's Republic :

Lt.-Colonels Peter J. Kopesak and John P. Merrill, members of the staff of the Military Attaché of the United States in Budapest, who took photographs of military installations on the Hungarian-Yugoslav frontier ;

Stephen A. Kozak and Robin A. Steussy, officials of the United States Legation in Budapest, who systematically engaged in espionage and smuggled people abroad ;

Colonel James B. Kraft, the Military Attaché, Lt.-Colonel John P. Hoynes, the Deputy Military Attaché, and Major Donald B. Griffin, the Deputy Air Attaché who had taken part in the Geiger—Vogeler—Sanders espionage-case ;

Second Secretary William A. Sherer of the Legation, Deputy Legation Attaché Ruth R. Tryon, and the Legation clerk Mary Eich, whose espionage activity was shown up in the course of the exposure of the conspiracy of József Grósz and his associates.

The United States Government recalled the United States Minister to Budapest, Selden Chapin, at the request of the Hungarian Government, arising from his espionage and wrecking activities in connection with the Mindszenty-conspiracy.

It has moreover been proved beyond any possibility of doubt that the following members of the staff of the United

States Legation in Budapest, whom the United States Government recalled even before they had been exposed, had also conducted espionage activities. They are: Military Attaché Colonel John H. Stokes, Air Attaché Hilbert F. Muentner, Legation Attaché Emery Kiraly, Commercial Attaché Jule B. Smith, Commercial Attaché Edward A. Mag, Legation Secretary James MacCargar, Consul Edward G. Reynolds, Deputy Commercial Attaché Howard J. Hilton, Legation Secretary Chris G. Ptrow, Legation Secretary Malcolm Toon, and Press and Cultural Attaché Louis Revey.

3. The Government of the United States has, both in a solemn declaration and in international agreements, repeatedly undertaken an obligation to extradite the war criminals residing within the United States or the territories occupied by her, but it has to this day not honoured this obligation with respect to several hundred Hungarian war criminals whose extradition the Government of the Hungarian People's Republic repeatedly requested by name. Among the war criminals thus taken under United States patronage and withdrawn from the jurisdiction of the Hungarian people are such ringleaders of Hungarian fascism as for example the former arrowcross chief of staff Henrik Werth, Ferenc Vajtha, Béla Jurcsek, member of the Szálasi Government, the arrowcross General József Heszlényi, Lajos Marschalkó, József Pálffy-Daun and other notorious Hungarian fascists.

4. The Government of the United States which maintains diplomatic relations with the Hungarian People's Republic at the same time supports the "Federation of Hungarians in America", led by Hungarian fascists and other reactionary elements and the "Hungarian National Commission" consisting of depraved traitors to Hungarian democracy. Both organisations openly incite to war against the Hungarian People's Republic. Leading statesmen of the United States, headed by President Truman and Secretary of State Acheson, have on several occasions expressed their sympathy with these organisations. President Truman in his letter to the two-day congress of the "Federation of Hungarians in America" held in October 1950, declared that "The Hungarian people suffering under Communist oppression" . . . "will finally be liberated". The most recent occasion was, when on October 13 of this year it was also President Truman, who declared to a delegation of the reactionary leaders of the "Federation of Hungarians in America" that the United States would do everything to

bring about "the same freedom" in Hungary "as we enjoy here in America". By making these and similar statements, President Truman himself bore witness to the fact that the policy of the Government of the United States is aimed at overthrowing the democratic order in Hungary and at re-establishing the old reactionary order that was directed against the people.

The Government of the United States systematically assembles and recruits the war criminals, fascists, arrow-crossmen and other antidemocratic and reactionary elements who have absconded from Hungary and employs them to carry out its plans against the Hungarian People's Republic. The United States authorities in the United States Zones of Germany and Austria make it possible for them to organise military formations under the leadership of the fascist General Ferenc Farkas de Kisbarnak who is included in the official list of war criminals, and the head of Szálasi's counter-espionage service, the fascist Major-General András Zákó.

The Hungarian-language fascist paper *Hadak Útján* (Upon the Warrior's Path) which is published in the United States Zone of Western Germany and is the gazette of the Hungarian fascist military organisation called the "Fraternal Community of Hungarian Fighters", functioning under the leadership of András Zákó, summed up the programme of the organisation in its issue No. 13, published in May 1950, as follows:

"1. Only armed force can open the way to the return of the homeless Hungarians.

"2. The forces of the Hungarians themselves are insufficient for this and only the armed forces of the United States can be taken into account.

"3. We are entitled to hope that with the expected development of world events the military force of the United States will open up the way to our return home."

The American authorities not only tolerate and support this Hungarian fascist military organisation, but specifically instruct fascist emigrés to join it.

The Government of the United States not only promotes the establishment of an irregular Hungarian military organisation, but does not even balk at setting up within the framework of the regular United States Army special fascist units composed war criminals, fascists and other reactionary elements, who fled to the West from Hungary and other countries. The United States House of Representatives on August 17

of this year voted to provide financial support for the organisation of such "national elements of the military forces of the North Atlantic Treaty Organisation" and since then the organisation of such formations, to include among others Hungarian escaped persons, has already been commenced on United States territory.

5. The Government of the United States conducts a systematic campaign of slander against the Hungarian People's Republic. Apart from the frequent abusive press-material inspired by the United States Government and the broadcasts put out by that special organ of vilification, the "Voice of America" which is maintained upon United States Government money, responsible United States statesmen and politicians from President Truman to Secretary of State Acheson, Mundt, McCarran and numerous other Senators and General Clay have for years made slanderous statements, each more preposterous than the other, about the Hungarian People's Democracy. They have done this with the obvious intention of encouraging and abating the subversive activities of the Hungarian fascists, the deadly enemies of the Hungarian People's Republic, who aim to overthrow the democratic system, and to restore the old order.

The so-called "Free Europe Radio", which was set up in the United States zone of Germany with American money (collected under the chairmanship of General Clay) under American directions and with the patronage of official American personages (Vice-President Barkley, Under-Secretary of State for War Peace and others) serves the same aims of subversion. Its Hungarian section broadcasts its programme under the title the "Voice of Free Hungary" for twelve hours a day with the exclusive and admitted purpose of conducting a base fascist propaganda campaign against the Hungarian People's Republic.

6. The Government of the Hungarian People's Republic sincerely strives to the greatest possible extent to expand its peaceful economic relations with other countries, with mutual consideration for each others economic interests and regardless of the state systems of those countries. The United States Government, however, has for its part abrogated the Treaty of Friendship, Trade and Consular Rights concluded with Hungary in 1925 and exerts ever greater pressure upon the West-European countries that they should limit their trade relations with the Hungarian People's Republic. The Govern-

ment of the United States gives as the reason for its pressure that it wishes to prevent the delivery of war materials and of raw-materials which could be used for warlike purposes to Hungary. In fact, however, the policy of discrimination carried on by the United States with regard to the Hungarian People's Republic is aimed at impeding the economic development of the Hungarian People's Republic, and is manifestation of the hostile feelings of the United States Government towards the Hungarian People's Democracy and the Hungarian people. This is born out by such facts as, for instance, the prevention by the United States High Commissioner for Germany in May of this year of the delivery of a consignment of rails sent to Hungary through Western Germany or the refusal to grant an export-license for 15 kgs of Streptomycin purchased in the United States, or, for example, a news broadcast by the New York Radio on October 3 of this year, according to which the United Department of Commerce had excluded a Dutch trading firm and a Swiss enterprise from American export-trade, because these two firms had delivered industrial machinery for Hungary.

7. This economic pressure which reflects the hostile behaviour of the Government of the United States towards the Hungarian People's Republic, is manifested in a particularly cynical form in the refusal to restore the Hungarian property looted and removed by the fascists.

The Government of the United States in Article 30 of the Peace Treaty undertook an obligation to restore those Hungarian goods that were the "identifiable property of Hungary and of Hungarian nationals removed by force or duress from Hungarian territory to Germany by German forces or authorities."

The Government of the United States has crudely violated this obligation to restore property. They have to this day not restored the overwhelming and most valuable part of the Hungarian goods looted by the fascists. Partly they have sold them, auctioned them, or given them away, and others they still retain in the United States Zones of Germany and Austria. The United States authorities on April 15, 1948 with no foundation or acceptable reason put a stop to restitution and expelled the members of the Hungarian Restitution Mission from the United States Zone of Germany. After this, restitution was completely suspended for more than three years. On April 21 of this year an agreement was concluded between

the Government of the Hungarian People's Republic and the Government of the United States in which the Government of the United States reaffirmed its obligation to restore Hungarian property. Nevertheless, the United States authorities only restored an insignificant part of the Hungarian goods eligible for restitution, unlawfully and arbitrarily retaining all items of property of value, among them numerous items of which the United States authorities themselves had previously stated and laid down in writing that they would have to be restored to the Hungarian People's Republic.

8. The so-called "Holy Crown", one of the valuable treasures of art of the Hungarian nation, has a special place among the Hungarian goods carted off by the fascists, and illegally being retained in the United States Zone of Germany at present. The restitution of this treasure of art was refused by the Government of the United States on the grounds that it had not been removed by force, but that it had been put under American custody by "a group of Hungarian officers" that is, the officers of the fascist Szálasi government of war criminals, who were serving Hitler Germany. It is an undeniable fact that the treasure of art concerned is the property of the Hungarian State, and therefore no one may for any purpose deposit it, or has any right to custody over it, contrary to the wishes of the Government of the Hungarian People's Republic. It is obvious that the United States Government in refusing to restore the Crown is guided by political aims which it does not admit, but which are closely connected with the adventurous plans directed against the Hungarian People's Republic.

The above facts obviously prove that the Government of the United States evinces a consistently hostile attitude towards the Hungarian People's Republic.

It is thus, and only thus, that we can explain the fact that, in spite of having committed in virtue of the preamble to the Peace Treaty to support Hungary's application for admission to membership of the United Nations, the Government has, whenever this matter has been raised for discussion in the United Nations, most sharply taken its stand against Hungary's admission and has, through its pressure upon the delegates of the countries under its influence so far thwarted Hungary's admission to membership of UN.

The Government of the Hungarian People's Republic

states and calls the attention of public opinion throughout the world to the fact that the hostile behaviour and activities of the United States Government towards the Hungarian People's Republic, which have been described above :

a) implies a crude violation on the part of the Government of the United States of the obligations it undertook in the Peace Treaty ;

b) is diametrically opposed to the principles of peace and friendly cooperation between nations laid down in the Charter of UN and for this very reason

c) is one of those factors which endangers the peaceful cooperation between nations, the peace and security of the peoples.

Respect for the independence and sovereignty of every single country is a matter of common concern for all peace-loving and freedom-loving peoples of the world. The Government of the Hungarian People's Republic is therefore convinced that all peace-loving and freedom-loving countries will condemn and reject the hostile behaviour of the Government of the United States towards the Hungarian People's Republic as being harmful and dangerous to the cause of universal peace and security, and that they will at the same time understand and appreciate the firm determination of the Government of the Hungarian People's Republic inconsistently defending the independence and sovereignty of its country against the power-politics and attempts at interference by the Government of the United States.

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