

HUNTINGTON, ELLER Y
10, 209

IV. RADIO TIME FROM ALGIERS OR HAJI

We urgently need at least 10 minutes radio time from an adequate station for good reception in Central Europe, twice a week after 20.00 h CET and before 04.00 h CET not on Saturday or Sunday, at our exclusive disposal for wireless communication not only with CASSIA but with several of our chief agents in Central Europe, with whom special codes for such connection have been agreed upon as early as last October.

1 2 2 2 2 1

The American group you are in contact with is under orders to conduct subversive activities in the Balkan countries with instructions to show preference among resistance groups or prospective successor governments, only on a basis of their willingness to cooperate, and without regard to their ideological differences or political programs. It has no authority nor any desire to discuss or commit on political matters. Its objective is limited to working out a basis for collaboration and mutual assistance with sincere groups within enemy areas for the sole purpose of defeating the enemy and terminating the war.

The suggested outline for collaboration includes

- (a) The establishment of adequate means of providing the American group with military, political, and economic intelligence.
- (b) Joint planning for concerted military operations for future contingencies.
- (c) The development of plans for the resistance to possible German occupation, not excluding the adoption of a scorched-earth policy, in which the American side might provide assistance.
- (d) Establishment of adequate means of communications and direct contact which might include the exchange of competent army officers.

In general the form of collaboration desired is that which normally exists between allies, limited in this case to the exigencies of the circumstances.

It is possible that Hungary may be occupied by Germany, Russia, or both. In the case of German occupation the American group would expect this Hungarian group to resist to the utmost; in case of Russian occupation it is pointed out that Russia is our ally, a member of the United Nations, and as such is committed to the policy of not imposing any form of government on conquered areas provided that the people choose freely a form of government not inimical to democratic ideals.

If this Hungarian group sincerely wishes to collaborate wholly or partly along the lines suggested above, prompt advice should be given to the American group, as other plans are under way which can not be long delayed.

For Washington

2 September 194

Attached is a copy of a brief memorandum given to Fitz to be given to Szombotay on his return in early February. Szombotay subsequently agreed to carry out at least a portion of this.

The group you are in contact with should be given the opportunity to conduct surveys, and to be given with instructions to send reports to groups or progressive committees. A basis of their willingness to regard to their ideological and political programs.

It has no authority over the group and is not a political organ. It is working out a basis for collaboration with a sincere group in the sole purpose of facilitating the work of the group.

The suggested outline for collaboration includes:

- a. The establishment of close relations between the American group with military, political, and economic intelligence.
- b. Joint planning for concerted military operations for future contingencies.
- c. The development of plans for the resistance to any possible German occupation, not excluding the possibility of a scorched-earth policy, in which the American side might provide assistance.
- d. Establishment of adequate means of communication and direct contact which might include the meetings of competent army officers.

In general, the form of collaboration desired is that which normally exists between allies, limited in this case to the exigencies of the circumstances.

It is possible that Hungary may be occupied by Germany, Russia, or both. In the case of German occupation, the American group would expect this Hungarian group to resist to the utmost; in case of Russian occupation, it is pointed out that Russia is our ally, a member of the United Nations, and as such is committed to the policy of not imposing any form of government on any area provided that the people choose freely a form of government not inimical to democratic ideals.

If this Hungarian group sincerely wishes to collaborate wholly or partly along the lines suggested above, plans should be given to the American group, in which plans are under way which can not be long delayed.

SECRET

INCOMING MESSAGE

No. 4287

Date: March 22, 1944

PARAGRAPH

From EDWARDS FOR FROD
For 350 ONLY

SECRET

FROM BUDAPEST

A protest has just been received from Budapest
in which it is claimed that other negotiator has been dispatched
by our side which in turn may endanger the credit of our
negotiations and cause a consequent delay in terminating agree-
ment. Please investigate matter and advise us respecting
the situation. Re the suggested officer, will you please
specify the prospects of sending that particular one.

ACTION

ATTN: MR. MACFARLAND

INFORMATION:

MASTER (DURK)
TOULMIN FILE

SECRET

Re : Hungarian Chiefs of Staff

My letter of January 19, 1944, to Toulmin in the Cairo files shows clearly our skepticism regarding our dealings with Hatz and our extreme caution in dealing with him.

LANNING MACFARLAND

RK

MEMO No. (13) DATE: July 31, 1944

FROM CEREBUS TO: Kniekerbosker
OUR REFERENCE: Dogw/Glad/LI
YOUR REFERENCE:
SUBJECT

S/ Admin

SECRET

Use of 3 transmitter sets distributed in 1943/44

In reply to your enquiry regarding the disposition and present whereabouts of the transmitter sets distributed by this department, we communicate that we have received altogether three sets, one of which was of the type 35-X, the other two of the newer type 15-X.

The 35-X set was taken to Budapest by the delegate of the Hungarian General Staff for our channel, JACARILLA, after our preliminary agreement early in October, 1943, and installed by the II section of the HGS where it was to serve for direct intercommunication in connection with the collaboration scheme that was being evolved. Owing to the protracted difficulties in reaching agreement in principle, this set had never been in operation when the Germans in March 1944 took over the country. It was discovered by the Germans on the occasion of Col. Ludar's country visit.

The two sets of the 15-X type were designated by us for JACARILLA and J. L., respectively, and by an understanding with the Hungarian delegate on March 11, 1944, were to be transported to Budapest by means of a courier. In Budapest their safekeeping was to be arranged by an uninitiated person, who was to be called for by an uninitiated person who had under a prearranged password.

On March 11, 1944, we received a wire from JACARILLA at Budapest informing that transportation for one of the sets had been arranged for, while the other was still at Hhu. Other transportation arrangements after JACARILLA's return from Budapest on March 12, 1944, were made by him on his way to Budapest. The other set had been left by him at Hhu. A later courier, who was sent to Budapest by the HGS, was killed during the allied raid on Hhu on March 16/17, 1944. One of our couriers, K., was killed.

The 35-X set, JACARILLA stated, was put under way, but had not been brought to Budapest in view of the German con-

- 2 -

tion. It was to be taken over shortly in a safe manner by either PINK or himself, to be handed over to JACARANDA according to previous arrangements.

In the meantime we received a wire from CASSIA, dated Bratislava March 17, notifying us that

"owing to traffic stoppage it has become impossible to take over Truck (cipher for transmitter) projected journeys cannot take place (meaning trip to Budapest for collecting the set, cf. memo dt, 4 Apr 44) "

In view of this communication from CASSIA, and because of the loss at Sofia of the set originally designated for IRIS, we changed our intentions, asking JACARANDA to convey the transmitter to him via PINK or JACQUE to IRIS in the agreed manner. At 3 a.m. on day 4 PINK handed over the transmitter to JACARANDA, who conveyed it to a safe storage on day 6, however, PINK wired that he found it impossible to take over the set because

"serious disturbances have arisen concerning neither the radio nor myself (again, detection by SO of Radar-jacket channels)"

JACARANDA's present whereabouts are still unknown for all we know he is still under detention. The transmitter from him will be in the place he conveyed it to.

SECRET

To: Col. MacFarland

This is all that I have
on this subject.

WOP.
M. O'Donnell

Director's Office

(1900)

SECRET

65 September 13, 65-8

V. H. ...
x ...
x ...

**OFFICE OF STRATEGIC SERVICES
U.S. ARMY FORCES IN THE MIDDLE EAST**

Ap 12

44 March 1944

... meeting with Colonel ... and ... on the ... of Feb. - 7th. ... was also present.

... of ... that he had been instructed ... to ... an agreement ... the possibility of immediate ... the following:

1. ... in any ... and ... plant. ... could be ... From ... to ... to justify ... of ...

SECRET

Istanbul

8 February 1944

Mr. General William D. Donovan, Director
Office of Strategic Services
Washington, D.C.

Dear Bill:

In line with my previous advice to you during the past sixty days, negotiations with the Hungarian Chiefs of Staff, which were well along their way last October, have been lagging. The arrival of Colonel H. on January 20 produced an opportunity for what I consider a final talk. He explained his long delay by reason of the fact that General Lambothy had been in touch with other groups, particularly British, presumably seeking political concessions, and furthermore that he himself had been called to Munich, just prior to his visit, in order to explain to the Gestapo why he had been in contact with British and Americans in Istanbul. He was given a very severe warning to cease these contacts, which he had to explain as merely an effort on his part to get intelligence from these sources. Newspapers indicate also that General Lambothy was called to Hitler's headquarters for conferences in the early part of January.

We are quite conscious here of the several warnings we have received concerning Colonel H., and I attempted to handle my contact with him in such a way that it would not reveal any of our plans or other contacts in this area. What took place at this meeting is fairly well described in the enclosed copy of the minutes.

For your information, H. referred to therein is Colonel HATZ. Jacaranda is a Hungarian collaborator of ours of whose integrity we are fairly well satisfied. "MAY" is Arch Coleman. "A" is a Polish subject in our service. "DOXWOOD" is our principal agent here, on the so-called Central European Desk, and "JUNIPER" is myself.

Following the meeting I agreed to give H. a short memorandum which he could lay before General Lambothy and other members of the Hungarian staff. You will find enclosed a copy of this memorandum, which I think is brief and to the point.

As you indicated in your letter of January 22, which of course arrived after the meeting, we attempted to deal with these people frankly, fairly, firmly and, I would add, finally, at this meeting. I am quite doubtful regarding their desire to continue negotiations any further. On the whole, Colonel H. took the conversation quite calmly, and seemed fully to realize our viewpoint. He, like others, is quite anxious to reassure himself, but the major difficulty, I believe, will occur in convincing the Hungarian General Staff to take the lead from the politicians. The fact that we are in touch with other groups in Hungary, particularly the Popular Front, which to some extent is dreaded by the old order as well as by the military, was vaguely suggested, as was the thought that it would be wise for Hungarian military leaders to seize control of any uprising of the masses before it was too late to prevent Communism from within becoming a dominant factor.

As you probably know, the British (NO-4) are in touch with this same group, although approaching it in a different manner. Within the last thirty days they received instructions from the Foreign Office to lay off, in view of the fact that the conversations had descended to the level of political bickering. I assume that Russia may have been consulted and objected to the making of any concess-

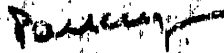
General Donovan - page 2

ations. We have attempted to put the matter (change) before them in a preliminary letter and have conveyed to them the fact that we would expect to include the French and the English in any plans of collaboration that might develop as a result of our negotiations.

As in the case of the other two affairs, I am very anxious to have your response as soon as possible. Please be assured that when we ourselves plan talks and of these discussions, we are most interested, further, are interested in activity, and not talk.

I trust this letter reaches you within two weeks, and as I indicated above, would appreciate your reactions by wire. In the meantime, if anything further develops, I shall of course wire you.

Sincerely yours,



Lenning Macfarland

SECRET

REPORT OF A SECRET MEETING HELD ON JANUARY 22, 1944, present - S, JACARANDA, Caracas, Logwood, WA, and Juniper

This was the first time JUNIPER had been in direct contact with either S or JACARANDA. After the necessary presentations JUNIPER and S conducted the conversation in German and English, with WA acting as JUNIPER's interpreter, and JACARANDA as interpreter.

JUNIPER first presented credentials in the form of official orders and letters from which he read those parts which were pertinent to the situation and of interest to the HES. It was made perfectly clear that JUNIPER and CHARRIS were under military orders of the US Joint Chiefs of Staff, through their immediate chief, GENERAL D, and instructed to contact Balkan groups and to "show preference among resistance groups or prospective successor governments only on a basis of their willingness to cooperate and without regard to their ideological differences or political programs." It was advised that JUNIPER represented the only American group entrusted with carrying out the above directive or subversive activities of any kind resulting therefrom and that any approach to other American agencies with relation to subversive military activities would be referred ultimately to representatives of this group. This statement was an answer to a query from the chief of staff as to whether or not he was in contact with the proper people.

There was laid on the rejection of all political considerations, both because of the lack of authority as well as because of the inadvisability of handling matters of this kind on a political basis. It was pointed out that the political leaders of enemy and satellite countries were considered guilty of war crimes against the United Nations and without doubt would eventually be brought to punishment. The hope was expressed that military leaders, if they cared to avoid the same fate, might wish to raise the present opportunity of leading a revolt against Germany, or at least to cooperate to that end. It was pointed out several times during the conversation that the outline of suggested collaboration was not to be construed as a political statement of any kind, but merely a basis upon which positive military collaboration by the US might be founded; and that only the prompt indication of the interest of the HES to aid the Allied cause would make further conversations worthwhile.

In answer to the inquiry regarding the form of collaboration desired, JUNIPER pointed out that it should be possible for the HES to provide complete military information now available to it and jointly work out plans for resisting German occupation which might involve widespread sabotage and the adoption of a scorched-earth policy. Upon the suggestion by H that the chiefs of staff might not consider it wise or ethical to divulge military secrets, the American representative said that allies were not involved and that the collaboration had to be genuine and complete in order to receive recognition. It was further made quite plain that only genuine and genuine cooperation, limited merely by the exigencies of the situation, would make further talks anything but idle.

JUNIPER said that his country and government were claimed at the prospect of German occupation or Russian invasion with enforced Communism. The American representative then stated that in the case of occupation, he would expect H's cooperation to the utmost and to destroy strategic facilities as necessary. He also pointed out that Russia was one of the United Nations, and he saw no reason to fear the conquest by Russia any more than that by Great Britain or America. He pointed out that the United Nations, including Russia, were committed to a

policy of not imposing any form of government on conquered lands, provided the people were allowed to freely choose a form of government not identical to American standards.

The American representative pointed out that the United Nations were not being to bargain for the services of H's general staff, of his country, or simply are willing to provide a means of collaboration, to assist resistance groups in withdrawing from Axis collaboration, and to assist in the defeat of Germany.

There followed some general discussion of future treatment of the Axis, the result of which was largely that of clarifying the general subject of collaboration.

Finally it was stated that time was a factor in these negotiations, and that it might be necessary for the American group to interpret further delay or inactivity as a rejection by H's general staff of any basis for collaboration; and that Americans would now seek other groups in line with their general directives. H then advised he would return to his country and try to send an answer by the 7th of February, unless communication difficulties intervened.

22222

copy of memo - carried
by CAG H to Hungarian
Chief of Staff

The American group you are in contact with is under orders to conduct subversive activities in the Balkan countries with instructions to show preference among resistance groups or prospective successor governments, only on a basis of their willingness to cooperate, and without regard to their ideological differences or political programs. It has no authority nor any desire to discuss or commit on political matters. Its objective is limited to working out a basis for collaboration and mutual assistance with sincere groups within enemy areas for the sole purpose of defeating the enemy and terminating the war.

The suggested outline for collaboration includes

- (a) The establishment of adequate means of providing the American group with military, political, and economic intelligence.
- (b) Joint planning for concerted military operations for future contingencies.
- (c) The development of plans for the resistance to possible German occupation, not excluding the adoption of a scorched-earth policy, in which the American side might provide assistance.
- (d) Establishment of adequate means of communications and direct contact which might include the exchange of competent army officers.

In general the form of collaboration desired is that which normally exists between allies, limited in this case to the exigencies of the circumstances.

It is possible that Hungary may be occupied by Germany, Russia, or both. In the case of German occupation the American group would expect this Hungarian group to resist to the utmost; in case of Russian occupation it is pointed out that Russia is our ally, a member of the United Nations, and as such is committed to the policy of not imposing any form of government on conquered areas provided that the people choose freely a form of government not inimical to democratic ideals.

If this Hungarian group sincerely wishes to collaborate wholly or partly along the lines suggested above, prompt advice should be given to the American group, as other plans are under way which can not be long delayed.

13 10 53 200 1 01

1 2 2 2 2 1

MINUTES OF A SECRET MEETING HELD ON JANUARY 22, 1944: present--H, Jacaranda, Cereus, Dogwood, WA, and Juniper

This was the first time JUNIPER had been in direct contact with either H or JACARANDA. After the necessary presentations JUNIPER and H conducted the conversation in German and English, with WA acting as JUNIPER's interpreter, and JACARANDA serving H.

JUNIPER first presented credentials in the form of official orders and letters, from which he read those parts which were pertinent to the situation and of interest to the HQS. It was made perfectly clear that JUNIPER and CEREUS were under military orders of the U.S. Joint Chiefs of Staff, through their immediate chief, GENERAL D, and instructed to contact Balkan groups and to "show preference among resistance groups or prospective successor governments only on a basis of their willingness to cooperate and without regard to their ideological differences or political programs." It was advised that JUNIPER represented the only American group entrusted with carrying out the above directive or subversive activities of any kind resulting therefrom and that any approach to other American agencies with relation to subversive military activities would be referred ultimately to representatives of this group either here or at other points of contact. This statement was an answer to a query from H's chief of staff as to whether or not he was in contact with the proper people.

Stress was laid on the rejection of all political considerations, both because of the lack of authority as well as because of the inadvisability of handling matters of this kind on a political basis. It was pointed out that the political leaders of enemy and satellite countries were considered guilty of war crimes against the United Nations and without doubt would eventually be brought to punishment. The hope was expressed that military leaders, if they cared to avoid the same fate, might wish to seize the present opportunity of leading a revolt against Germany, or at least to cooperate to that end. It was pointed out several times during the conversation that the outline of suggested collaboration was not to be construed as a political instrument of any kind, but merely a basis upon which positive military assistance by the U.S. might be founded; and that only the prompt indication of the readiness of the U.S. to aid the Allied cause would make further conversations worthwhile.

In answer to H's inquiry regarding the form of collaboration desired, JUNIPER pointed out that it should be possible for the U.S. to provide complete military intelligence now available to it and jointly work out plans for resisting German occupation which might involve widespread sabotage and the adoption of a scorched-earth policy. Upon the suggestion by H that the chiefs of staff might not consider it advisable or ethical to divulge military secrets, the American representative replied that this secret was involved and that the collaboration had to be genuine and complete in order to receive recognition. It was further made quite plain that only assurance of full and genuine cooperation, limited merely by the exigencies of the situation, could make further talks anything but idle.

H then said that his country and government were alarmed at the prospect of either German occupation or Russian invasion with enforced Communism. The American representative then stated that in the case of occupation, he would expect H's country to resist to the utmost and to destroy strategic facilities as necessary. He also pointed out that Russia was one of the United Nations, and he saw no reason to fear the conquest by Russia any more than that by Great Britain or America. He pointed out that the United Nations, including Russia, were committed to a

-2-

policy of not imposing any form of government on conquered areas, provided the people were allowed to freely choose a form of government not inimical to democratic ideals.

The American representative pointed out that the United Nations were not trying to bargain for the services of H, his general staff, or his country. He simply was willing to provide a means of collaboration, to assist resistance groups in withdrawing from Axis collaboration, and to assist in the defeat of Germany.

There followed some general discussion of rather irrelevant character, the result of which was largely that of clarifying the general subject of collaboration.

Finally it was stated that time was a factor in these negotiations, and that it might be necessary for the American group to interpret further delay or indecision as a rejection by H's general staff of any basis for collaboration; and that Americans would now seek other groups in line with their general directives. H then advised he would return to his country and try to send an answer by the 7th of February, unless communication difficulties intervened.

SECRET

INCOMING MESSAGE

(PARAPHRASE)

FOR: MADRIDLAND

NO: 889

FROM: TROSKIN

DMT:

DATE: 17 Jan 44

Met (personel)

RE: [unclear] [unclear] [unclear]

HYTO IN FINANCIAL DIFFICULTIES SHARED IN PROFITS RESULTING FROM
SERVICING CASH APPROVED FROM AGENCY WHICH HUNGARIAN INTELLIGENCE
FINANCED. ANDREASZONYI AGENT HUNGARIAN, MAY PERHAPS BE GO BETWEEN THE
SUBJECT AND YOUR PEOPLE. SUBJECT HAS ASSURED NAZIS HE WOULD KEEP THEM
INFORMED WHAT HE LEARNED FROM US. ONLY NAME OF ONE MEMBER OF YOUR
PARTY CAN BE RECALLED BY SUBJECT AND THINKS NAME IS KOLLOON OR REINOLDUS
FROM NAME. YOU CAN NOW UNDERSTAND THAT IT IS NECESSARY FOR A FURTHER
INVESTIGATION AND ON YOUR GUARD YOU MUST BE.

[Handwritten notes and signatures]

SECRET

**INCOMING MESSAGE
(PARAPHRASE)**

714

FOR Masfarland

229
NO: 279

FROM: Toulmin

DATE: 14 Jun 1944

DIST:
✓ MacF

THE SUBJECT: ABOUT THE "DOUBLE CROSS" REFERENCE TO COLONEL HATZ WHO I BELIEVE WAS TO MEET VALA.

Handwritten notes:
Toulmin
14 Jun 44
100-290001-2

SECRET

**INCOMING MESSAGE
(PARAPHRASE)**

file

FOR: MacFarland

NO: 221

FROM: Cairo - Donovan

DATE: 9 Jan 1944

DIST:
✓ Macf.

WE ARE INFORMED FROM AN ENEMY SOURCE THAT YOUR MAN HYPO IS WORKING UNDER ORDERS TO DOUBLECROSS YOU. THIS HAS COME FROM WASHINGTON TO US. ADVISE US HERE IN CAIRO QUICKLY AND BE ON YOUR GUARD.

I HAVE JUST RETURNED TODAY AND I MADE SATISFACTORY ARRANGEMENTS WITH THE COUNTRY THAT IS VISITED.

I DO NOT WISH TO INCONVENIENCE YOU, BUT IF YOU THINK IT IMPORTANT FROM YOUR STANDPOINT, MEET ME IN ALGIERS ON JANUARY 15th.

Sumner

Macf
1/11/44

SECRET

**INCOMING MESSAGE
(PARAPHRASE)**

FOR: Macfarland

NO: 81704

FROM: Toulmin

DIST:
Macf

DATE: Rec'd 5 Feb
Dec 5 Feb

WE HAVE RECEIVED A COMMUNICATION FROM 109 AND IS REPEATED HERE:

I TRUST THAT MY WARNING TO YOU IN REFERENCE TO RATZ HAS BEEN FOLLOWED.
WILL YOU PLEASE NOTIFY FULLY RE THIS MATTER.

SECRET

October 27, 1943

SOURCE : CEREBUS (06)

SUB-SOURCE : DOGWOOD

DATE OF INFORMATION : October 27, 1943

R E P O R T outlining the Salient Features of our proposed Collaboration with the Hungarian General Staff on the Basis of the Provisional Agreement reported upon under Nr. 59

Our proposals concerning the scope of the collaboration between ourselves and the Hungarian partner are roughly these:

1. Unreserved delivery of information about Germany in the sphere of war economy, warfare, and Politics, in particular:
 - a/ regular supply of lists of all German transports of military supplies and troops through Hungary
 - b/ regular information about the German armament industry, and German war production measures
 - c/ current and up-to-date information about Hungarian industries which work for the German war machine
 - d/ military and political intelligence about Germany as received or collected by the Hungarian Intelligence Service
 - e/ insight into the military and political intelligence material collected by Hungary about Rumania.
2. Use of the Hungarian diplomatic Courier Service for supplying our Balkan organizations with wireless equipment, taking care of our communications with our organizations in Central Europe, and for general purposes of our Intelligence;
3. Use of Hungarian diplomatic and consular representations at Berlin, Vienna, Prague, etc, for the purposes of our communications with agents and collaborators;
4. Creation of a suitable basis for sending one of our representatives to Budapest to serve as our commissioner

Copy No. 1 of three copies

- 2 -

with the Hungarian General Staff and our central representative and chief agent in Central Europe.
(The details of such an arrangement are being prepared by us.)

5. Creation by the Hungarian partner of a permanent agency here under a commercial or consular cover to ensure continuous connection with our Department.
6. Creation of a suitable basis for the despatch of a senior Hungarian Officer to represent the Hungarian General Staff at our Algiers HQ.

Copy No. 1 of three copies

SOURCE : CERXIS (59)

SUB-SOURCE : DOGWOOD

DATE OF INFORMATION : October 4, 1943

HUNGARY : P O L I T I C A L : Proposed Agreement with Representatives of Hungarian General Staff Concerning Co-operation in the Sphere of Intelligence.

- I. Hungarian official circles have for months been endeavouring to enter in contact with the Allies on Turkish territory. Efforts to this end have been made by representatives of Hungarian Finance, Industry, and Business, but none of the desired assurances to Hungary respecting territorial and political questions could be obtained by these emissaries.

In view of the failure of such unofficial overtures and the rapid development of events, those responsible for Hungary's policy commissioned the Hungarian Intelligence Service to establish contact with the Allies through suitable channels and in strict secrecy. In pursuance of this idea several high officers and agents of the Hungarian Counter-Espionage Service (Abwehrdienst) have repeatedly come to Istanbul in recent months in order to prepare for a close connection by their readiness to part with military information. Contact was made with these emissaries by our office, and negotiations began in the middle of September.

- II. After the negotiator on the American side had finally succeeded in eliciting a clear admission of official readiness to collaborate with the Allies, and been informed by the other side in so many words that the initiative to the overture lay with General Sambothay, Hungarian Chief of Staff, the American representative decided to hand the Hungarian spokesman a provisional outline, to be conveyed to General Sambothay through the offices of the Hungarian Military Attaché at Sofia. This draft proposal laid down the preliminary conditions under which, after the American side had satisfied itself as to the sincerity of the Hungarian initiative, a scheme of co-operation might be arrived at.

The draft conditions to be submitted to General Sambothay are the following:

1. The American side declares that the efforts of the supreme

- 2 -

military authorities in Hungary to enter into contact with the Allies are taken as evidence of a firm and sincere determination to collaborate unreservedly and unhesitatingly with the Allies in all spheres removed from direct German control and supervision. It is understood by the Hungarian partner that such collaboration shall not be made conditional upon previous concessions, territorial, political, or other, to be made by the American side, since no such assurances can be given by any single Allied military or political agency. It is recognized, however, by the American side that active Hungarian collaboration with the Allies in the sphere of military and political intelligence constitutes a positive contribution by Hungary to the cause of the United Nations, and shall be acknowledged as the only adequate expression of Hungary's sympathy for the Allied cause until such time when Hungary will be able to declare her open adherence to that course.

- 2/ On the basis of this understanding the Hungarian representative will be given a radio transmitter and the necessary codes to maintain a continuous and direct connection with the American side. From considerations of safety and convenience the fiction of an agreement between private individuals without official capacity or backing will be maintained between the partners, after certain agreed mutual tests of authenticity have established beyond a doubt that the responsible military authorities of both sides are informed, and approve, of the details of the plan and of the unofficial outward form it is proposed to give to it.
- 3/ As a preliminary proof of the official backing enjoyed by the negotiators of both sides a meeting shall be arranged between the Hungarian Military Attaché at Sofia, Lt.-Col. V.H., and the American Military Attaché, Capital City, subject to the provision that the consultations will in no way touch upon the subject of the present negotiations, but merely by the fact of their taking place establish the official character and powers of both partners to the negotiations. (The meeting has since taken place on September 29)
- 4/ Furthermore, the American side will by means of a "message" (to be transmitted in the course of a French broadcast from Paris on October 13, convey to the Hungarian side a verbal message previously agreed upon in consultation with the Hungarian Military Attaché, thus giving a convincing indication that the contact established by the American negotiator has the knowledge and approval

- 3 -

of the competent American authorities. The Hungarian side will present its credentials in an analogous manner by the transmission of an agreed message by the official Budapest radio station during a French transmission on October 14, to be repeated on October 15.

After the above details had been agreed upon, the transmitter was handed over to the Hungarian representative on October 1, and taken away on the same day by the Hungarian Military Attaché, Lt.-Col. v. H. The Hungarian negotiator left Istanbul on October 5 to fly from Sofia to Budapest on October 8 in the company of Lt.-Col. v. H. in order to report to General Sambothay.

It has been further agreed that Lt.-Col. v. H. will in the interest of a direct and continuous contact suggest the transfer of the present Hungarian Military Attaché in Turkey to another post, and his own appointment to the vacancy.

The tenor and atmosphere of the negotiations, and the far-reaching implications of an official Hungarian overture to the Allies, induced the American negotiator to make this statement:

The good faith of the Hungarian General Staff would best be demonstrated by

- 1/ no hesitation or avoidable failure to carry out promptly and faithfully the terms of this and any future agreement; and
- 2/ no attempt on the part of the Hungarian General Staff to use the agreed fiction of unofficial contact to evade official responsibility for these negotiations and any resultant obligations.

Form 8 (Revised)

16-48 8 1950

OFFICE OF STRATEGIC SERVICES

OFFICIAL DISPATCH

DATE April 6, 1944

FROM

IACPARLAI, ISTANBUL

TO

OFFICE OF STRATEGIC SERVICES

PRIORITY

ROUTINE

DEFERRED

DISTRIBUTION

IN-6027

(FOR ACTION)

(FOR INFORMATION)

IACPARLAI

DIRECTOR, SECRETARIAT, IACRUDEP,
SIMPARDSON

RECEIVED IN CODE OR CIPHER

SECRET

#262. Javelin to 550, with reference to your #311.

We have been notified by Jasmine that a U.S. staff officer was dropped on March 16th at the place agreed upon in Southern Hungary and was conducted to a safe point by a Hungarian Army major. Jasmine reached here during the preceding week. Foreign Office gave him this information at Sofia on March 26 through Section II of the General Staff.

MAJ

IT

TON: 4/6/44 12:13 pm

SECRET

IT IS FORBIDDEN TO COPY OR REPRODUCE THIS CABLE
WITHOUT AUTHORIZATION FROM THE SECRETARIAT

from Cairo
 March 19, 1944

OUTGOING CABLES

To: WASHINGTON

To: Goldberg
 From: Van Arkel

See 500 cables to 100 re Sparrow X Question arose because group will be to arrange courier service for them X Appears that 200 had advised with chief of staff concerning co-operation with us on non-political basis after long negotiations X Appears that chief of staff now advised of Sparrow mission independently of us X 200 concerned about his position and chance that mission will become politically controlled X To have cabled mission status of negotiations and will co-ordinate from here

To: WASHINGTON

To: 100
 From: 200

Subsequent to dispatching my number 5001 a message has been received from my representatives in Budapest which in substance states the following quote upon arrival here we learn of other negotiations and possible dispatch of American representatives. Please advise us promptly the nature of these negotiations as confusion exists which may endanger the position of our principal comms General G comms and cause delay in fulfilling tentative agreement for collaboration. X Please inform us regarding possibility of dispatch here of Colonel MacFarlane former US military attache unquote X This message bears out what I predicted yesterday X Our agents who flew to Budapest on March 11 to conclude final arrangements for collaboration now require further instructions X Unless you advise to the contrary Van Arkel who is leaving tonight for Algiers and I will coordinate activities of Sparrow mission with our negotiations to date in order to get maximum results and prevent further stalling on the part of the Hungarians X We see no loss of security since principals know of each others activity independently of any advice from us

SECRET

13.2.44
SECRET

6822

Mr. Eden

32163

of August 2nd

Sir R. Campbell

Cpher (OTP)

8.10 p.m., August 2nd, 1944

6.07 p.m. " " "

Copies to:
J.C.M.
H.C.S.
H/Capt Birley
Col. Bouverie

Following received from Bari.

Addressed to Caserta Resident
Minister telegram No. 41 of August
1st repeated to the Foreign Office
telegram No. 390 Washington and the
Holy See.

Confidential.

Foreign Office telegram No. 5266
to Washington.

I learn from Mr. Murphy's office
here that the Americans are bringing to
Italy on the suggestion of Baron Apor,
the former Hungarian Consul-General
from Istanbul, Uv. ary, and the former
Minister at Athens, Val (? ich).

2. It is apparently intended to con-
centrate a group of such Hungarians
in Italy for immediate employment as
sources of information and as a poten-
tial political group for the future.

3. Foreign Office please pass to
Washington as my telegram No. 2 and the
Holy See as my telegram No. 8.

6
0
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y

SECRET

Mr. Lodge

6910
of 3rd August

Sir Ronald Campbell

9.06 a.m. 4th August, 1952

7.26 a.m.

Cypher G.T.P.

Addressed to Washington telegram No. 6910 of August 3rd, repeated to Caserta, Bari and The Holy See.

Bari telegram No. 41.

Please ask State Department whether they know anything of this proposal which on the face of it seems to put across their and our own agreed policy

Copies to:

- J.C.M.
- H.C.L.
- S. Capt. Birley
- Col. Bouverie

SECRET

STANDARD FORM NO. 64

32163

157067
~~SECRET~~

Office Memorandum • UNITED STATES GOVERNMENT

ROUTE: 1. Lt. Beale *Wills*
TO : 2. Col. Bigelow
FROM : 3. Major Pfaff
Lt. Putzell

DATE: 7 August 1944

SUBJECT: *J-008943* Communications 6822 and 6910 - attached.

The attached copies of communications were furnished us by Lt. Colonel Bouverie.

Request information as to whether the individuals referred to are in any way connected with this organization.

A reply at the earliest convenient moment is requested.

[Signature]
W. J. PUTZELL
Lt. (jg) USNR

2 Incls. Communications.

~~SECRET~~

Col. Signal 13/257

Mr. J. J. Fennell, USA

11 August 1944

W. F. M. Beale, Lt. USA

Communications Section USA
and your memorandum 7 August 1944

You requested information on the names of individuals referred to in the report on the subject were in any way connected with the operations by telephone I referred you to the report on the subject dated 20 July 1944. An investigation was conducted in the Department of Defense, dated 1 August 1944, II - 2-2-4, page 2.

W. F. M. B.

cc: Col. Signal

W. F. M. B.

Mr. E. J. Pincelli, WASH

W. T. H. Kelle, Jr. WASH

Representatives WASH and WASH
and your memorandum 7 August 1954

The requested information as to the
individuals referred to in the
were in any way connected with the
by telephone I referred you to
that would be of help. The
to Washington and I hope I might be
II - 1-2-5, page 2.

W. T. H. K.

cc: Col. Higdon

BT

SECRET

ROUTING AND RECORD SHEET

32183

Registration No.

Date Rec'd.

Putrell

To	Loop No.	Date		Officer's Initials	Comments
		Rec'd	For'd.		
<i>Beale</i>		<i>8/11</i>		<i>WMB</i>	
<i>Walt</i>				<i>WMB</i>	<i>Call Beale attention to p. 5-1.</i>
<i>Reginald</i>					
<i>Putrell</i>				<i>REP</i>	<i>Beale's copy: Call Beale's attention that Putrell has Feb. full reply by memo, by Putrell. If we are interested in reports, 0-4 should contact. Advise by 5-1 for info. 8-15. [Signature]</i>

1. Report should be numbered to correspond with number in To column.
 2. A line is drawn across sheet under each comment.
 3. Designations should be used in To column.
 4. Action should be indicated (check mark insufficient) before further routing.
 5. Action desired or action taken should be indicated in Comment's column.
 6. This sheet should always be returned to Registry.
 7. Other designations see separate sheet.

SECRET

0840

DATE 18 Aug 44

TO: Colonel Bigelow

Lt. Bennett reports that there is no record in SSO files of these individuals. He said that it would appear, from the note to Major Pfaff on the routing sheet, that SI has knowledge of them.

EMP

FROM:

EXT.

(1201A)

SECRET

SUBJECT: "Memorial sent by Tiber KECHEG from Washington to the Hungarian Government at Budapest in February 1943."

SOURCE: Captured document found in the files of Mihai ANTONESCU, Deputy Prime Minister of Rumania from late 1941 until Rumania's surrender to the Russians, and at present reported to be a prisoner in the hands of the Russians.

COMMENT: The original document of which the attached is a translation, together with a number of other important official Rumanian state papers, was forwarded to this branch by our X-2 representative in Bucharest with the following notation: "Report on Hungarian agent's success in convincing American of a strong Hungary to oppose Soviet Russia."

It should be noted that Tiber KECHEG is not registered with the Foreign Agents Registration Section, Department of Justice, as an agent of a foreign principal.

SECRET

SECRET

OFFICE OF SECURITY SERVICES

Washington, D. C.

20 December 1944

MEMORANDUM FOR GENERAL DOMOVAN

**FROM: Lee M. Sherran, Major, AO
Acting Chief, I-S Branch**

**SUBJECT: "Memorial Sent by Tiber NEBART from Washington
to the Hungarian Government at Budapest in
February 1943."**

The attached was received from our Bucharest representative
and is transmitted for your information.

**Lee M. Sherran
Major, AO**

SECRET

SECRET

C O P Y

**MEMORIAL SENT BY TIBOR EKHART FROM WASHINGTON
TO THE HUNGARIAN GOVERNMENT AT BUDAPEST ON FEBRUARY 1943***

Ekhart declares that he succeeded in convincing a great part of public opinion in the United States that Hungary is not allied to Germany of her own accord, as is the case of Rumania. He thinks he will be able to impose this as a principle to be used at the future peace conference.

Advices the Hungarian Government to endeavor to reach an understanding with Czechoslovakia and Yugoslavia as soon as possible, in order to prevent misunderstandings between these three states at an opportune moment. As it is sure that Hungary will not be able to keep the entire territory gained during the last time, it is preferable if she decides to give up even parts of it to Czechoslovakia and Yugoslavia, than to lose Transylvania.

Allies, specially England, must be informed of Hungary's sympathy for democracy. For that purpose it is necessary to send as many as possible broadminded Hungarians abroad, in order to strengthen the movement favourable to Hungary and to persuade the world that Hungarians have no possibility to oppose Germany at present.

Referring to Rumania, Ekhart says Budapest must not be too disquieted about her because Rumania's situation in the United States is worse than that of Hungary. There exists no eventuality of giving back to Rumania territory taken from her. Allies will have no interest to support Rumania. Ekhart explained to Americans that Rumania will be so worn out after this war, that she will not even think of a military action in order to regain Transylvania.

The activity of Rumanians in Transylvania, in favour of giving it back to Rumania, must be presented to the whole world as a communistic action.

In the end Ekhart succeeded to convince his friends in the U. S. that it is the interest of the Anglo-Saxons to have a powerful Hungary, specially as a counter-balance to the Soviet Union. But in order to be powerful, Hungary needs Transylvania which has many resources enabling Hungary to develop a big industry.

*Note: Translation of an unsigned memorandum written in Rumanian entitled:

Memorial written by Tibor Ekhart, of Washington,
received at the Hungarian Government, Budapest, on February 1943

SECRET

SECRET

SUBJECT: "Memorial Sent By Tibor EKHART from Washington to the Hungarian Government at Budapest in February 1943."

SOURCE: Captured document found in the files of Mihai ANTONESCU, Deputy Prime Minister of Rumania from late 1941 until Rumania's surrender to the Russians, and at present reported to be a prisoner in the hands of the Russians.

COMMENT: The original document of which the attached is a translation, together with a number of other important official Rumanian state papers, was forwarded to this branch by our X-2 representative in Bucharest with the following notation: "Report on Hungarian agent's success in convincing America of a strong Hungary to oppose Soviet Russia."

It should be noted that Tibor EKHART is not registered with the Foreign Agents Registration Section, Department of Justice, as an agent of a foreign principal.

SECRET

SECRET

14-00000
Sohland
A. J. ...

OFFICE OF STRATEGIC SERVICES
Washington, D. C.

20 December 1944

MEMORANDUM FOR GENERAL DONOVAN

FROM: Lee M. Sharrer, Major AC
Acting Chief, X-E Branch

SUBJECT: "Memorial Sent by Tiber EKHAART from Washington
to the Hungarian Government at Budapest in
February 1943."

The attached was received from our Budapest
representative and is transmitted for your information.

Lee M. Sharrer
Lee M. Sharrer
Major, AC

SECRET

original copy destroyed

Kennedy

April 30, 1948

From a secret source the following information has
been received from a Norwegian who escaped from Norway on
February 17, 1948. He is considered to be completely trust-
worthy.

"Food conditions not as serious as usually believed;
little danger of premature revolts because people recognize
necessity of waiting; underground still operating successfully;
British commando attacks not popular because of reprisals and
release destruction; Quisling membership small and despised even
the Germans; very small per cent of the people still have
radioes but most of the population still get news through regular
newspapers; wages high but no foreign labor; German
troops in Bergen vicinity about 8000, morale very low; present
troops are untrained, either very young or middle aged; very few
planes in Bergen area but coast defenses and patrols are strong;
Norwegian Government-in-Exile will have to resign
at the end of war; Oscar Torp, perhaps only minister that is popular
enough to remain; Germans are raising a cruiser and repairing a
steamer in Bergen harbor; they are also turning out a corvette
at a factory in Bergen; maps showing important
locations mentioned in report are attached."



of RDP Navanal, OPI

SECRET
CLASSIFICATION OF INFORMATION

SECRET

APR 21 1947

TO: Hugh R. Wilson
FROM: Allan Dulles

The Free French representative here called to my attention the problem of the crews on the French vessels tied up in our ports. He said this matter would become particularly acute in view of the fact that these vessels would not be held in ports. The crews, he said, were being paid substantial amounts for doing nothing, which was demoralizing them and making it less likely that they would become available for use on Allied vessels. He suggested that if the redemption of trade with North Africa was to be indefinitely prolonged, the crews should be given the choice of either entering into Allied service or being repatriated to France. He thought that favor with this choice a good many of them would go over to the Free French cause and could be used on Allied shipping.

/s/ A.W.D.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 08/21/94 BY 6032
NRP/LLS



New York 5/27

COORDINATOR OF INFORMATION
WASHINGTON, D. C.

April 20, 1942

MEMORANDUM OF CONVERSATION WITH DR. HALDEN KOHT,
NORWEGIAN MINISTER OF FOREIGN AFFAIRS.

I talked with Dr. Koht on Saturday afternoon. He said that the Norwegians in the United States had been largely inactivated before the outbreak of hostilities, but he hadn't any doubt that following this outbreak his compatriots are all more in favor of prosecuting the war to a successful issue.

He stated that the Norwegian Legation in Washington receives information via Sweden which is smuggled across the Swedish Frontier. The Legation prepares voluminous reports on this information for the Norwegian press in the United States, and summaries thereon in English for the American Press. The reports are largely on personalities and conditions, and are so detailed that they are not of general interest to the American readers.

Regarding military information, he stated that this was not passed across the Swedish Frontier but was sent to London via clandestine radio; that the service was voluminous and, he thought, accurate. It is centered in the hands of the Norwegian Government in London. He, himself, in London, had worked on setting it up.

Colonel Ljungberg had been especially designated to handle this type of information in London. Colonel Ljungberg is now in Washington occupied with Lend-Lease matters, and Dr. Koht does not know whom he has left in charge, in London, of military information.

I at once endeavored to locate Colonel Ljungberg, but he had left the Madison Park and I could not get his address over the week-end. I intend to interview him shortly.

Hugh R. Wilson

File # 8272--4/20/42

Copies to: APR 21 1942
Colonel Donovan
Mr. Dulles
Mr. Bruce
Mr. Williamson

Files



SECRET

CONFIDENTIAL INFORMATION

conditions. These were:

- (a) The return of Transylvania.
 - (b) The withdrawal of Romanian troops from the Crimea.
 - (c) Cessation of payments for the upkeep of the German army in Romania.
- (v) The Iron Guard has some supporters and is able to offer the prospect of martyrdom. In November about a hundred saboteurs belonging to the Iron Guard were arrested in Moscow, Bucharest.

April 16, 1942 (S.A. #X166)

Copies to: State APR 16 1942
Colonel Donovan ✓
Major Bruce APR 21 1942

SECRET**ROMANIAN POLITICAL**

(i) Marshal Antonescu is generally believed to have pursued a policy which he honestly thinks is the best for Romania. The view that he will have the courage to withdraw when he realizes that he has backed the wrong horse is not, however, shared by most Romanians. It is said that, just before the entry of Japan into the war, when both the British and the Russian armies were pushing the Germans back, Marshal Antonescu asked Maniu and Bratianu to make their plans for his succession, as he intended to commit suicide in the event of a German disaster. The Brazilian Minister in Bucharest confirmed this story, but added that, according to Maniu, Marshal Antonescu had told him some time ago that for better or worse he, Antonescu, had linked Romania with Germany and that he would shoot himself if Germany were beaten. Maniu had replied that, while this might be a good escape for the Marshal, his suicide was not likely to help Romania.

(ii) Romanians are inclined to regard Professor Mihai Antonescu, rather than the Marshal, as Romania's quisling.

(iii) Maniu is criticized by the people who ask why, if he was a martyr under the Hungarians, he has not come out into the open now and become a martyr under the Germans.

(iv) Professor George Bratianu, having been decorated with the Iron Cross, was expected to succeed Professor Mihai Antonescu. It transpired that he had indeed been approached by the Germans in this matter, but had refused, as the Germans would not accept his

SECRET

COPY

- 3 -

and in the peace which the United Nations are going to establish after Victory in war, we believe the Hungarian people are going to be treated with fairness and justice."

Dr. Vambery will also state:

"Having accepted the above four points honestly and sincerely, we declare that we are going to dissolve both the America-Hungarian Federation and the Democratic Federation. In their stead, we are going to start another movement for democratic and free Hungary, in the National Council of which all those who declare themselves to be Magyars and to recognize the above four points may participate, regardless of their political opinions.

"We are going to establish a Federation of the American, Czechoslovak, Yugoslav and Roumanian Magyars whose aim it will be to have this National Council approved by their respective governments and to cooperate with us in the Peace Conference of the future."

SECRET

COPY

SECRET

Prof. Vambery gave me the four points on which he and his Federation of democratic Hungarians would be willing to collaborate with the Eckart program, but since these four points have not yet been submitted to Mr. Balsay, he asked that we keep the matter confidential for the present.

1) "We want to support the United States and the United Nations in their war against the Axis. We do not except any of the United Nations and we are going to do our utmost in our acts, writings and speeches to promote the victory of the United Nations. We shall not tolerate that in the press which is under our influence any defeatist or other statement should appear which would insult any of the United Nations: Czechoslovakia, Yugoslavia, etc. We will do our utmost to see that the Magyars in the United States shall do their duty until Victory.

2) "We do not discriminate between Hitler and Horthy or their respective governments. We condemn them both. We are fighting against their policies, aims, endeavors and ends. We are going to send out an appeal to the soldiers of the Hungarian Army to lay down their arms and to join the enemies of Hitler and Horthy or to join the guerillas fighting against Hitlerism. We shall ask the people of Hungary to sabotage everything which could be used by Hitler and his associates for war purposes.

"Hungary, after this war, shall be a democratic country similar to Western democracies. The people shall have general franchise, the farmers shall benefit by Hungarian reforms, the workers by social protection and the intellectuals shall have complete freedom in their cultural efforts. The future policy of Hungary in its economic, financial and military aspects must be pursued in collaboration with the Czechoslovak, Yugoslav, Roumanian, Polish and Austrian nations. In a cooperation among equals, we should be reconciled with our neighbors without any reservations. This presupposes the abolition of the privileges and of the "latifundia" (principle of the large estates of the so-called historical class).

4) "We do not recognize the awards to Hungary made by Hitler and Mussolini at Munich and Vienna. With full confidence in the principles of the Atlantic charter

COPY

SECRET

CONFIDENTIAL - INTERNAL USE

April 17, 1949

To: Allen W. Dulles
 From: B.G.

Following my report to you of the 14th instant, I called yesterday, by appointment, on Dr. Vambery, to hear about his interview with Mr. Anthony Balasy.

The Professor told me that when he heard that Mr. Balasy was coming to see him, he expected it would be for the purpose of intriguing against Eekart. He was therefore pleasantly surprised to find in Mr. Balasy a very different type of a person - the old Hungarian diplomat. He was even more surprised when he learned that Mr. Balasy was calling on behalf of Mr. Eekart.

Mr. Balasy informed Prof. Vambery that Mr. Hoskins, of the State Department, had requested Mr. Eekart to furnish the Department with an expose of his program, and Mr. Balasy was bringing Dr. Vambery a draft of this expose, asking him if they could count on his collaboration.

Dr. Vambery found the expose full of vague generalities. He asked Mr. Balasy to allow him and his Federation a little time to study the matter.

The Professor's main objection to Eekart's program is that Eekart never comes out with a statement against the Horthy regime, refuses to recognize the legal existence of Czechoslovakia, Yugoslavia and Rumania and often refers to them in offensive terms.

SECRET



COPY

3744

April 18, 1948

To: Hugh R. Wilson
From: Allen W. Dulles

Referring to previous memoranda with regard to the Hungarian situation, I enclose an interesting memorandum which B. C. has prepared, describing the conference between Dr. Vambery and Balasy. I have previously advised you of my talks with Balasy and Havas. I suggest that a copy of this memorandum, which is sent in duplicate, be passed on to Wiley and Poole.

/s/ A.W.D.

COORDINATOR OF INFORMATION
WASHINGTON, D.C.

April 20, 1942

I enclose herewith for your information
letter dated April 18, 1942, from Allen W. Dulles,
and attached report, from B. G., regarding the
Hungarian situation.

Hugh R. Wilson

Attachment



same to: APR 21 1942
Colonel Donovan
Major Bruce
Mr. John G. Wiley

April 21, 1941

TO: Colonel Dornoyan

The attached material has been
sent out today, as indicated.

Attachments (5)

Handwritten notes:
... ..
... ..
4/21/41

From the desk of
F. L. DELAN

SECRET

MEMORANDUM SENT BY TIBOR ERHART FROM WASHINGTON

TO THE HUNGARIAN GOVERNMENT AT BUDAPEST ON FEBRUARY 1943

Erhart declares that he succeeded in convincing a part of public opinion in the United States that Hungary is not allied to Germany of her own accord, as in the case of Rumania. He thinks he will be able to impress this principle to be used at the future peace conference.

Erhart advises the Hungarian Government to endeavor to reach an understanding with Czechoslovakia and Yugoslavia, if possible, in order to prevent misunderstandings between these three states at an opportune moment. As it is clear that Hungary will not be able to keep the territory gained during the last time, it is preferable if she gives up even parts of it to Czechoslovakia and Yugoslavia, than to lose Transylvania.

Allies, especially England, must be informed of Hungary's sympathy for democracy. For that purpose it is necessary to send as many as possible broadminded Hungarians to the Allies in order to strengthen the movement favourable to Hungary and to persuade the world that Hungarians have no intention to oppose Germany at present.

Referring to Rumania, Erhart says Budapest must not be misled and excited about her because Rumania's situation is much more serious than that of Hungary. There exists the possibility of giving back to Rumania territory which she has lost. Allies will have no interest to support Rumania. Erhart explained to Americans that Rumania will be a weak ally after this war, that she will not even think of trying to regain Transylvania.

The activity of Rumanians in Transylvania, in order to bring it back to Rumania, must be presented to the Allies as a communistic action.

In the end Erhart succeeded to convince his friends that it is the interest of the Anglo-Saxons to support a powerful Hungary, specially as a counter-balance to the Soviet Union. But in order to be powerful, Hungary needs the Allies, which has many resources enabling Hungary to develop her industry.

This is a copy of an unaltered memorandum written in Budapest on 1/21/43:

~~SECRET MEMORANDUM TO THE HUNGARIAN GOVERNMENT FROM WASHINGTON~~

SECRET

Handwritten:
Hungary
Katharine
Fall

F. Berney Lawson

NOV 10, 1948

Mr. Harold Galesburg

REPORT

SECRET

I have the following information on the situation in Budapest from a letter brought through from London from the wife of our Minister to Budapest, Mrs. Fall.

The Hungarians have a friendly and demonstrative attitude toward the United States, even after the declaration of war and "treat us more as allies than as enemies".

The staff was quartered at the Ritz. The Minister was not allowed to go out but Mrs. Fall was allowed to circulate freely in the legation car for shopping. When she went into shops, seeing the insignia on the car, people were very friendly and, as she left, the crowd on the street around the car pressed forward to kiss her hand. She was accompanied by the secret police on her visits. This occasioned no such demonstration that an insignia car was given her.

Hungarian friends insisted on calling on the Falls at the hotel, including Archdukes and Archduchesses, who also sent a Christmas tree to them in December. They were later moved to the Margareten Imperial Hotel.

On their departure from Budapest, despite the Falls' request to the contrary, their friends gathered at the station with flowers and the Mayor, Governor Kertész sent his aide to the station to say goodbye, with a special carriage of presents for Mrs. Fall from Kertész.

In general, the letter reflects genuine feeling for the Americans and unfriendliness for their Axis allies.

cc: to James
Ed Stanley
Planning Board
Maj. Lewis
James Murphy
11/10/48

- 2 -

objective of the present war is to win this force to the United Nations.

Mr. Herle invited my comment. Recalling that I was concerned only with the American end of things, I asked if he had in mind any Phengarians here of whom we could be sure. He said he could not think of any.

I volunteered the opinion then that, whatever the rights and the wrongs of his case might have been, Tiber Bonhardt was now "tapped" and no longer politically serviceable. Mr. Herle acquiesced.

DUP:mkf

COPY FOR COLONEL DONOVAN

D. G. Finkle

Mr. James Crafter Rogers

December 17, 1948

In connection with psychological warfare you may be interested to know that during an informal talk at the State Department yesterday Mr. Barle reiterated his great interest in Hungary. He was convinced, he said, that the Hungarian army should be on our side.

(From another official of the State Department I heard, what Mr. Barle did not tell me, that recent cables reported definite, though unofficial, peace feelers from the Hungarian Government.)

Mr. Barle then veered to the disquietude felt in the State Department about G.W.I. Elmer Davis, himself "sweet and true," did not seem to have his people under control. Edgar Hoover in particular was going about talking a great deal. Rumor and reports were asserting that the State Department was heavily engaged in helping to bring into existence a string of anti-Communist governments along the eastern marches.

This brought Mr. Barle back to Hungary. One would get nowhere anywhere within Hungary itself (he said) by playing with the Karolyi elements which the vocal minority in the U. S. wanted us to play with. It would be necessary to find leaders who could command the allegiance of the Hungarian army, since the supreme

~~Handwritten 9/13/48~~
~~X O'Connell & Fry~~
~~X Information~~

December 22, 1948

MEMORANDUM

FROM: William J. Donovan
TO: Mr. O'Connell

You might inquire in our various units here to see if we have any sources of contact with these prominent Hungarians: Bethlen, Gray, Moritz, Esterhazyai, Baranyi.

W.J.D.

COPY

DEPARTMENT OF STATE
Washington

OSS
CONFIDENTIAL
FNB

December 24, 1942

Memorandum for Mr. DeWitt C. Poole
Office of Strategic Services

The Department would not favor the formation of a Hungarian unit in the United States Army at this time -- and I doubt if the War Department would be particularly receptive to the idea.

A. A. Berle, Jr.
Assistant Secretary



Hungarian Unit 9796

OSS State
CONFIDENTIAL
FNU

December 30, 1942

MEMORANDUM FOR COLONEL DONOVAN:

There is transmitted for your information a copy of a memorandum from Assistant Secretary of State Berle dated December 24, 1942, communicating the attitude of the Department of State toward the possible formation of a Hungarian unit in the United States Army at this time.

Though it is not so stated in the memorandum, Mr. Berle's communication is understood to refer to a memorandum sent by this Branch ^{to you and} to the Department of State December 21 reporting active discussions in American-Hungarian circles respecting the formation of a Hungarian unit.

ALP

D. C. Poole

SECRET

- 3 -

As soon as Mr. Balasy had left I informed Mr. Berle by telephone that Mr. Balasy expected to see Dr. McCloy at three o'clock. Mr. Berle might care to speak with Mr. McCloy in the meantime. Mr. Berle said that he was much obliged for the information. He added that it was his intention to act upon a suggestion which I had earlier made, namely that he would find it interesting to discuss the Hungarian situation with Mr. Balasy. According to my experience, I said, Mr. Balasy was reliable, intelligent, and objective. At Mr. Berle's request I arranged for Mr. Balasy to call on Mr. Berle.

I informed Colonel Goodfellow of the foregoing by telephone.



DeWitt C. Poole

SECRET

- 2 -

which to re-explore the situation and see how matters really stood. Informal inquiry at the State Department disclosed that Mr. Balasy had been mistaken and that the negative attitude there was not limited to Mr. Berle.

During the talk on January 18, Mr. Balasy said he wanted me to know that he had already made a request to see Assistant Secretary McCloy and had done so through the medium of Mrs. McCloy, with whom he had long been acquainted. I said that if in consequence an appointment were made for him with Mr. McCloy, he should of course go and simply forget what I had said to him.

Mr. Balasy called again this morning. I said to him that as nearly as I could make out, the present was not a propitious time in which to undertake the mission he had in mind. The experience recently had by American military and civil authorities with foreign military units had not been happy. It was my personal conclusion that they would hardly be in a receptive mood for some time to come at least; also, I had definite reason to believe that the attitude at the Department of State was not favorable.

Mr. Balasy replied that he was disappointed but was grateful for the friendly interest shown. It happened, he said, that a short time ago word had come that Mr. McCloy desired him to call at three o'clock this afternoon. I said that it was of course from Mr. McCloy that he would learn the attitude of the War Department. Whatever I had said might well be modified by what Mr. McCloy said and what Mr. McCloy said would of course govern.

Hungarian Unit 9796
X Army
X State Dept
File

SECRET

January 19, 1943

MEMORANDUM FOR COLONEL DOHOVANI

As you will recall, I had a memorandum from Mr. Berle under date of December 24, 1942, communicating Mr. Berle's view on the possible formation of a Hungarian military unit in these terms:

The Department would not favor the formation of a Hungarian unit in the United States Army at this time -- and I doubt if the War Department would be particularly receptive to the idea.

When I remarked to Mr. Berle subsequently that Anthony Galany, former Hungarian diplomat, had told me that he had been designated by his fellow Hungarians, along with Hans Habe, to present to the War Department a proposal that a Hungarian unit be authorized, Mr. Berle said it would be a good idea if I could convey to Galany a friendly indication of the State Department's attitude.

I have since kept in touch with Colonel Goodfellow currently and he has expressed to me no particular interest in seeing a Hungarian unit called into existence.

On my recent lunch talk with Mr. Berle on January 15, I suggested that the present field might be a favorable one for seeing the authorization of a Hungarian unit. Mr. Berle replied that he thought he had received no encouragement out of the Department of State. He said that he would let me have a copy of a letter in a couple of days. In

- 3 -

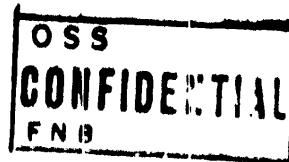
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CONFIDENTIAL
FNB

I informed Mr. Berle yesterday that Mr. Balasy was to see Mr. McCloy. I am not sending Mr. Berle a copy of this memorandum or giving him any other report since Mr. Berle can hear Mr. Balasy's report directly.



DeWitt C. Poole

- 2 -



the American-Hungarian community Mr. McCloy listened with sympathetic interest. He said at the end that he would refrain from making an immediate reply to the letter of appeal which Mr. Balasy had presented because an immediate reply would have to be negative and that might close the door to the possibility of different action in the future.

If, however, the letter went unanswered, the way might still be open to have the question of a Hungarian military unit considered on political grounds. A decision on political grounds would have to be taken in the Department of State and the officer in a controlling position there would be Mr. Sumner Welles. It appeared to have been Mr. Welles who was enthusiastic about the other units which had been formed. If there were to be any support on political grounds of a Hungarian military unit, this support would certainly have to come from Mr. Welles.

Mr. Berle had asked me yesterday to arrange for Mr. Balasy to see him. Accordingly, while Mr. Balasy was in my office, I had an appointment fixed for twelve o'clock tomorrow.

Hungarian Unit 9796
098 Army
CONFIDENTIAL Dept.
F. H. J. Branch

January 20, 1945

MEMORANDUM FOR COLONEL DONOVAN:

Anthony Balasy gave me the following account this afternoon of his conversation yesterday with Assistant Secretary of War McCloy on the subject of a Hungarian military unit:

He was accompanied by Mr. Kemeny, Vice Chairman of the Hungarian Victory Council, which got up the idea of a Hungarian military unit. Mr. Hans Habe had to be absent from Washington and so did not join in the call on Mr. McCloy as originally planned.

Mr. McCloy conveyed to Mr. Balasy and Mr. Kemeny that the formation of special military units on a nationality basis had all along been unwelcome to the military. This was natural because the military wished to concentrate on their main effort. Those special units which had so far been called into existence had been authorized at the particular request of the Department of State or the White House.

To Mr. Balasy's representations respecting the healthy unifying effect which the authorization of a Hungarian military unit might have on

11742
Hungary

-13-

This consideration may outweigh political gains which might accrue from a total bolshevization of the Hungari-
an workers, a catastrophe which can be prevented, ^{only} by re-
habilitation of Hungarian industry.

- 12 -

the beneficiaries of the feudal system.

In order to avoid pitfalls due to misinformation by these business elements which combine natural shrewdness with considerable knowledge of international business interests, they should be handled with great caution and their word taken with many grains of salt. Only a few can be trusted and these exceptional individuals should be vouched for by some of the Social-Democrats or Liberal elements enumerated above.

It is too early yet to recommend any concrete steps for the economic rehabilitation of Hungary, but one thing is certain: no rehabilitation is possible of either Hungary or any of the other small Danubian Countries if they are permitted to exist as rigidly independent political entities. Their economic interdependence is obvious and any attempt to attain self-sufficiency on the part of any of these countries is an economic anathema which must lead to political isolation and political unrest. Balva can be rebuilt, only through economic arrangements which would allow free exchange of both agricultural and industrial products. Not only the maintenance of the industrial potential of Hungary, but also the economic well-being of Hungary might require access to a world export market.

-11-

politically organized Catholicism. Another member of this group is Dr. Jeno Katona, editor of an important Journal.

An important person to consult, whose reliability is unquestionable, is Imre Cserey, editor of the periodical, "Our Century". As a son of a former Lieutenant General, he is personally and intimately acquainted with the military elements of the country and could contribute a valuable "Who Is Who" of the officer class.

The most difficult task is to sift the representatives of the business world. As most of them were Jews or half-Jews, the casualties must be great and it is not known here who has survived the Nazi terror. Yet, the greatest care must be taken in accepting information from these elements. The upper class of Hungarian Jews was more nationalistic and sympathetic to Hitler than any other group. Their business prospered even though they had to submit to personal humiliations. They accepted retired officers or lieutenants as arbiters in business partners and charged the cost to expenses. In addition to making money they were interested only in one thing: to crack the tax system and get immunity not to be admitted among

-10-

to give up-to-date information about persons active in current political life. Their warning against anybody should be heeded.

Representatives of the Social-Democratic Party which is identical with the Trade Unions, are also trustworthy. Most of their old leaders have disappeared and I don't know who is still alive. A recent information has it that Arpad Szakasits, former Member of Parliament and editor of the Social Democratic Daily (Nep-szava) is still around. He can be trusted and can give information about other dependable representatives of labor.

An important group in Hungary's political life is the group of the farmers. Four of their outstanding leaders should be enumerated: Zoltan Tildy and Zoltan Horvath, both Members of Parliament; Ferenc Nagy, President of the Farmers' union; Imre Kovacs, writer, author of the famous book, "The Silent Revolution".

Among the few decent elements found in the Hungarian aristocracy, two name stand out: Count Aurel De-
newly and Count Mihaly Ilk. They are both Catholics and affiliated with the liberal and democratic wings of

-9-

Minister of War, two generals, have proved acceptable to the Russians. Both belong to the Inner Circle of Admiral Horthy. They lived, grew up and advanced to their present rank in an extremely nationalistic and imperialistic atmosphere which was utterly intolerant of anything smacking of Democracy. These two eminent Fascists have discovered their sympathy for Soviet Russia, or perhaps have proven themselves as able opportunists who try to salvage their personal fortunes from the catastrophe of Hungary's feudal military system. No doubt, they are realists who, understanding the overwhelming preeminence of the Russian position in that part of Europe, intend to play ball with the Russians, irrespective of principles or political philosophy. Some of the other members of the government are Communists. The Minister of Justice, Dr. Valentini and the Minister of the Interior, Francis Erdel, however, are well known to us as trustworthy, truly liberal Democrats; they are honest men who stand by their convictions and can be trusted to do the right thing not only by their country but by the principles of Democracy and human decency. These two men can be trusted

-8-

It would help them, or at least promise to cover up their humble origin by titles or other social distinctions for which they would be willing to sell their souls. Another most important Royalist partisan is the upper Catholic clergy, one of the chief beneficiaries of the feudal system and a staunch supporter of the Hapsburg family. They would compromise with any other regal family, provided the new king is Catholic and conservative. This attitude of the Hungarian bishops and prelates is in stark contrast to that of the lower clergy which represents one of the most liberal and democratic factors in the life of the Hungarian community. The poor Hungarian parish priest is a far more adroit servant of God (from a political viewpoint) than many of the Protestant ministers whose political intolerance, rabid nationalism and superiority complex in respect to other nationalities may prove a stumbling block in the future process of democratization.

It is difficult at present to discuss personalities, for we do not know who is still alive and who has been killed or deported by the Germans. The American representative will have to deal primarily with the present provisional government. The Prime Minister and the

-7-

that the Hungarian worker is not sympathetic to dictatorship and ranks among the most trustworthy representatives of the democratic system. Only utter despair could force him to give up his democratic and individualistic inclinations in order to embrace the Soviet system.

As long as no elections are held, the question of the future form of government cannot be decided. It is imperative, however, to realize now that one form of government must be avoided at all costs - this is monarchy. A Hungarian king, crowned with St. Stephen's holy crown would automatically become the symbol and exemplar of Hungary's imperialistic dreams. He would become the center of crystallization for all elements who would like to maintain, at least part, of the old feudal traditions. Numerous elements in Hungary still cling to the idea of a kingdom, partly as the result of propagandistic indoctrination and partly because it would serve their personal interests. The Hungarian aristocracy and most of the lesser nobility most certainly fall into this category. Representatives of the "bourgeoisie" who are of Jewish or of Jewish extraction, with the exception of a few, almost without exception,

-6-

have used it to protect the feudal system, their privileges and the exploitation of farm labor. Only complete abolition of the present system can bring political freedom to the majority of the Hungarian people. Local autonomy should be vested in the individual communities (villages and small towns), and the organization should be directed from down below upwards: the small community should elect their representatives for the larger administrative units.

4. ECONOMIC RELIEF While Hungary is primarily an agricultural country, it possesses fairly important industrial establishments. Irrespective of the volume and quality of their output, the main significance of these industries is that they support a substantial working class. The Hungarian industrial worker is among the most intelligent and certainly best organized elements in the country and represents one of the main pillars on which the country's future must be built. Unless the industrial potential of the country is maintained and the industrial workers can work and earn a livelihood, the working class will disintegrate and, in all certainty, become a hotbed of aggressive nationalism. This would happen notwithstanding the fact

-5-

administration by occupying forces; otherwise the reforms would become a political football, a trading object between political parties for the purpose of salvaging at least part of the large estates and the political power which they represent.

6. REFORM OF EDUCATION The Hungarian people cannot be fitted into a peaceful partnership with its neighbors without changing the present educational system, the main purpose of which was to create a feeling of national superiority and arrogance. Forging of historical facts and well planned, false information has been used to serve this purpose in the past. The average Hungarian is fully convinced that he is a far superior being than any mere Slovak, Serb or Rumanian. He grudgingly admits the superior economic talents of the Germans but recognizes their treacherous, brutal character and heartily displaces them. Only a complete reform of the school system can change this attitude and pave the way for friendly understanding with the neighbors.

7. REFORM OF ADMINISTRATION In spite of its apparent centralization, there is a great deal of local autonomy in the Hungarian system of government. This autonomy, however, is vested in the land owners who

-4-

of the election might be revolutionary and strongly Communistic; if the Russian behavior is passive, the owners of the big landed estates, including the higher Catholic clergy, would see to it that the elected Parliament continues along feudal traditions. Neither of these two results is desirable. Elections should be postponed for a number of years until the population, after being properly prepared for the procedures of a truly Democratic system, have a chance to decide for themselves.

There are four major problems which must be solved before institution of democratic procedure can be fruitful:

1. LAND REFORM All large estates must be broken up and the land given to the landless farmer. This reform must be coupled with a system of cooperatives which will take part of the crop for the benefit of the individual farmer and, by pooling credit, would enable him to realize or purchase modern farming implements, seeds, fertilizer, etc. Land reform is the most urgent of all reforms. The Russian people would not believe that a new era has started before the often promised and always unexecuted land reform has been put into effect. It is imperative to put this reform across during the period of

The type of government and the economic system of Hungary may not be of great importance to the United States. The strategic situation of this small country, however, makes it impossible to ignore it, for Hungary's fate will determine, sooner or later, what is going to happen in the other small countries of the Danubian Basin. A peace in Central Europe is inconceivable without solution of the Hungarian problem; a festering ulcer in the heart of Europe not only of Central, but of Eastern Europe, and it bounds to inflame future conflicts.

It will not be easy to establish a real democratic government in the place of Tisza with the 1,000,000 people of racial and ideological nationalities and Imperialist blind faith which have swayed the Hungarian people. The fruits of his policy were reaped by the small ruling class. Any election held in Hungary would be a farce, even after complete expulsion of the Soviet satellite of Allied occupation, would not be able to allay the accelerated sentiments of the Hungarian people. The results of the election would be a farcical election of a government of *Ugras* who would impose a dictatorship over the people. If the Russian Government acted with sufficient force, the outcome

-2-

... historical precedents, including those of the Allied Control Commissions of the 1918-19 period, ~~which~~ testify not only to the gullibility of American and English representatives, but even more so to the vicious, but talented ~~and~~ intrigues of the Hungarian ruling class.

The situation, at present, is essentially similar, although partly modified by Russian occupation and by the uncalculable complexity of the Hungarian ruling class in Hungary's participation in the Axis conquests. It is safe to predict, however, that there will be no end to the line of Hungarian aristocrats, lesser nobility, military and business leaders who, after many years of profitable support of the fascist regime, all of a sudden discover their deep ethnic loathing and their heartfelt sympathy for England and especially, the United States. Their protestation of devotion and anti-fascist feelings will ring quite true, partly because they genuinely hate the Germans whom whom they associated rather gradually, and partly because they are glad to accept democracy and liberal principles. In other countries, however, these theoretical views don't interfere with the realization of their aim, the perpetuation of which is the only reason for their existence.

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The task of a representative of the United States in Hungary is not going to be an easy one. He will have to deal with a situation complicated by the understandable duplicity of a conquered nation, the representatives of which will obviously try to obtain a favorable solution of their present predicament. However, the Hungarians, he will have to deal with, are quite different from most other European peoples. They represent the tradition of a nation which, after conquering the country and settling among its alien and hostile inhabitants, have carved out a once mighty empire; shabby remnants of the former grandeur still exist as a small island wedged between Slavs and Germans. The feat of maintaining complete, or at least partial independence, and ^{national individuality} under such extremely difficult conditions is good evidence of their singular abilities and talent. The ruling classes of Hungary, eager to put their best foot forward in dealing with foreigners, have proved themselves able disciples of Machiavelli; they are utterly ruthless, unscrupulous, skillful flatterers, and, helped by their natural charm and good manners, are able to put on an excellent show. They are almost unopposed by their women who, for the sake of the common cause, are not reluctant to use the weapons of

MAX A. GOLDZIEHER, M. D.
104 EAST 40TH STREET
NEW YORK CITY
TEL. LEXINGTON 2-8822

A. 742
Hungary
x Goldzieher, M.

February 23, 1945

Maj. Gen. William J. Donovan
1047 20 Street Northwest
Washington, D. C.

My dear General,

I am enclosing a memorandum on the Hungarian situation as I see it. I have discussed the facts and views submitted to you with outstanding Hungarians living at present in this country. It is to their credit that their views do not differ from those of an American citizen who tries to use his personal knowledge of Central European Affairs to serve the United States.

I shall send you additional memorandums from time to time as new information becomes available or as changes in the actual political events may call for.

Very sincerely yours,

M. A. Goldzieher

MAG: [unclear]

To Francis Matthews & Mr. Poole.

For your comment

You have talked with Goldzieher

Handwritten notes in left margin

14 March 1945

Dr. Max A. Goldsicher
104 East 40th Street
New York, New York

Dear Dr. Goldsicher:

General Donovan has let me read your letter
of the 12th February with its interesting con-
clusions.

I am in New York from time to time and shall
seek an opportunity to telephone you and see if we
can get together for a talk.

We look forward with interest to the meeting
to be held on 18 March.

Sincerely yours,

Walter G. Peadar

11742
Hungary

OFFICE OF STRATEGIC SERVICES

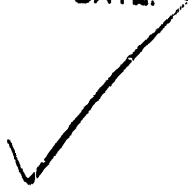
INTEROFFICE MEMO

TO Major General William J. Donovan
Director, Strategic Services

FROM DeWitt C. Poole, Chief, FN

SUBJECT

DATE: 13 March 1945



The letter to you from Dr. Goldzieher is returned herewith. Dr. Goldzieher has been well and favorably known to us for some time. In conjunction with Professors Vambery, Jaszi, and Louis Toth Dr. Goldzieher is sponsoring a meeting which will occur in New York 16 March. We plan to have the meeting covered by one of our Staff who knows Hungarian and whom we are sending to New York specifically for this purpose.

I have myself written a letter to Dr. Goldzieher and attach a copy herewith.

DeWitt C. Poole
DeWitt C. Poole

Inclosure

11.742
✓ Herrington
x 9th floor

DONOVAN LEISURE NEWTON & LUMBARD
TWO WALL STREET
NEW YORK 5

WILLIAM J. DONOVAN
COUNSEL

ROBERT S. LEISURE
EDWARD LUMBARD JR.
MARTINE R. IRVING
THOMAS J. MCFARREN
GEO. E. ROSSIGNOL JR.
DAVID FREEDMAN
FRANK S. BRICK JR.
LEWIS L. WILSON JR.
LARRY D. BREA
DAVID F. HARRIS
JAMES R. WINDOW JR.
WILLIAM FUSHER
WELCH H. MULLINEN
JAMES V. HALE
JOHN A. BIRCHMANN

WASHINGTON OFFICE
BOWEN BUILDING
WASHINGTON 5, D. C.

HENRY HERRICK BOND
COUNSEL

RAYMOND J. BOWEN

*Red Putz
tell you we can do.*

August 23rd, 1945

Dear "Colonel":

You will probably recall that sometime ago Dr. Golds'her spoke to you about his sister in Budapest from whom he had received no word for several years. He telephoned this morning and said he had received a letter from Budapest and that everything seems to be all right except for one thing - money. He said that it is impossible at this time to transmit funds through banks or any other normal channel and he wants to know if there is any possibility of sending money to Budapest through one of your representatives.

I told him I would write you at once and would immediately send your answer to him.

Sincerely yours,

Walter R. Berry

OSR Form 4101

Date _____

To: John Wilton

What can be done
or should be?

RY

Office of the Executive Officer

(30442)

8/30

Lt. Wilson:

Mr. Berry tells me Dr. Goldscheher
would like as large an amount as can be
sent up to \$1000.

EJP

DONOVAN, LEISURE, NEWTON & LUMBARD
OFFICE MEMORANDUM

Lt John Wilson Date: August 31st 1945
To: Lt. Edwin J. Putzell, Jr.
From: Walter Berry
Re: Klara Roman

Dear Ned:

Dr. Goldzieher's sisters
name is Klara Roman (Mrs. Aurel Roman)
born Klara Goldzieher. She now lives
in a building which has been stripped
of all furnishings, but it does have a
roof. It is located at Budapest II
Kuvosvolgy Keselyu Ut 8.

The Doctor is "tickled pink"
at the prospect. Let me know how you
want the money sent to you.

Sincerely,

W.B.

CONFIDENTIAL

11/7/46
John D. Wilson

11 September 1946

Dear Dave:

I am writing you at the request of the General to determine if you can arrange to deliver some funds to a Klara Roman (Mrs. Aurel Roman), born Klara Goldzieher. Mrs. Roman now lives in a building located at Budapest IX Ervesvolgy Kossuth Ut 3.

If it is possible for you to do so, the General would like to have as large amount up to \$1,000 as can be forwarded to Mrs. Roman. You should pay this sum out of funds available to you and cable General Donovan that this has been done so an appropriate reimbursement can be made at this end.

If it is not possible for you to arrange the delivery of this sum to Mrs. Roman will you please so inform me.

In paying the sum to Mrs. Roman, will you inform her that the arrangements were made initially at the instigation of Dr. Goldzieher.

Sincerely,

John D. Wilson
Asst. Executive Officer
Europe-Africa

Mr. A. P. Maddox,
Executive Officer,
Contractors Company,
1st Regiment OSS (Prov.),
10012

Mr. David Crockett.

JWA-B

CONFIDENTIAL

OFFICE OF STRATEGIC SERVICES

INTEROFFICE MEMO

TO: Mr. R. O. Fonten

DATE: April 4, 1944

FROM: Horace Andrews

SUBJECT: Further Hungarian Material Responsive to General Donovan's quest. no

1. You will recall that a short time ago, General Donovan (via the Secretariat and Mr. Sheperdson) requested answers to certain specified quest. no on Hungary. M/Sgt. Kado of this section prepared a memorandum after discussion with K & W, which I forwarded to you as an enclosure to my memorandum dated March 10, 1944.
2. I have since then, pursuant to the suggestion of the Secretariat, the above questions and answers of M/Sgt. Kado's memorandum were sent to Mr. Yarrow in the New York office for any further comment he or Mr. Gump might have.
3. I have received back from Mr. Yarrow the document enclosed which appears to be more in the nature of a comprehensive reply than the original of which the questions were prepared by M/Sgt. Kado. Mr. Yarrow, when such reply to the questions concerning the questions in New York, I have attached to the enclosed for your review by the Secretariat so that it may be used for the above mentioned purpose.
4. This document has already been seen by Mr. Sheperdson, and I have two other copies, one in this section, one in the New York office and one being sent to Mr. Langer of K & W.

HA

Horace Andrews

EXP

CONFIDENTIAL
ROUTING AND RECORD SHEET

Accession No.

Date Rec'd SA

Cloud cover

4444

To	Room No.	Date		Officer's Initials	Comments
		Rec'd.	Fwd'd.		
<i>Trotter</i>		<i>4-4</i>		<i>[Signature]</i>	
<i>James</i>		<i>4/7</i>	<i>4-10</i>	<i>[Signature]</i>	
<i>Beane</i>					

1. The number should be entered to correspond with number in To column.
 2. A line should be drawn across sheet under each comment.
 3. Officer Designations should be used in To column.
 4. Officer should initial (check mark insufficient) before further routing.
 5. Action taken should be indicated in Comments column.
 6. Each sheet should always be returned to Registry.
 7. The Officer Designations are separate sheet.

CONFIDENTIAL

General Donovan

24 March 1941

Wesley Pittzell

Information Concerning Hungary

Recently you asked to have checked the following information concerning Hungary:

1. Broadly speaking, the aristocracy is pro-Allied; also the higher clergy, both Catholic and Protestant, as well as the Socialists.
2. Pro-Germans still dominate in the army and supporters can be found in the non-Jewish middle classes.
3. Hungarian peasants mostly anti-German, but there are many Swabians who are with Hitler.
4. Germans still trying to make the Hungarians believe in the German invincibility.

Attached are comments prepared by R & A and by BI.

R.J.P., Jr.

Attach.

Pittzell: Birchard

SECRET
MAR 27 11 11 AM '41

DATE 18 April 1944

TO: L. Bone for Genl. Donovan

Please note 3rd
paragraph of attached
memorandum.

WMB

Dorothy M. Black

116 Central

EXT. 2413

Hungary Intelligence
SECRET *order 12/10*

OFFICE OF STRATEGIC SERVICES

INTEROFFICE MEMO

DATE: 25 February 1944

TO: General Donovan
FROM: Whitney H. Shepardson
SUBJECT: Intelligence from Hungary

You suggested that I put down on paper what I mentioned the other day in conversation: viz:

That last October we were told that OS Section MIB had almost no OS intelligence from Hungary, and that such intelligence was of great importance because of the position of Hungary as a central European transit area. We conferred in this Branch as to ways and means of getting the desired information.

Ten weeks later, in December, we conferred again in the Branch. By then we were receiving an abundant flow of Hungarian intelligence into three missions - Sweden, Switzerland and Turkey. This time the subject of our conference was a different one: how to avoid false confirmation of intelligence, and how to direct its channelling to the most advantageous spot.

WHS
W.H.S.

SECRET

118 1 1944

ME

~~RESTRICTED~~

10 March 1942

RE: HUNGARY FOR HUNGARIAN POTENTIAL

We have received the following information concerning Hungary, which I would like to have you check:

1. Broadly speaking, the aristocracy is pro-Allied; also the higher clergy, both Catholic and Protestant, as well as the Socialists.

2. Pro-Germans still dominate in the army and in officers can be found in the non-Jewish middle classes.

3. Hungarian peasants mostly anti-German but there are many Slovaks who are with Hitler.

4. Germans still trying to make the Hungarian people believe in the German invincibility.

5. The German situation is very serious. It is not clear to us how long they will last. It is possible that they will be defeated by the Allies. They are very nervous and they are very afraid.

RESTRICTED

- 2 -

Carpatho-Russia, have no definite leanings and would follow the present Kallay government in any course they would take.

German supporters in the non-Jewish middle classes are reported to be diminishing. Except the Germans of Hungary (Volksdeutsche) and members of the Hungarian Nazi Parties (Arrow Cross and Imredi's Party of National Regeneration) the majority of the middle classes are Hungarian nationalists and supporters of the present Horthy-Kallay set-up. In addition according to our reports, in view of the extensive national-socialist propaganda of the last few years and the lack of opportunity to hear the other side, the overwhelming majority of the middle class youths, including university and secondary school graduates, is pro-Nazi.

3. These Hungarian peasants and farmers who are organized in the Peasant Union and the Independent Smallholders' Party (less than half a million out of four million) are anti-German. The remaining three and a half million unorganized peasants have no political sympathies and are led solely by economic motives. The Swabians (less than half a million - not included in the above figures), who are part of the German minority, are naturally pro-Hitler.

4. The Germans are trying to convince the Hungarians, as well as the other satellites, of the Wehrmacht's invincibility. The slow rate of progress made by the Allies in Italy seems to support this claim in the eyes of the Hungarians; on the other hand, Allied bombing of German cities and Russian successes have somewhat contradicted this propaganda. At the present time military and economic collaboration with the Germans is diminishing.

AHR
AKR

CONFIDENTIAL

31401

OFFICE OF STRATEGIC SERVICES

INTEROFFICE MEMO

TO: Mr. Reginald C. Foster
 via Mr. Horace Andrews
 FROM: M/Sgt. Alan R. Rade

DATE: March 18, 1944

SUBJECT: General Donovan's Memorandum on Hungary

The following is my answer to General Donovan's Memorandum. Before I put it into its present final form, I checked with our R & A Branch. My report represents the most concise answer to the questions asked. Naturally subject could be elaborated further, and if any additional information is desired I am ready to submit a more detailed report.

1. Most members of the Hungarian aristocracy have pro-British sympathies and can be called pro-Allied in this sense. On the other hand there are also a few aristocrats with definite pro-German leanings like the Counts Alexander and Dominic Festetics, Count Fidel Palfy, Archduke Albrecht von Habsburg, and others. In general Hungarian aristocrats are more nationalists than anything else. As owners of large estates, they are naturally opposed to any agrarian reform and any political change that would be likely to produce such reform. They are strongly anti-Russian, and this goes for all Hungarians of any class except a few communist sympathizers among the Social Democrats and socialist intellectuals.

The higher clergy is anti-German on the whole, and therefore can be considered pro-Allied with the above mentioned qualification of anti-Russian feelings.

The Social-Democrats can be termed "pro-Allied" but they are at the same time committed to the recovery of Hungarian territories lost under the terms of the Treaty of Trianon (1920). This includes the territories recovered since 1938 as a result of collaboration with Germany. (First and Second Vienna award, Carpatho-Russia, territory seized from Yugoslavia). This attitude is characteristic of Hungarians of all classes and parties.

2. The majority of junior officers of the Hungarian Army are Nazi sympathizers mainly due to their admiration for German militarism. Officers of all ranks belonging to units which participated in the campaigns on the Russian Front, however, are allegedly anti-German. Colonel General (equals Lt. Gen.) Gantay, the Minister of War is not considered definitely pro-German, the Chief of Staff, Colonel General Szombathelyi is a doubtful element, more pro-German than anything else. Colonel Kadar, the new Chief of G-P and General Maday, in command in

CONFIDENTIAL

**OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C.**

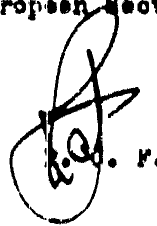
March 21, 1946

4.
1946 MAR 22 AM 10 42

MEMORANDUM

TO: Insign K. J. Putzeli, Jr.
FROM: Reginald G. Foster
SUBJECT: Information concerning Hungary.

In reference to General Donovan's request for verification of information concerning Hungary, I am attaching the report made to me by M/Sgt. Rado of the Hungarian Desk, Southeastern European Section, SI.


R. G. F.

Attachment

SECRET

-2-

basis of a complicated point system, a large percentage of their produce for German consumption, are naturally anti-German. The landless peasants are probably indifferent.

The Swabians are a section of the German minority in Hungary, who number over one-half million. The majority of the German minority are pro-Nazi and enjoy special privileges which establish them as a state within the state.

4. The Germans are still trying to make the Hungarians believe in German invincibility. In the course of a recent visit to the Fuehrer's Headquarters, Chief of Staff Szombathelyi was told by Hitler that, thanks to the Yehuda, the Red Army would never reach the Carpathians.

Comments by the Research and Analysis Branch

1. The Hungarian aristocracy is "pro-Allied" in a broad manner of speaking, but a sharp line of distinction is drawn between the USSR on the one side and the Anglo-American Allies on the other. In the first place, no single Hungarian aristocrat has thus far exhibited any pro-Russian proclivities. In the second place, pro-American sentiment among the Hungarian aristocracy is limited to a few counts with American family connections and to the fast-living younger set who are devotees of American jazz and American cars. In the third place, a great number of aristocrats are pro-British but only in the sense that they approve of British conservatism in the social, political, and sartorial spheres. On the other hand, there are Hungarian aristocrats who are out-and-out pro-Russ. Such individuals are Counts Sándor and György Tölgess, Archduke Albrecht of Hapsburg, Count Gábor Baller, and Count Fiedl Malffy. The higher clergy, both Catholic and Protestant, are anti-Russian but well-disposed toward the Anglo-American Allies, although during the early stages of the war such outstanding Protestant leaders as Bishop Ravasz, for example, were noted for their pro-German attitudes. The Prime Minister of Hungary, Cardinal Teredi, who is very close to the Vatican, has recently deprecated the destruction of religious monuments in Italy. The Hungarian Social Democrats have from the very beginning been opposed to Nazi Germany and are, in this sense, pro-Allied.

2. Senior officers on the whole are pro-German, except those who have come back from the Eastern front with disillusioned tales of German perfidy. Some senior officers are pro-German either because they are impressed with the German military machine or because they are of German descent. To the first group belong Lt. Field Marshal Szombathelyi, Chief of Staff, Lt. Gen. Csato, Minister of War. Representatives of the second group are General (retired) Huskay-Kantzenberges and Lt. Field Marshal Ferenclak-Geynes, the latter of whom has recently fled to Germany to assume responsibility for the deaths (both civil and military) of 1944. The non-Jewish middle classes have not recently been overwhelmingly pro-German, although they are traditionally anti-Semitic and anti-Communist, and because a large percentage of them are of German descent.

3. The political sentiments of Hungarian peasants are difficult to state. There are approximately 2,000,000 peasants in Hungary of whom less than a half million have been organized politically or culturally. The overwhelming majority of these peasants are politically uneducated and inactive; their greatest interest is in the acquisition of land and the avoidance of exorbitant prices for their produce. The landed peasants, who are asked by the Hungarian government to yield, on the

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basis of a complicated point system, a large percentage of their produce for German consumption, are naturally anti-German. The landless peasants are probably indifferent.

The Swabians are a section of the German minority in Hungary, who number over one-half million. The majority of the German minority are pro-Nazi and enjoy special privileges which establish them as a state within the state.

4. The Germans are still trying to make the Hungarians believe in German invincibility. In the course of a recent visit to the Fuehrer's Headquarters, Chief of Staff Szombathelyi was told by Hitler that, thanks to the Wehrmacht, the Red Army would never reach the Carpathians.

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True R. Rothman

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2. Junior officers on the whole are pro-German, except those who have come back from the Eastern Front with well-substantiated tales of Germany perfidy. Some senior officers are pro-German either because they are impressed with the German military machine or because they are of German descent. To the first group belong Lt. Field Marshall Szombathelyi, Chief of Staff, and Gen. Csato, Minister of War. Representatives of the second group are General (retired) Kuszakay-Rantzenberges and Lt. Field Marshall Feketchalmy-Czeydnes, the latter of whom has recently fled to Germany to escape responsibility for the Ujvidek (Noir Sad) massacres of 1942. The non-Jewish middle classes have until recently been overwhelmingly pro-German, because they are traditionally anti-Semitic and anti-communist, and also because a large percentage of them are of German descent.

3. The political sentiments of Hungarian peasants are difficult to state. There are approximately 4,000,000 peasants in Hungary of whom less than a half million have been organized politically or culturally. The overwhelming majority of these peasants are politically uneducated and inactive; their greatest interest in life is the acquisition of land and the obtaining of fair prices for their produce. The landed peasants, who are forced by the Hungarian government to yield, on the

SECRET

OFFICE OF STRATEGIC SERVICES

Hungary, 14,231-

INTEROFFICE MEMO

TO: General Donovan

FROM: Ensign Putzell

SUBJECT: Information Concerning Hungary

DATE: 24 March 1944

Recently you asked to have checked the following information concerning Hungary:

1. Broadly speaking, the aristocracy is pro-Allied; also the higher clergy, both Catholic and Protestant, as well as the Socialists.
2. Pro-Germans still dominate in the army and supporters can be found in the non-Jewish middle classes.
3. Hungarian peasants mostly anti-German but there are many Swabians who are with Hitler.
4. Germans still trying to make the Hungarians believe in the German invincibility.

Attached are comments prepared by R & A and by SI.


E.J.P., Jr.

Attach.

SECRET

Hungary 14,231

SECRET

I N D E X

- Report No. I. "Hungary Today" prepared by an ecclesiastical group in contact with Mr. Frederic R. Dolbeare.
- Report No. II. Present situation in Hungary and the feelings of the different groups of the population with regard to Germany and the United Nations, submitted by Miss Betty Carn.
- Report No. III. Present conditions in Hungary, submitted by the Overseas News Agency with whom Mr. Irving Sherman is in contact.
- Report No. IV. The attitude of the various classes in Hungary towards Germany and the United Nations submitted by a prominent Hungarian Social Democrat now residing in the United States.
- Report No. V. Present trends in Hungary based upon an analysis of the press and radio reports of said country prepared by a former member of the Hungarian Parliament and a prominent leader of the Hungarian Social Democratic party.

"Hungary Today" prepared by
an ecclesiastical group in
contact with Mr. Frederic R.
Bolheare.

CONFIDENTIAL**HUNGARY TO-DAY****A STUDY OF THE ATTITUDE OF HUNGARIAN REFORMER CIRCLES TOWARDS
FEUDALISM, DEMOCRACY, GERMANY, AND THE UNITED NATIONS****I.****INTRODUCTION**

In no other European country has feudalism remained so alive as in Hungary. A small number of very wealthy families, a very small middle class, a relatively large but poor intelligentsia, and an overwhelming majority of very poor peasants and workers characterize Hungary's social structure. Hungary is the only European country which has never had a real land reform. Hungary is not without revolutionary, liberal and democratic traditions (the Hungarian Revolution of 1848, led by Kossuth and Deak, was both Nationalistic and democratic in its tendencies), but the almost general nationalism of the Hungarians has led, ever since 1920, possible revolutionary energies, to a large extent, on the road towards Fascism and Racism.

The classes of Hungarian society may be briefly described as follows :

a) The high aristocracy. The high nobility is immensely rich, owns most of the land, is very influential in the government, only moderately nationalist and rather cosmopolitan and European in its general outlook. It dislikes a too strong authority of the central Government, dislikes the Germans, likes England and adores France. Members of the aristocracy have intermarried for many generations with aristocratic families of all nations, and daughters of non-aristocratic wealthy business men and bankers, gentile and Jewish, have been married by many an Hungarian aristocrat. Most Hungarian aristocratic families have some Jewish blood and have therefore ~~(XXXXXXXXXX)~~ and also for other reasons) no sympathy for the Nazi variety of anti-Semitism. Hungarian aristocrats like to travel outside their country, had their children talk French at home and employed French governesses to teach them, were very numerous in the diplomatic service and (to a lesser degree) in the Army, supported arts and sciences and philanthropic enterprises, but became very nervous when any real social reforms, in particular land reform, were mentioned. Most aristocratic families are Catholic, a minority, particularly noblemen of Transylvanian origin, is Calvinistic. The Catholic families cultivated their relations with France, Italy, Spain, the Protestant families those with Geneva and Scotland. Only a minority of the Hungarian aristocrats were and are all-out legitimists (pro-Habsburg), a good many of them sympathized with the plan of making Lord Rothermere King of Hungary, with the idea of having Great Britain's influence used to restore a Greater Hungary. A majority of Hungarian aristocrats detested the Germans.

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Some typical Hungarian aristocrats :

The late Count Albert Apponyi, Hungary's representative at the League of Nations assemblies. Catholic, pro-Habsburg, European, pro-French, pro-British, very cool towards the Germans, favoring moderate social reforms, hating Fascism and totalitarianism.

Count Stephen Bethlen, Hungary's "strong man" from 1920 to about 1938, Protestant (of Transylvanian descent), immensely rich, anti-German, pro-Italian, pro-British, favoring an authoritarian (but not totalitarian government), was opposed to the pro-German policies since 1934, believed to aspire to the role of a "Hungarian Badoglio".

Count Michael Karolyi, a liberal and radical, the first and only Prime Minister of the Hungarian Republic (1918-1919), distributed his immense estates among the peasants, resigned when the ~~XXXXXXXXXXXXXXXXXXXX~~ Hungarian Soviet Government was proclaimed, lives in exile in London, went several times to Moscow (once together with George Bernard Shaw, in a study group organized by Sherwood Addy, of the U.S.A.), active in the Free Hungarian Movement, of Catholic descent, considered by his fellow aristocrats as a "Red".

Count Gyula Karolyi, cousin of Count Michael, was Prime Minister in 1931-1932, Catholic, not pro-Habsburg, Conservative, pro-Italian, anti-German.

The late Count Janos Zichy, son of the founder of the (Christian Democratic) People's Party, and himself the first Chairman of the reconstructed People's Party (Neppart) in 1943, pro-Habsburg, pro-United Nations, anti-German, pro-Italian, believer in social reforms, including land reform.

Count Maurice Esterhazy, the new Chairman of the People's Party, with ideas similar to those of Count Zichy.

b) The gentry. The lower nobility (gentry) has neither the wealth nor the European outlook and the international relations of the aristocracy. Its most active elements are Protestant (Calvinistic). Their estates are small and indebted. The members of the gentry cannot afford to give their children such a good education as the aristocrats, and German is the only foreign language which most of them understand. Civil service and the armed forces are considered as the most appropriate activities of a real gentleman, and salaries are not considered (as by the aristocrats) as unimportant. There has been little intermarriage with foreigners, and a narrow nationalism, even of a racist character, is almost universally accepted. Pro-German feelings, and even pro-Nazi feelings, are widespread. Many members of the gentry are not afraid of land reform or other social reforms as long as there is a chance of their claim to leading jobs in the army and civil service is recognized.

Admiral Horthy, the regent, is a member of the gentry. He is a Protestant (his wife is Catholic), is a Hungarian nationalist and is not well acquainted with international affairs.

The late Prime Minister Goemboos was a typical representative of the pro-German elements of the gentry.

Most generals and other officers of the Hungarian Army and many of the higher and lesser officials in civil service, and many politicians, in particular in the Government Party and in the Pro-Nazi Parties (Arrow Cross and Rejuvenation) come from the ranks of the gentry. Antisemitism is widespread, pro-Habsburg sentiments are not at all prevailing.

c) The intelligentsia. Ever since 1918, Hungarian universities produced many more school teachers, lawyers, journalists, doctors and engineers than could find employment. The reason was that in the "Greater Hungary" of before 1918 the national minorities composed the majority of the population while the intelligentsia was almost entirely Hungarian. From the territories which became Rumanian, Yugoslav, Czechoslovak, ~~XXXXX~~ thousands of school teachers and lawyers emigrated to the smaller Hungary. As their sons were anxious to keep up the social standing of the family, they studied law, philosophy and so forth, without having any real chance of finding jobs. As a matter of fact, many of them believed that there were two chances: one was the restoration of Greater Hungary, with plenty of new jobs for them, the other was the elimination of the Jews who were very numerous among the lawyers, ~~XXX~~ physicians, and journalists, in particular in Budapest. Nationalism, anti-Semitism, Racism became very strong. Even such neo-pagan religious movements as Turanism (which claimed to go back to the original religion of the Magyars) found followers. The wealthy aristocrats were hated and regarded as "rotten", "anti-national", "under Jewish influence". Many leaders of the Arrow Cross party and other radical groups of the right come from the intelligentsia. There is, of course, a Jewish intelligentsia which is liberal in its general outlook. There are some radicals among the ~~XXXXXXXXXXXX~~ intellectual Jews, Socialists and even Communists, but the majority are Hungarian nationalists above all. There are also non-Jewish intellectuals who are rather to the left. But the Liberal Party, which represents them, has never had much following.

There are strong groups of Catholic and Protestant intellectuals, active in their religious groups, and opposed to racism and exaggerated nationalism. Very few of them are entirely ~~XXXXXXXXXX~~ free from ultra-nationalist feelings.

d) The middle classes. Hungary has a very small middle class. There are a number of prosperous business men, industrialists, and there are small merchants and craftsmen who make a decent living, but the majority of artisans and small shop-keepers live under proletarian conditions. Many members of the middle classes are of German descent, and pro-German feelings are wide-spread.

e) The workers. Most Hungarians workers are unorganized or organized by paternalistic unions organized by their employers. There are Socialist and Christian Trade Unions, but their importance is rather small, and they are under considerable police restrictions. Wages of the skilled workers are low, and those of the unskilled are not always sufficient to keep them from actual starvation. Politically the workers have no influence at all. Their tendencies are mainly pro-democratic and anti-German.

f) The overwhelming majority of Hungarians are peasants. Very few of them have land of their own. Most of them work on the land belonging to the big estate-owners, either as agricultural workers or as tenants. The standard of education is low (though not as low as in Yugoslavia and Rumania), the farmers have no real political rights. Until the recent electoral reforms (there have not been any elections under the new law yet), voting was open, in the presence of a representative of the landowner. Of the independent small farmers, many are Germans (who were called into Hungary by the Hungarian Kings, centuries ago) or of German descent. Farmers are poor and live under extremely primitive conditions. Most peasants are politically absolutely ignorant, and the only thing that could be said is that they hate war and want peace.

From the religious point of view approximately two thirds of the Hungarian population are Catholics, less than one third are Protestants. Of the Protestants, three fourths are Reformed (Calvinist, Presbyterian) and one fourth Evangelical (Lutheran). This last group includes a relatively large proportion of Hungarians of Slovak or German descent. Catholics of the Byzantine Rite (or Greek Catholics) are of Ruthenian, Croatian and Rumanian descent.

In Hungary all Churches have an episcopal form of organization. So there are not only Roman Catholic, Greek Catholic and Greek Orthodox Bishops, but also Reformed, Evangelical, and even Unitarian Bishops. The Catholic Church has a very strong position in Hungary because it is the guardian of some of the most cherished national traditions and of the (mummified) "Holy Right Hand" of St. Stephen, first King of Hungary, which is considered as the permanent and real ruler of the country.

Once a year, in August, St. Stephen's "Right Hand" is carried through Budapest in a solemn procession in which everybody who holds a high position in Hungary is expected to take part, whether he is Catholic or not. Regent Horthy, who is a Calvinist, walks behind the relic, together with the Prince Primate, Cardinal Seredi. The Hungarian King must be, under the Hungarian Constitution, a Catholic, so that Horthy himself had no chance of becoming King. There were rumors that he had the ambition of having one of his sons, who was Catholic, become King of Hungary.

Members of the Reformed (Presbyterian) Church play a much greater role in Hungarian politics than could be expected in view of their numerical importance, because a majority of the politically active members of the gentry are Reformed.

Political Parties have not the same importance as in a democratic regime, nor are they as unimportant (or non-existent) as in an entirely totalitarian regime. The Government Party is always certain of obtaining an overwhelming majority and has many means to keep the opposition parties down. In the past the absence of a secret vote was the main method, but not the only one. Unwelcome candidates can be arrested or banned from the constituency where they are running for office, or their electoral literature can be confiscated.

The Government Party has had several names. It is now called Party of Hungarian Life. In the past, names like United Party, National Union Party and Citizens' Party have been used. Many representatives of the Party in Parliament owe their seats to friendship with or subservience to members of the Government. Others are somewhat more independent, for instance those who come from families who have represented certain constituencies for generations. They have asked the Government to approve their candidacy, or, if they are personally very influential, the Government has persuaded them to run under the label of the Government Party. These last ones sometimes are critical of some of the Government's policies. This leads to the situation that in each legislature the number of the Government Party's representatives decreases slowly, with members splitting away and joining other parties or becoming independents.

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The Transylvania Party is a peculiar annex to the Government Party. It is supposed to represent the population of that part of Transylvania which was awarded to Hungary by the (German) arbitration of August 30, 1940. There are no elected representatives but only deputies appointed by the Budapest Government. The Rumanians (which are a majority in the ceded territories) have no representation at all. The Hungarian Members of Parliament were chosen among the former Hungarian representatives in the Rumanian Parliament and among other local leaders of the Hungarian minority.

The "moderate opposition" is represented by the (Christian Democratic) People's Party (Neppart) and the Small Landowners Party. The former "United Christian Party", which co-operated loosely with the Government, has been amalgamated with the People's Party which is still in a rather unfinished shape. The founder and former leader of the Small Landowners' Party, which also cooperated for some time with the Government, Labor von Eckhardt, former Minister of Foreign Affairs and Hungarian Representative to the League of Nations' Assembly, has been in the United States since 1942 where he tried to organize an Independent Hungary Movement. The People's Party will be dealt with in more detail on a later page.

The "opposition of the right" is formed by the (Nazi) Arrowcross Party, the Rejuvenation Party, and some smaller ultra-nationalist and racist groups. There has been a great number of would-be Hitlers in Hungary, fighting each other violently, but most of those groups, probably under German influence, eventually consolidated themselves in the Arrowcross Party under the leadership of Ferenc Szalasi. The Party is National Socialist, violently anti-Semitic, anti-Habsburg and has a demagogical social program, promising radical land reform and thus galvanizing some genuinely revolutionary elements. Its ideas are unclear on many points, and it is not known to what extent the German Nazis have been using the party to bring pressure to bear on the Government. - The Rejuvenation Party is composed of elements who split away from the Government Party under Bela Imredy when he resigned as Prime Minister. The Party stands half way between the Government and the Arrowcross Party. It is anti-Semitic, in spite of the fact that Bela Imredy had to resign as Prime Minister because it was discovered that he had some Jewish ancestors. The Party is not as radical as the Arrowcross Party and contains more members of the "good society", but it is all-out pro-German.

The "opposition of the left" is formed by the Social Democratic Party and the Liberal Party. The socialists, under Karol Peyer and János Kertegalyos, are supported by the Free Trade Unions. They are anti-Nazi and anti-war, but have not expressly repudiated the "Greater Hungary" dreams. They are anti-Communist, though a few Communists (the Communist Party is illegal) have managed to penetrate into it, and rather pro-United Nations.

The Liberals are not strong numerically, but have considerable influence in the Budapest press. They are anti-war and pro-United Nations. In the past, much of the support of the Liberal Party came from the middle-class Jewish element, which is rather strong in the city of Budapest, but numerically unimportant everywhere else.

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The Legitimists have not a fully organized political party of their own, but have strong support among members of the Government Party, the People's Party and the Small Landowners Party. Count Sikray is its spokesman in the Upper House where the Legitimists are ~~small~~ a majority. As the Nazis are the most strongly anti-Legitimist elements, all Legitimists are anti-Nazi, and many of them are pro-United Nations. The majority of the Hungarian people seems, ~~however~~, not to be very much interested in the coronation of Archduke Otto. The majority of the Hungarians are probably vaguely monarchist, but have no clear ideas how the dynasty (and which dynasty) should be put on the throne, and, if conditions are favorable, it will probably be easy for a Republican movement to win the support of the majority of the masses if it can promise social reforms and a higher standard of life.

Figures do not mean very much under Hungarian conditions. The Lower House was made up, in 1948, as follows:

Party of Hungarian Life (Government)	209 members
Transylvania Party (pro-Government)	46 members
Arrowcross Party (Nazi)	20 members
Rejuvenation Party (Bela Imredy)	24 members
Small Landowners Party (opposition)	12 members
Carpathian Group (pro-Government)	9 members
Social Democratic Party	5 members
Smaller parties (incl. 5 Liberals)	24 members
Independent:	14 members
(United Christian Party 7, smaller parties 7)	-----
Total	378 members

The Upper House is not organized according to Party lines. It contains members of the high aristocracy, ecclesiastic leaders (Catholic, Protestant, Orthodox, formerly also the Grand Rabbi), representatives of counties and municipalities, certain high officials who are ex-officio members (judges of the supreme court, the president of the National Bank etc.), representatives of vocational groups, Habsburg Archdukes permanently residing in Hungary, and members appointed for life at the discretion of the Head of State.

The Upper House is as important in Hungary (or as unimportant) as the Lower House.

CONFIDENTIAL

HUNGARY TO-DAY

**A STUDY OF HUNGARIAN RELIGIOUS CIRCLES TOWARDS FEUDALISM,
DEMOCRACY, GERMANY, AND THE UNITED NATIONS**

II.

TENDENCIES OF THE HUNGARIAN CATHOLICS

Hungary has always been much less "clerical" than Austria because of the great importance of the Protestants and because of certain liberal traditions of the 1848 Revolution. All recognized Churches got the same support from the State. Hungary had divorce laws while Austria did not allow any divorces.

Under the Habsburgs, Hungary was, however, infinitely more nationalistic than Austria. After the "Compromise" of 1867, which established the dualist system, the Hungarians were given full charge of their half of the Austro-Hungarian Empire, and they made a ruthless use of it, trying to "nationalize" the "national minorities", which in reality made up more than 60 per cent of the population. The Croats and the Transylvania Germans were given some rights of their own, but the Slovaks, the Ruthenians and the Rumanians had to suffer in an undescrivable way.

Until the beginning of the nineteenth century, Hungary had been a State of many nationalities. The language of all official documents and even of the Budapest Parliament was Latin (longer than anywhere else in the world). But when nationalism became strong, in particular since 1848, the Magyars tried to maintain their superiority by ruthlessly imposing it on the non-Magyar nationalities.

Some priests took the side of the oppressed minorities, but on the whole the Church became very strongly infected with nationalist ideas, as will be shown later by different examples.

The Hungarian clergy was intimately linked up with the existing feudal system, not only by the fact that many bishops came from aristocratic families (Count Zichy, Count Majlath etc.), but also because the Church itself, as the owner of large estates, which were the main financial basis for its activities, was part of the feudal system.

Land reform and social reforms were often mentioned in Hungarian Catholic circles, but almost always with the addition of a remark

about the necessity of "moderation" and of "proceeding slowly".

There were, however, already under Pius X and Benedict XV, three Hungarian Bishops who advocated radical social reforms and were encouraged in this by the Pope: Bishop Prohaszka of Vacs, Bishop Majlath of Transylvania, and Bishop Fischer-Colbric of Kassa. They advocated reforms at first in the spirit of a paternalistic aid to the poor, but at certain moments they were ready to go very far.

At the time of the Hungarian Soviet Republic of Bela Kun, in 1919, Bishop Fischer-Colbric sent his secretary, Monsignor Miklos Pfeiffer (who is now a canon of Kassa Cathedral and who was for many years Secretary of the International Catholic League IKA), on a confidential mission to Budapest to approach the Soviet authorities and find out whether there was a possibility of Christians and others working together for radical reforms. The results were not entirely negative but eventually the mission failed when the Soviet Government was involved in a life or death struggle against the advancing Rumanian and French troops and Horthy's Hungarian anti-revolutionary forces. Both Bishop Fischer-Colbric and Bishop Majlath took also an active interest in the international peace movement and other progressive movements. Bishop Fischer-Colbric always considered himself as a "champion of the poor", and his tomb in Kassa Cathedral bears the inscription: "Thou hast sent me to preach the Gospel to the poor".

Hungarian Bishops and monasteries have at different times distributed some of their lands to poor peasants, and it is known that the Vatican has at different times urged them to do more in this respect. There were two reasons which caused them to fear the consequences of a large scale distribution of Church lands: the fear that they would not be able to raise sufficient funds for the needs of the Church from other sources, and secondly, the fear to displease the big landlords who, in many cases, were their relatives or financial supporters of the Church.

Some progress has, however, been made on the way towards land reform. It was reported, for instance, in October 1942 that the Cistercian Order in Hungary put one of its big estates, of about 20,000 acres, at the disposal of a scheme for settling small farmers and that the Abbot of Zirc had made a contribution of 80,000 Pengos to the settlement funds. Eighty farmers' families were to be settled on the land.

Hungarian nationalism was almost universal in Hungary. Everybody, with very few exceptions, considered the destruction of the Old Hungary as a great injustice, and some considered it even as a religious disaster because Ancient Hungary was considered as the work of St. Stephen.

Hungarian Catholics organized systematically propaganda against the treaty of Versailles all over the world, calling XXX Czechoslovakia a nation "controlled by free masons", Rumania and Yugoslavia "uncivilized and barbarian" States.

The climax in this propaganda was reached in the Millenary Celebrations for Saint Imre, Saint Stephen's son, in 1920. These celebrations which were something entirely unique in religious history

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sources, in part from the Hungarian Government Budget. The former Prime Minister Karol Huszar was President of the Organizing Committee. The Pope sent a Cardinal as his special Legate, and he was given royal hospitality in Admiral Horthy's palace. About 25 International Catholic Conferences were organized at the same time: an International Catholic Students' Conference, an International Catholic Young Workers' Conference, an International Catholic Women's Conference, an International Conference of Catholic Members of Parliaments, and an International Catholic Conference against Alcoholism, an International Catholic Physicians' Conference, an International Conference of Catholic Journalists, and International Study Conference of the Clergy, an International Catholic Esperanto Conference, an International Catholic Conference on Literature, and many others. There were about 8 Cardinals (including Cardinal Faulhaber of Munich, Cardinal Piffel of Vienna, Cardinal Mond of Posen) and more than 60 Bishops present. Catholic leaders of all tendencies (most of them Conservatives and reactionaries, but also many progressives and radicals) were invited. They all got free passes on the Hungarian railroads, many got their entire expenses paid, anybody who was interested in going to Budapest of that time, got his passport visa free, travelled half price on most railroads and had many other advantages promised to him. During the preparation for the celebrations, the Hungarian organizers were extremely discreet, but once the foreign guests were in Budapest they were deluged under Hungarian propaganda for the restitution of the "lost territories". The propaganda was extremely efficiently organized, and the results on many of the foreign guests were as favorable as the organizers had expected.

The fact that the majority of the Hungarian Catholics, including the hierarchy and the clergy, are violently nationalistic and are practically blind to the evidence which Czechoslovakia, Yugoslavia and Rumania can bring forward, does, of course, not mean that they approve the Nazi (racist) variety of Nationalism. The hierarchy has ~~XXX~~ always opposed it.

A mild form of anti-Semitism was very common in Hungarian Catholic circles. "There are so many Jewish journalists, lawyers, physicians, why are there not more Catholics?", one could frequently hear. Once a Jew was baptized, he was, however, no longer considered as Jewish. The quota idea (keep the Jews to a certain percentage in different branches of Hungarian life) was popular among many Hungarian Catholics while nobody advocated the complete elimination of the Jews from certain professions.

Socialism was considered as something extremely dangerous, and everything that could be labelled as "anti-Bolshevist" was sure to find strong support ~~XXXXXXXXXXXX~~ among Hungarian Catholics.

Germany was never liked by the majority of the Hungarian Catholics. Italy, Poland and France were the most popular foreign countries. The "traditional friendship with Poland" was always emphasized, and when many Polish refugees came into Hungary in 1939 and 1940, they were well received and protected from any interferences by the Gestapo.

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Italy was another favorite country for Hungarian Catholics. Pilgrimages to Rome were popular. Mussolini was given much praise, particularly since the Lateran treaties, but the word "fascism" was not liked so much. "Mussolini was a good man for Italy, of course in other countries other methods must be used", was frequently heard. The fact that Italy was the only Great Power to encourage openly Hungarian revisionism had, of course, something to do with it.

Friendship for France was more of a cultural than of a political nature. It was necessary to know French to belong to "good society", and French religious literature was widely read among Hungarian Catholic intellectuals. Last year, 1943, the Hungarian Catholic Students' Association published a volume dealing with problems of peace and international collaboration. It was edited in French and sent to all foreign organizations that could be reached under existing postal conditions. Monsignor Tiefenthaler was the Editor of the volume.

Political activities of Hungarian Catholics will be discussed in a separate study.

CONFIDENTIAL**HUNGARY TO - DAY****A STUDY OF THE ATTITUDE OF HUNGARIAN RELIGIOUS CIRCLES
TOWARDS FEUDALISM, DEMOCRACY, GERMANY, AND THE UNITED NATIONS****III.****POLITICAL GROUPS AND TENDENCIES OF HUNGARIAN CATHOLICS**

Before the breakdown of the old Hungary in 1918, the People's Party (Nepart) had been a specifically Catholic Party in Hungary. It was founded at the end of the nineteenth century by ~~XXXXXXXXXX~~ Count Mendor Zichy and Dr. Riklos Griger. It was strongly monarchist and patriotic, but advocated social reforms and democratic participation of the ~~XXXXXXXXXX~~ people in the Government. It was dissolved in 1920, when almost all parties in Hungary merged in a Government Block supporting the Horthy regime. The Party never had a majority in Parliament. Nominally most Hungarian Catholics have supported, since 1920, the Government Party. It has, however, always been considered with suspicion by a good many Catholics. Its real organizer and long time its boss, Count Stephen Bethlen, was a Protestant, and so were most of the leaders of the Party. Therefore small Catholic groups grew up outside and against the Government Party.

The most Radical Group was the Christian Social Party of Monsignor Sander Glesswein, who died in 1934. His opponents sometimes called him a "Red", but he was, as President of the St. Stephen's Academy, generally recognized as a very great scholar, so that "good society" forgave him some of his "sins". He took part in all progressive movements. He fought against anti-Semitism and the persecution of left-wing elements, he was for many years President of the (interdenominational) Hungarian Peace Society, of the Hungarian Esperanto Association, and of the Hungarian Association for Women's Suffrage. His political following was not great, and later his disciples continued work in the United Christian Party.

There was also a Christian National Party led by Monsignor Alexander Ernst and Mr. Karol Wolff and another Christian Social Group, led by Stephen Baller. These were rather Conservative in their outlook, strongly legitimist, and for moderate social reforms. They disliked the authoritarian methods of the Government and believed that if there were a legitimate King and a Parliament working in an absolutely Constitutional manner, everything would be so much better. At various times, members of these groups belonged to the Government

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and there were frequent cases of members of the Government Party joining one of these "Christian" Parties and vice versa. Among the leading members of these groups, Karol Huszar was once Prime Minister, Dr. Joseph Vass was Minister of Social Welfare, Stephen "aller" was Minister of Education, and Monsignor ~~XXXXXXXX~~ Sandor Ernazi was both Minister of Education and Minister of Social Welfare.

The "Christian" Parties often changed their names: Christian National Party, United Christian National Party, Christian Social Economic Party, Christian National Economic Party, United Christian Party. At the end of 1933 the "United Christian Party" joined the new People's Party.

On the whole, the United Christian Party was much more reactionary in 1934-1943 than the Parties which had preceded it. In social policies and in stance on the rights of the Parliament, it was somewhat more to the Left than the Government Party, but Legitimization and Fight against Socialism and Communism were the main ideas of most of its leaders.

The Small Landowners' Party had also a considerable Catholic following. One of its leaders was Father Bela Varga, a Member of Parliament from the Balaton-Boglár constituency. In August 1943 he was reported to conduct a campaign attacking the right (anti-Semitic) wing of the Small Landowners Party. He was reported as saying: "As a priest and as a true Hungarian, I consider the Jewish question from the Christian point of view and agree in this entirely with the Holy Father".

In the years before this war, by far the most anti-Nazi and pro-democratic Catholic newspaper in Hungary was "Korunkszava", a weekly newspaper edited by Jenoe Katona, a young writer, and Count Szechenyi, a Member of Parliament. It sympathized with the attitude of the circles around "La Vie Intellectuelle" and "Sept" in France (Jacques Maritain, Francois Mauriac etc.) and with the Young Catholic Democrats in Switzerland. It criticized Italian Fascism and German Nazism, advocated radical social reforms and support for the League of Nations and the endeavors of the democratic powers to establish collective security. Count Szechenyi was a Legitimist. After the beginning of the war, IM "Korunkszava" was forbidden by the Hungarian police under pressure from police. Jenoe Katona remained silent for several years until he appeared in 1947 as a fighting editor in the Budapest pro-Catholic and Legitimist newspaper "Magyar Nemzet".

The two "official" Catholic newspapers in Budapest are "Nemzeti Ujsag" (read by intellectuals) and "Uj Nemzedek" (for a simple mass public). They are non-partisan, in general friendly towards the Government, but in certain cases strongly critical. Laszlo Toth, the editor of "Nemzeti Ujsag", was a member of the ~~XXXXXXXXXXXX~~ Committee of the International Catholic Press Agency of Brussels and was rather pro-democratic and certainly strongly anti-German.

On October 17, 1943, a Conference was held in Budapest, under the chairmanship of the Member of Parliament, Mihaly Balbai, to form a new Christian Democratic party which would take the old

(People's Party). Six members of the Lower House and two members of the Upper House immediately associated themselves with the project, and official notification was made to the Hungarian Parliament. Among them were Mihaly Heibel (Lower House), Father Lajos Maray (Lower House), Canon Lasko Pinter (Upper House) and Karoly Pakota (Upper House). Canon Pinter is a leader of the German minority and is anti-Nazi. When he became, in 1935, Secretary General of German-Hungarian Educational Association ("Ungerlaendisch-Deutscher Volksbildungsverein"), he was the appointee of the Government in opposition to the interests of the German Nazis. From the Small Landowners' Party the deputies Antal Klein and Joszeff Vagoz joined the New Party. On November 15, 1943, the entire United Christian Party joined the People's Party, and Count Janos Zichy, its chairman, was made first President of the New People's Party. In his first speech he declared: "We wish to distinguish ourselves from the opportunist Christians. The aim of the old People's Party was to conserve the Christian character of society, and to repair all damage that the Catholic Church, and Christianity in general, had suffered in our country. We are not putting a new name-plate on our party; we are restoring a name the value of which we have always maintained. We believe and proclaim that Hungary can only perform her historic vocation as a constitutional monarchy... Hungary's social and economic institutions can only be reorganized on the lines set forth in the great social encyclicles of the Popes, and in the Christmas allocutions of the present Pope.... Our party will fight for the former greatness and power of the Holy Crown of Hungary".

Count Janos Zichy was 75 years old when he was elected President of the People's Party. He died a few weeks later, on January 10, 1944. His requiem Mass was sung by Archbishop Czapik of Eger, in the presence of Cardinal Seredi and the Apostolic Nuncio.

Count Maurice Esterhazy was elected as the new President of the People's Party. It comprises elements which are not entirely homogeneous. Some seem to be mainly legitimists, others mainly social reformers. All want Hungary to get out of the Axis camp and out of the war.

It is difficult to estimate the real strength of the Hungarian Catholic Peoples Party. Its influence, according to different reports, has been growing rapidly in Catholic circles.

The Christian Trade Unions have recently become more active in Hungary. On February 2, 1944 they organized a Conference for Southern Hungary in Kattergom, the seat of the Cardinal Primate. A Member of Parliament, Janos Tobler, reported on the coordination of all Christian Social organizations in Hungary. A resolution, which was adopted unanimously, expressed belief in "constitutional conditions, Christian democracy, social institutions based on the Gospel, a more equitable distribution of earthly goods, the right for the peasants to have a say in their own affairs, equal rights for all citizens, justice for all". The Conference also appealed to all intellectuals, artisans and farmers to cooperate with the workers for the establishment of a "really social Hungary in the name of righteousness, justice and charity".

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Hungarian Catholic reactions to the German military occupation of Hungary and the establishment of a Quisling regime are not known yet. On the list of the members of the Quisling Government of Field Marshal Doeme Sstojay, not one is known as a prominent Catholic. There are no prominent Catholics either on the first list of persons whose arrest is reported in the daily press of March 23. Karol Peyer, is leader of the Hungarian Socialists and signed a message to the Italian workers congratulating them to the disappearance of the Fascist regime. He openly expressed the hope that Hungary, too, would leave the Axis camp. Dr. Karol Rassay, whose arrest is reported, is editor of the (radical and liberal) "Esti Kurir" and one of the leaders of the liberal party. Neither of them has Catholic followers. The other persons, whose arrest is mentioned, are less well known.

HUNGARY TO-DAY

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IV.

NOTES ON THE ARMY AND THE

NATIONAL MINORITIES

The situation in the Army (the officers' Corps) may be summarized as follows :

- a) A large part of the older officers and probably a majority of the younger officers are pro-German and to a certain extent pro-Nazi. Admiration of Germany's military efficiency, sympathy for "Western democracy" which might help Czechoslovakia, Yugoslavia and Rumania, sympathy for authoritarian methods are some of the reasons.
- b) A second group of officers, particularly older officers, is Legitimistic and therefore anti-German. It is not likely that they are as strongly entrenched and as efficiently organized as the first group, and they are probably much less numerous. This group includes officers who have been or are active in Catholic organizations.
- c) There may be some left-wing and radical elements in the Hungarian officers' corps. They are, however, numerically unimportant, and nothing is known about any organized activity in favor of liberal democratic ideas in the officers' corps.

The national minorities can be briefly described as follows :

- a) The Germans (Suebians) have a strong Nazi organization, but on the whole real enthusiasm for Nazi ideas is much less general than among the Germans in Rumania and Yugoslavia. That is particularly true for the Catholic organizations of the Hungarian Germans. Many Germans have been entirely or partly Magyarized, talk Hungarian as well as German or better than German and have much more genuine allegiance to the Hungarian State than to the German "Volkstum". Many have joined the Nazi organizations under pressure. There are, however, also many genuine Nazis among the Hungarian Germans, though probably not a majority.
- b) The Slovaks are very dissatisfied with their situation in Hungary. The considerable Slovak minority was tremendously increased when Hungary annexed large parts of Slovakia in 1939. Some Slovaks tried to develop a peaceful collaboration with the Hungarians, but the

results were not encouraging. Recently the Slovak Bishop, Michael Bubnic of Roznava (Hungary) resigned as Episcopal Chairman of the Slovak Catholic Youth Association in Hungary, as a protest against the unjust treatment of the Slovak minority by the Hungarian authorities. The Slovaks hope for a reunion with Slovakia or Czechoslovakia.

c) The Rumanians in Transylvania were the most progressive and democratic of all Rumanians and mostly followers of the Peasants' Party of Juliu Maniu, who is himself a Transylvanian and a Catholic. They are persecuted now and wish to be reunited with Rumania. As they were annexed by Hungary at the behest of Adolf Hitler, their sentiments which were always rather anti-German are now more anti-German than ever, and it can be assumed that an overwhelming majority wishes for the victory of the United Nations. Their press, in particular "Patriu" in Cluj (Kolozsvar), was very pro-French and anti-German. At this moment, Transylvanian Rumanians in Hungary have no political representation.

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CONCLUSIONS REGARDING PROBABLE DEVELOPMENTS IN HUNGARY

- I. There are no reasons to suppose that after the defeat of Germany pro-German or similar forces will be a potential danger in Hungary.
 - a. The peasants of German descent are massed more densely in the villages around Budapest and have kept alive many Swabian organizations. It is only when the Germans dominated Europe that the racial ties have been revived. The German ring around the capital has certainly made an impression on politics in the Hungarian parliament. When German domination is terminated, German minorities will succeed in effacing themselves.
 - b. The pro-Nazis came mostly from the middle classes. This was not a racial nor an ideological phenomenon but a struggle of frustrated ambitious middle class men using brutal means to improve their position. This also will not remain a danger when there is no longer an outside support. In orderly and healthy society there is little opportunity for such tactics to be successful.
 - c. The majority in the army (i.e. the career officers and soldiers) admire the tradition and efficiency of Prussian militarist class and despise the unmilitaristic democracies. If the defeat of the German army is complete and the suppression of military organization in Germany is carried through, the Hungarian Army class will lose its pro-German character. As the very essence of the Army class in Hungary is to be an imitation of Prussian militarism, measures to diminish the Hungarian Army class will also be necessary.
 - d. There are no deep totalitarian tendencies in the Hungarian people. The only way in which totalitarianism could grow would be if a totalitarian state seemed the only way to save the national rights and existence.
- II. It would be unrealistic to expect direct democratic tendencies to prevail in Hungary.
 - a. The Socialists (insofar as they have withstood the increasing popular appeal of Communism) are pro-democratic. If there were completely free elections they might have deputies (five times more than now) but this would not be more than six or seven percent of the nation.
 - b. The different Christian democratic groups might have a following of about 20% as there are quite a number of energetic rural parish priests who are making the peasants conscious of their rights.
 - c. The large masses of poor peasants and workers are fatalistically passive and more or less resigned if they have the bare necessities of life. They are not of the mettle to make lasting revolutions and seem to fear the responsibilities which come with democracy.

III. The sound approach to bring about a sound, although slow, pro-democratic development in Hungary is by the exploitation of the individualistic and at the same time universal elements in the Hungarian tradition.

- a. Next to Germany there is, perhaps, no more nationalistic country than Hungary. The idea of the virtues of the nation of St. Stephen colors practically all Hungarian movements.
- b. The Legitimist movement which is stronger in Hungary than in Austria is not so much in favor of a particular dynasty as in favor of maintaining Hungarian greatness in its royal glory. If it should become clear that Hungary has better chances to be really independent as a republic, the same legitimists would be the most ardent republicans.
- c. The changes to be brought about in Hungary can only succeed if they prove to be loyal to tradition continuing the strictly Hungarian line. In the discourses of Cardinal Seredi, of Kallay, Zichy, etc. of the last two years there are excellent themes which could be used as the basis of pro-democratic development. For instance, the discourse of Cardinal Seredi, May 1948, before the Hungarian Catholic press defending the rights of man: human dignity, human equality, human liberty and the discourse at the last session of St. Stephen's Academy condemning the "foreign doctrine of racism" in the name of the idea of freedom.
- d. These affirmations of the primacy of man over the state which are at the bottom of Hungarian tradition are, in fact, universal although Hungarians are convinced they are most proper to their tradition. France and Belgium will retain the greatest spiritual and cultural influence in Hungary but there has up to now been no nation to which Hungary looked as a model in political life. The political tradition of England is generally misunderstood and the political foundation of America nearly completely unknown. It would be of great importance for long range diplomacy to show how America especially has realized in the tradition grown out of the Declaration of Independence and the institutions among which the Supreme Court is the most outstanding, the great things which Hungarians have dreamt of. There is no doubt that the vulgarization of the writings of the Founding Fathers might create a bond between Hungarian tradition and democratic tradition.

IV. If the United Nations realize quickly the necessary social reforms, assuring a minimum standard of living without making this depend on party politics they will be strongly supported by the immensely majority of priests and the majority of the bishops. In fact, Pope Pius XI had ordered the distribution of lands to the small farmers by the religious orders, but died before his measure could be fully applied. Even now individual Benedictines, Cistercians and Premonstratensians continue dividing their estates. The Cardinal has made strong statements about social justice in 1948 and if social democracy is hastened, education and political democracy will soon moderate the tendency to explosion which is inherent in nationalism. It is only when nationalists have no occasion to learn how to discuss matters fairly and to take personal political responsibilities that nationalism is dangerous.

Present situation in Hungary
and the feelings of the dif-
ferent groups of the popula-
tion with regard to Germany
and the United Nations, sub-
mitted by Miss Betty Carr.

March 28, 1944

A close study of social and political conditions governing the structure of Hungarian aristocracy reveals the difficulty of drawing a strict demarcation line between pro-Allied and pro-Axis elements in the Hungarian aristocracy. The wealthy Hungarian aristocrats definitely sympathize with the Allies and their policies but mainly because of their personal economic and financial interests. Such interests are linked with British, French and American financial affiliations of Hungarian banking institutions, holding investments of the Hungarian agrarian aristocracy. Following the defeat suffered by Hungary during World War One, Hungarian currency sustained increasing depreciations, which greatly affected the material welfare of Hungary's wealthy aristocracy. Thanks to the assistance which they were able to obtain through leading foreign clerical and diplomatic channels, Hungarian aristocrats managed to secure in 1924 a loan in London supported by the League of Nations. Thus the ruling element in Hungary was saved from utter bankruptcy and as a result kept up its sympathies for French, English and American finance. In addition, the Central Democracies refrained from interfering in the system, thus enabling the Hungarian aristocrats a firm grip on agrarian wealth and administrative control in their country.

Generally speaking, the higher aristocracy from the very beginning of the present Horthy regime showed little interest in political matters. Nevertheless, a good many, under the leadership of

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Count Anthony Sigray or the late Count John Zichy were pro-Habsburg. Some became outright Nazis, including leaders such as Count Palfy-Daun, Count Fidal Palfy, Count Dominic Festetics. The Liberal leaders among the Hungarian aristocracy were Count George Apponyi and Count Michael Hildik, whose sympathies were definitely pro-Allied.

The rise of Hitler's power brought very far reaching changes in Hungary, it frightened the exponents of feudalism. Their influential organizations (they controlled the Upper House, the OMGE - Agricultural Federation of Landowners, as well as the Clericals) did all in their power to oppose the rabble rousing Nazi Party in their country. Hungarian Nazis insisted on an agrarian reform but were defeated in November 1938 at the time of the first Imreedy Government. The situation for the wealthy aristocrats became increasingly critical following the reelection of Count Gyula Károlyi in the Upper House on April 1, 1939 who, though leading this group, favored agrarian reform. Conditions which developed during the past few years have dealt a very serious blow to the former dominating position of the Hungarian aristocracy. Their power, derived from their ownership of large estates and the influential position which they occupied in many organizations in their country, was also due to the fact that they operated as trusted agents of powerful British, French and American financial interests. It is generally believed that unofficially the financial backer of Hungarian aristocrats is Sir William Gode, Under-Secretary of the British Food Ministry and head of the British group in charge of European recon-

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struction, who is represented in Hungary by Tihamer Fahinyi, Director General of the Mittelbank.

The approaching danger of a Russian invasion therefore terrifies the Hungarian aristocrats, who only see salvation of their existence in power if an Anglo-American invasion does materialize.

The next important political influential element in Hungary is the higher Catholic clergy, which is anti-German, and the anti-Nazi attitude of which is well known. Nevertheless, a large number of Protestants in the Swabian area is friendly disposed to Germans in spite of Nazism, this being due to their own German origin. The Protestant clergy take a different attitude. Bishops like Dr. Ravasz are strong nationalists, favoring both the Horthy regime and Hungarian Fascism, but at the same time continue to be anti-German. On the other hand, Lutheran clergy are more friendly to Germans, although only very few among them are outright Nazis.

The threat of the approaching Russian invasion leads one to study the position and attitude which is now taken by the Social Democratic Party. For the past twenty years this Party has been decentralized simultaneously by both ruling classes and gradually more and more by the Hungarian Nazi movement. Threats from Hungarian Nazis were manifested openly and increased as Hitler's regime extended its influence over Hungary for the first time. But in the last two years the Social Democratic Party showed a party tendency toward the Social Democrats' freedom of action with a view to possibly exploiting

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the latter's position during a transitional period. As exposed in an article which appeared at the end of December, 1942, in the Budapesti Népszava, the official publication of the above Party, it was evident that as a basis for Hungary's future welfare the policy and ultimate goal of the Social Democratic Party are the institution of democracy and an adoption of the spirit of Western civilization. It is significant that the membership of the Social Democratic Party has been greatly increased, and that people of the middle class are backing the Social Democrats in the apparent belief that Soviet Russia will look favorably upon this Party. It would seem to be a fact that in spite of the services rendered by the Social Democratic Party to the Horthy regime, in supporting the latter's dictatorial policies by means of favorable parliamentary action, the Social Democrats are not supporters of Horthy and they are still less in favor of a pro-German policy.

One cannot deny the fact that at one time the Hungarian Social Democrats pursued a revolutionistic policy but during the past fifteen years this policy was obtained in a negative way only, the Social Democrats having refrained from giving it their active support.

The following summary may serve to illustrate the attitude which is taken by the Hungarian military class. The high ranking Army officers have always been educated in the west in the spirit of a liberal education and have always admired the efficiency of

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German military training. General Csataj and General Szombathelyi personify the class of Hungarian high ranking officers in this respect.

Conditions are different with junior Army officers. Before participating in the Russian campaign the younger officers were pro-Nazi, but those among them who took part in the battles of Russia and sustained heavy losses on account of the unsatisfactory equipment given to them by the Germans, may have given up their former Nazi sympathies. It is known that the "Szekely Hadosztaly" Secler Division, comprised certain units which were openly anti-Nazi. It is further known that General Raday and the former Minister of War Nagybaoni Nagy Vilmos are opposed to Nazism. Nevertheless, all junior Army officers are nationalists and ready to defend the territory Hungary recovered following the territorial adjustments made in Vienna. It is also doubtful whether junior Army officers would oppose the German Army unless the Allies were to offer them effective armed assistance.

At the present stage of the war it is not possible to determine in a concrete manner the definite attitude which is taken by the middle classes in Hungary. This is due, to no small extent, to the heterogeneous elements which make up the Hungarian middle classes. Numerous civil servants, professional men, and others are of German origin. Since the entry of Hungary into the German sphere of influence, they have resumed their original German names and revived their German traditions. It should be pointed out, however, that these classes

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ments have shown in the past a sense of submission and may be expected to show obedience to the recently established Hungarian Nazi regime to the same extent as to other governmental regimes in the past, including the Károlyi, the Bolshevik and the Horthy regimes. It may not be amiss perhaps to make mention of the antagonism existing in Hungary between German Nazis who have been supported by Miklós, Rajkó, Imre, etc. and the Arrow Cross Party which is headed by Major Bálint and Gen. Ch. Horthy. The members of the Arrow Cross Party are essentially Hungarian nationalists and firmly resent the fact that in setting up a Nazi puppet regime, the Germans ignored their existence.

In so far as the present attitude adopted by the peasants is concerned, it is necessary to make a distinction between independent farmers, agricultural workers employed by large landowners and occasional merchants. No reliable information is available on the membership of the Peasant Federation or "Party of Small Landowners". There is no doubt but that these people hate the Germans, not only because of Nazi crimes, but because of an age-long traditional hatred. The poor merchants have no political convictions, they may be expected, due to their starvation regime, to turn communist or join groups of extremists.

Additional data on Hungarian peasantry is attached for further reference purposes.

Relating to the latest events, German propaganda was originally reported by the press of German invincibility, although a certain portion of the population in Hungary, as has been Allied information had

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been accessible for some time past, entertained serious doubts about such German claims. In fact, a certain pessimism was illustrated not only in the Hungarian Opposition press, but even in articles written by men such as Mikolay who were on the Nazi payroll. In view of the latest developments and the recent German occupation of Hungarian territory, it must be realized that opinions on German propaganda in Hungary, expressed about a fortnight ago, are no longer of practical value.

HUNGARIAN PEASANTS

The agricultural population of Trianon Hungary:

Landless peasants.....	1,644,855
Peasants owning landed property from 0 - 10 cadastral yokes (1 cad. yoke equals 1.3 acres).....	2,021,164
Peasants owning landed property from 10 - 100 cadastral yokes	757,655
Landowners and tenants owning 100 cadastral yokes	25,139

The above ratio sustained only minor changes in 1942 and 1944 when out of the 1,207,000 cadastral yokes of confiscated Jewish land, 106,000 cadastral yokes were distributed among small holders and members of the Vitezi Szek (Heroes Order). Basically, the picture remained the same.

Landless peasants and under-privileged members of group two (0 - 10 cad. yokes) together with their family members number about 4,000,000. The so-called "three million beggars of Hungary" live on the edge of starvation. In the 1940 autumn volume of the Hungarian quarterly, Michel Kerec wrote about these masses as follows:

"For political and social reasons it is imperative that something be done to provide the landless peasant with land, for the landless masses easily become an element of trouble". (Land Reform in Hungary)

Kerec's analysis was based on the experience of the last two years, when the Hungarian Nazi and Fascist Parties, the so-called Arrow Cross movement, achieved tremendous success among these landless starving peasant masses, by promising them the looting of land belonging to the hated aristocracy or the property of Jews. The political situation of these peasants, mostly landless laborers, farmhands,

of laborers with only a little land, as well as owners of so-called dwarf-holdings, largely resulted from a pact concluded in 1921 between Count Stephan Tisza, at that time Prime Minister of Hungary, and the Social Democratic Party and Unions. In those days - after crushing the Bolshevik Revolution and also the liberal elements, the all-powerful Hungarian Prime Minister threatened the Social Democrats that their Party and Unions would be dissolved and outlawed and they themselves persecuted if they did not stop organizing the agricultural population, chiefly landworkers, farmhands and small farmers. The Social Democrats agreed, and as a result their Party lost the support of the masses of the peasantry, which they had enjoyed for almost twenty years. Organized labor was the work of the outcast, due to terror and continuous economic hardship, to give enough weight to the Social Democratic organizations, hence a large number of the landless laborers, farmhands, owners of dwarf-holdings, became the supporters of the pro German Arrow Cross movement.

A large and ideologically well organized section of the above elements has sustained for years the influence of Imre Kovacs and of his allies (the so-called Village Organizer Movement). Imre Kovacs and his associates, among them Hlav, Peter, Hlilocher, Zoltan, etc. have kept about 100,000 laborers of poor peasants, leading them systematically and violently against democracy. In agriculture, agrarian reform, the establishment of cooperatives, etc. This group is pro-Allied and in some instances is pro-American. Some cooperative villages and settlements have been formed in other villages of Hungary.

Another group of agricultural workmen adheres to the Social Democrats. This group which is now formally affiliated with the Social Democratic movement is growing daily. The Social Democrats, with the approval of the Hungarian Government, conducted organizational activities throughout agrarian districts on a large scale. The name of their organization is:

FOLDMUNKASOK ORSZAGOS SZOVETSEGE
National Federation of Agricultural Laborers

In 1924 their Chairman was Ferenc Hader, a Social Democratic member of the Hungarian Parliament, the Vice-President was Vilmos Zentai, and Lorincz Balcz was secretary.

This organization is gradually, during the past few months it has won over thousands of former Arrow Cross supporters and has been able to attract interest among formerly indifferent people.

The lower peasant class (from 0 - 10 cadastral yokes) and the middle class peasant (10 - 100 cadastral yokes) are split into three organizations.

1. The Agrarian Group of the Government Party (Magyar Fels. Partia)
2. The Smallholders Party (Hungarian Starvation or Political Part.)
3. The Peasant Federation.

The political movement of the Hungarian small and middle class is active. It is a powerful movement under Nagyendy Szabo, who has not yet been named. Later, Gust Gaxton reorganized the small and middle class movement under the leadership of the wealthy class of

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owners of average size farms. But the Small Farmers' Party could never regain its former importance because the Government and the counties' administration terrorised them during the election campaign. The Small Farmers' Party and the Peasant Federation or Peasant Union which is under the political influence of the Small-holders' Party are strongly pro-Allied and Democratic organizations, more and more so as time goes on. Tens of thousands of new members have joined the two organizations during the past 15 months. This expansion results from the courageous policy of the Party, whose leaders openly opposed the war, Hungary's adherence to the Tripartite Pact, etc. One of the Small-holders' Party's leaders, Bajcsy Zsolt, Member of Parliament, was among the first who openly attacked the Kallay Government last year. In December 1943 he made the following declaration in the Hungarian Parliament:

The War with Russia is a fait accompli with which a certain Government has confronted Hungary. The Small-holders' Party had never failed to protest against this fait accompli and had voted against Hungary's adherence to the Three Power Pact. On the occasion of its signature, Teleki had given the assurance that a "casus foederis" would take place in the event of a third party attacking the signatories, and had added that even in such a case he would examine the matter before declaring war. Thus far a casus foederis has not developed.

According to the Small-holders' Party, Hungary was under no obligation to sacrifice a single soldier in this War. Nevertheless, Hungary was given her soldiers and allowed her to be a fully equipped Army to be destroyed. Having sacrificed her sons, Hungary must completely retire from the war and should not be accused by Germany of breaking a contract or failing to live up to her promise.

In addition, the politically active members of the underprivileged peasants, are organized into pro-Allied groups, whereas only a minority supports organizations such as the Arrow Cross Party and the League of National Regeneration.

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THE SWABIANS THE GERMANS IN HUNGARY

According to the 1941 Hungarian census, 719,762 inhabitants in Hungary consider German as their mother tongue, this amounts to 4.9 per cent of the total population. 543,045 claim to be Germans, viz 1.6 of the total population of Hungary.

The Hungarian Germans are opposed to the Allies; not only those whom they regard as Nazis, but also those who claim to be Germans loyal to Hungary.

As is known, the Germans in Hungary gave 40,000 men to the Waffen SS in 1942 and 1943. Not only these men, but all active members in the various organizations of the Deutsche Volksgemeinschaft in Hungary also swore allegiance to the Fuehrer.

Their official leader, Dr. Franz Baczly, repeatedly made statements showing that these Germans consider themselves a State within a State.

To illustrate the frame of mind of these Germans in Hungary who claim to be loyal Hungarians, the following is a typical quotation. At the meeting of the German Cultural Association in Hungary, Friedrich Hiltner expressed the following sentiment:

Europe and Germany need a strong Hungary. Hungary on the other hand needs a strong and powerful Germany.

It can therefore be said in conclusion, that all Germans in Hungary, including those who claim to be loyal Hungarians, are opposed to the Allies.

Present conditions in Hungary,
submitted by the Overseas News
Agency with whom Mr. Irving
Sherman is in contact.

MEMORANDUM - HUNGARIAN

HUNGARIAN ARISTOCRACY

THE HUNGARIAN ARISTOCRACY IS THOROUGHLY PRE-OCCUPIED WITH THE POSSIBILITY OF CONSERVING ITS CENTURY-OLD PRIVILEGES AND MAINTAINING THE FEUDAL SYSTEM, THAT IS, THEIR LANDED ESTATES, IN HUNGARY. THIS IMPLIES THAT THE ARISTOCRATS ARE BORN REACTIONARIES. THEY ARE THEREFORE TO A CERTAIN EXTENT ANTI-NAZI, AS EVEN NAZISM DENOTES A CERTAIN KIND OF SOCIAL CHANGE, AND THE ARISTOCRATS DO NOT FAVOR ANY CHANGE, BUT COMPLETE STAGNATION.

THE QUESTION WAS PUT TO ME WHETHER HUNGARIAN ARISTOCRACY WAS PRO-ALLIED OR NOT. I THINK THE WORD "PRO-ALLIED" IS TOO COMPREHENSIVE A WORD FOR THEIR ATTITUDE. IF SOME OF THE HUNGARIAN ARISTOCRATS MIGHT BE INCLINED TO FLIRT WITH THE ANGLO-SAXONS, WITH WHOM THEY HAVE PERSONAL AND SOMETIMES EVEN FAMILY CONNECTIONS, THEY HAVE NOTHING BUT FEAR AND HATRED FOR RUSSIA. THE POLICY OF THE ARISTOCRATS COULD, IN MY OPINION, BE DEFINED AS FOLLOWS: ANXIOUS TO HOLD THEIR LANDED PROPERTIES, THEY HAD TO LEAN ON THE AXIS, AND SPECIFICALLY ON THE REVISIONIST POLICY, WHICH HAS BEEN THE OFFICIAL POLICY OF HUNGARY SINCE 1918. DEMOCRACY REPRESENTED BY THE ANGLO-SAXONS IS AN ENEMY OF FEUDALISM, WHILE NAZISM, DESPITE ITS REVOLUTIONARY CHARACTER, LEFT THE JUNKERS IN POSSESSION. FOR THE ARISTOCRATS, THE CHOICE WAS INEVITABLE TO TAKE SIDES WITH THE GERMANS. CERTAINLY, THEY WOULD HAVE PREFERRED TO KICK THE GERMANS OUT AND TO MAINTAIN AN EXCLUSIVELY HUNGARIAN FEUDAL REGIME, BUT AS THE SHADOW OF STALIN SHROUDED CLOSER AND CLOSER OVER HUNGARY, THEY HAD NO CHOICE BUT TO ADHERE TO HITLER.

THE FOREGOING IS SUBSTANTIATED BY THE WHOLE TREND OF HUNGARIAN HISTORY, IN THE COURSE OF WHICH THE GERMANS WERE ALWAYS THE NATURAL ALLIES OF THE RULING CLASS. AS LATE AS JUNE 27, 1943, PRIME-MINISTER KALLAY DECLARED IN THE HUNGARIAN PARLIAMENT: (HARC --- JULY 31)

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"THE PARCELLING OUT OF LAND IS ANTI-SOCIAL."

MARG (JULY 31) REMARKED EDITORIALY:

"THE HUNGARIAN RULING CLASS LIKES TO SHOW OFF ITS KNOWLEDGE OF THE ENGLISH LANGUAGE. ITS MEMBERS PLAY GOLF WITH FOREIGN DIPLOMATS. IT WILL EVEN POKE FUN AT GERMAN CLUMBINESS. BUT THEY DERIVE THEIR SUSTENANCE FROM THAT CLUMBINESS. THE GERMAN ALLIANCE SECURES THEM THEIR RULING POSITION AT HOME, WHILE THEY FLIRT WITH WESTERN SOPHISTICATION."

FUGGETLENSES, BUDAPEST SEMI-OFFICIAL HORTHY ORGAN (JUNE 12, 1943) AS QUOTED BY AZ EMBER (AUG. 1943) DECLARED ON THE OCCASION OF HORTHY'S VISIT AT HITLER'S HEAD-QUARTERS:

"IF THERE HAD BEEN ANY WHO SPECULATED ON DISUNITY BETWEEN THE GERMAN REICH AND HUNGARY AS TO THE METHODS AND OBJECTIVES OF THE WAR, THE COMMUNIQUE ISSUED ON THE VISIT OF THE RESENT MUST HAVE COME AS A GOLD SHOWER. LONDON PROPAGANDA WILL NOW UNDERSTAND THAT THE LINE OF FOREIGN POLICY, WHICH WE HAVE FOLLOWED FOR TWENTY YEARS IS NOT ONE OF OPPORTUNISM."

IT IS SIGNIFICANT THAT ARISTOCRATS ARE TO BE FOUND EVEN IN THE ARROWCROSS PARTY, WHICH SIDES OPENLY WITH NAZISM. AMONG THE MEMBERS ARE NAMES SUCH AS COUNT NICHOLAS SERENYI AND A COUNT SZECSENYI.

THE HIGHER CLERGY

IT WOULD CERTAINLY BE INCORRECT TO STATE THAT THE HIGHER CLERGY HAVE ANY SYMPATHY EITHER WITH THE ANGLO-SAXONS OR WITH STALIN. JUST LIKE THE ARISTOCRATS, IT IS MINDED TO PRESERVE ITS VERY LARGE LAND HOLDINGS AND REVENUES. MANY MEMBERS OF THE HIGH CLERGY ARE, MOREOVER, BORN ARISTOCRATS.

WE WOULD VAINLY EXAMINE THE HUNGARIAN PRESS OF THE LAST TWENTY-FIVE YEARS FOR AN OUTRIGHT STATEMENT OF LIBERAL POLICY BY A HIGH PRELATE. IT IS TRUE, ON THE

OTHER HAND, THAT THEY DID NOT SIDE OPENLY WITH THE NAZIS EITHER; THE ATTITUDE OF THE HIGH CLERGY BEING MODELLED ON THAT OF THE VATICAN, THE KEYSTONE OF WHICH IS CAUTION AND EQUIVOCATION. THE IDEAL OF THE HIGH CLERGY, LIKE THAT OF THE ARISTOCRATS, WOULD BE BY PREFERENCE FEUDAL MONARCHY. IT IS TO BE RECALLED THAT THE LATE KING CHARLES WAS BACKED UP IN HIS ATTEMPTS TO RETAIN HIS THRONE BY BISHOP COUNT MIKES AND MANY OTHER PRELATES. IN THIS COUNTRY, THE MONARCHIST PROPAGANDA OF OTTO IS WARMLY SUPPORTED BY MONS. EORDOSH. FOR QUITE UNDERSTANDABLE REASONS, THE HIGH CLERGY IS AFRAID OF NAZISM, BUT AS EVENTS TOOK THEIR TURN IN HUNGARY, THEY HAD NO CHOICE BUT TO EMBRACE IT IN PREFERENCE TO STALIN, OR EVEN TO DEMOCRACY. DEMOCRACY MEANS INDEED RE-DISTRIBUTION OF THE LAND, A BOBBY FOR THE CLERGY AS FOR THE ARISTOCRATS.

CLERGY

NARC (AUG. 28, 1943) QUOTED THE STOCKHOLM TIDNINGEN A) REPORTING THAT: "THE ARCHBISHOP OF HUNGARY, CARDINAL BERADI, HAD DECLARED IN HIS RADIO ADDRESS, DELIVERED ON THE EVE OF THE GREAT NATIONAL HOLIDAY, STE. STEPHEN'S DAY, (AUG. 20) THAT HUNGARY'S ENEMIES HAD WON THE WAR MEANING THE ALLIES.)"

SOCIALISTS

THE SOCIAL DEMOCRATIC PARTY, WHICH IS THE PARTY OF THE WORKERS, PEASANTS NOT INCLUDED, IS UNQUESTIONABLY IN SYMPATHY WITH THE ALLIES. IT IS NEEDLESS TO SUPPORT THIS STATEMENT AS THE WHOLE ACTIVITY OF THE PARTY, AND ITS ORGAN MPESZAVA, WAS ALWAYS DIRECTED TOWARDS AN UNDERSTANDING WITH GREAT BRITAIN AND THE UNITED STATES, AND EVEN WITH RUSSIA. IT IS COMMON KNOWLEDGE THAT THE SOCIAL DEMOCRATS WERE ALWAYS THE TARGET OF ATTACKS BY ALL REACTIONARIES AND THAT THE FIRST ARRESTS MADE BY GERMANS ON THEIR RECENT ENTRY INTO BUDAPEST WERE ALMOST EXCLUSIVELY AMONG SOCIAL DEMOCRATS. THE LATTER ARE THE PILLARS ON WHICH, IN MY OPINION, FUTURE HUNGARIAN DEMOCRACY CAN BE BUILT.

THE ARMY

THE LEADERS OF THE HUNGARIAN ARMY HAVE THE GREATEST ADMIRATION FOR GERMAN MILITARY ORGANIZATION AND IT IS TO BE DOUBTED THAT ONE COULD FIND A LIBERAL-MINDED HIGH-RANKING OFFICER IN SYMPATHY WITH THE ALLIES. THE HUNGARIAN ARMY WAS BUILT CHIEFLY ON THE GERMAN MODEL, AND FROM 1940 ON, IT HAS HAD GERMAN INSTRUCTORS AND GERMAN EQUIPMENT. THE CHIEF-OF-STAFF GENERAL SZOMBATHELYI IS OF GERMAN ORIGIN, HIS REAL NAME BEING SOMETHING LIKE SAUERBRUNN (THIS IS NOT EXACT.) OTHER KEY OFFICERS ARE ALSO OF GERMAN ORIGIN. THE HUNGARIAN-GERMAN MILITARY IS TRADITIONAL IN THE MINDS OF HUNGARIAN SUPERIOR OFFICERS.

ACCORDING TO THE CHRISTIAN SCIENCE MONITOR (BASED ON OWI INFORMATION), MARCH 11, 1944, REPORTED THAT GEN. FRANZ SZOMBATHELYI, CHIEF OF STAFF OF THE HUNGARIAN ARMY, TRIED TO CONVINCED THE HUNGARIANS THAT THEIR DESIRE FOR PEACE WAS "WISHFUL THINKING" AND THAT THEIR ONLY HOPE FOR SURVIVAL AS A NATION LAY IN MAINTAINING THEIR PRESENT ALLIANCES AND "PREPARING TO FIGHT AGAINST ALL ENEMIES IF FURTHER DEVELOPMENT OF THE WAR SO DEMANDED." ACCORDING TO THIS REPORT GEN. SZOMBATHELYI HAS LONG BEEN KNOWN AS AN ARDENT PRO-NAZI.

NON-JEWISH MIDDLE CLASS

THE TERM ITSELF IS SOMEWHAT AMBIGUOUS, AS THE MIDDLE CLASS SINCE 1907 HAS BEEN COMPOSED CHIEFLY OF JEWS. THE NON-JEWISH INTELLECTUALS, INDUSTRIALISTS AND BUSINESSMEN HAVE BENEFITED BY THE ANTI-JEWISH LAWS, AS THE MANY LESS-TALENTED GENTILES OCCUPIED POSITIONS FROM WHICH THE JEWS WERE OUSTED. IT IS TO BE RECALLED THAT JEWS CAN NO LONGER PRACTICE THE PROFESSIONS, INCLUDING LAW, MEDICINE, JOURNALISM, AND IN INDUSTRY AND COMMERCE FEW RETAINED THEIR POSITIONS. IT IS NATURAL THEN THAT NON-JEWISH WRITERS, JOURNALISTS, AND OTHER MAKERS OF PUBLIC OPINION SHOULD BE, IF NOT VIOLENTLY NAZI, AT LEAST "CONSERVATIVE." THEY WANT TO DEFEND THEIR STAKE.

THE PEASANTS

A DISTINCTION MUST BE MADE BETWEEN THE GERMAN-SPEAKING PEASANTS, SWABIANS, AND THOSE WHO INHABIT BURGENLAND, AND ALL OTHER PEASANTS, WHOSE ORIGIN IS HUNGARIAN. THE SWABIANS HAVE GERMAN AND NAZI SENTIMENTE, NARROW-MINDED AND MONEY-MAD. THE BURGENLAND PEASANTS ARE OF AUSTRIAN ORIGIN AND OF NO PARTICULAR POLITICAL COLOR. THE HUNGARIAN PEASANTS ARE AN AMORPHOUS MASS, NOT VERY POLITICALLY CONSCIOUS. THE SMALL PEASANTS WERE REPRESENTED SEVERAL YEARS AGO IN PARLIAMENT UNDER THE LEADERSHIP OF NABYATADI SZABO, BUT THEY COULD NEVER ARRIVE AT ANY REFORM WHICH WOULD HAVE IMPROVED THEIR WRETCHED SOCIAL CONDITIONS. RECENTLY ATTEMPTS WERE MADE BY POLITICIANS, AS WELL AS BY WRITERS, SUCH AS VERESS, KOVACS, AND OTHERS, TO AWAKEN THE POLITICAL CONSCIOUSNESS OF THE PEASANTS AND TO FORM A UNITED FRONT OF PEASANTS, WORKERS AND INTELLECTUALS. IN A DECLARATION ISSUED IN BUDAPEST BY THE UNITED FRONT, ON AUGUST 21, 1943 AND REPRINTED BY MOST OF THE HUNGARIAN PAPERS IN THIS COUNTRY, IT WAS SAID:

TO

"THE HUNGARIAN WORKERS, PEASANTS AND INTELLECTUALS ARE NOT/RE BLAMED FOR THE DEEDS OF THE ORIGINAL HUNGARIAN GOVERNMENT. WE ARE NOT ENEMIES BUT ALLIES OF THE POWERS FIGHTING NAZI IMPERIALISM."

THIS AND SIMILAR MANIFESTATIONS OF ANTI-NAZISM ALWAYS EMANATED FROM A RESTRICTED GROUP, WHILE THE GREAT MASS OF THE PEASANTS REMAINED POLITICALLY UNEDUCATED. THEY ARE OPPOSED TO THE GERMANS BECAUSE THEIR FEUDAL MASTERS ARE FRIENDS OF THE GERMANS, THAT IS TO SAY, BY NATURAL REACTION RATHER THAN BY CONVICTION. TRUE, FOR CENTURIES ANTI-GERMANISM WAS A SLOGAN AMONG THE PEASANTRY, EXPRESSED BY PETOFFI, BUT THIS TRADITION NEVER GAVE FRUIT TO CONCRETE ACTION, WITH THE EXCEPTION OF THE 1848 REVOLUTION, QUICKLY EXTINGUISHED.

THE PEASANTS REMAIN ECONOMICALLY AND POLITICALLY OPPRESSED AND SUBJUGATED.

CONCLUSION

IN BRIEF, THE LEADERS OF THE HUNGARIAN NATION ARE REACTIONARY AND NAZI-
COLLABORATIONISTS. THE WORKERS CONSTITUTE THE OPPOSITION, WHILE THE PEASANTRY,
NOW AN INERT MASS, IS EXTREMELY MALLEABLE AND OF GOOD FAITH. PERHAPS IN NO OTHER
COUNTRY WOULD PEOPLE BE EASIER TO EDUCATE FOR DEMOCRACY.

The attitude of the various
classes in Hungary towards
Germany and the United Nations
submitted by a prominent Hun-
garian social democrat now
residing in the United States.

VI. 08. 1947

Answers to questions.

1. It is not easy to fathom the sentiments of the Hungarian aristocracy, since it keeps aloof and does not care to discuss them. The following is based upon the general nature of their type! The Hungarian aristocracy has numerous class divisions. The highest and most important of these was known as "aulic," because it was attached to the "aula," court, of the Habsburg dynasty. Since the Nazis consider the head of the former ruling house a "criminal," the aulic aristocrats are strongly anti-Nazi. The Hungarian aristocracy has never been pro-German, because of its opposition to the Hohenzollerns, as opposed to the Habsburgs. Several members of it were known as strongly pro-British, mostly for social reasons and also because British aristocracy impressed them with its "savoir vivre." Otherwise, I do not think that many of them are strongly pro-Ally.
2. The higher clergy in Hungary usually reflects the government's views. This applies both to the Catholic and Protestant clergy, probably somewhat more to the Catholics. Since official Hungary has been at war with the Allies for over two years, the clergy could not have been pro-Ally. It is not pro-German, either, because nobody - with few exceptions - is pro-German in Hungary. Cardinal Primate Seredy has made a couple of strong statements about racial doctrines. The Hungarian clergy does not identify race and religion, and he gave expression to this view. On the whole, the Hungarian Protestant clergy (Lutheran and Calvinistic) has the reputation of being somewhat more liberal than the Catholic one. Just the same, some of its leaders, such as Bishop Laszlo Ravasz, have publicized some pro-Nazi theories.
3. Talking about the period before the official Nazi invasion of Hungary on March 1944, the Socialist Party of Hungary had about 300,000 members and, possibly, a couple of million followers. Actually, they are strongly anti-Nazi and pro-Ally. According to reports, Socialist leaders Karoly Feyer and Arpad Szakaszi were among the first to be rounded up by the Hungarian Quislings.
4. The Hungarian Army does not profess any political views and it is therefore not possible to write about its leanings. It is known, however, that several army officers are Nazis. On the whole, it may be counted upon to follow the established authority, whatever it is, and especially Admiral Horthy.
5. The middle classes are predominantly anti-Nazi and even anti-German. Being anti-German is an old Hungarian tradition. Some members of the middle class, known locally as the "gentry," formed the backbone of the pre-invasion semi-feudal regimes. A small fringe of the middle class forms the intellectual leadership which may be presumed to be in favor of the Allies.
6. The Hungarian peasants used to be very articulate politically, but a quarter of a century of political oppression has changed their habits. The peasantry disliked the Germans. It likes the Americans because there is hardly a peasant without some kinsman in the United States. There is a very vague sentiment toward the

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British.

7. The Hungarian Nazis have made some headway among the Hungarians because they are promising land to the land-hungry. The misguided peasants do not know that "land" is merely a campaign slogan for the local Nazis.
8. The Hungarian people, in general, are torn by doubt about German victory. As pointed out before, they are almost unanimous about disliking Germany. That is not true, of course, about the Hungarian Germans - known locally as the "Svabok" (Swabians) - of whom there must be somewhere near 700,000. Although their ancestors came to Hungary long time ago, they have remained Germans. The Nazis have effectively spread the idea among all Hungarians that a Russian invasion of their country would spell doom. The deep dislike the average Hungarian feels toward the Nazis was clearly revealed, however, when the Hungarians chose to prefer the Russians to the Germans by not fighting for the latter. Presumably, this was the principal cause of the invasion.

If the Hungarian people could have their way, they would very definitely espouse the Allied cause, especially if it were predominantly English and American. But in order to make this an active support, the effect of German propaganda would have to be counteracted. British and American radio and other propaganda would have to be very definite, aggressive and inspiring. The Hungarians want to have the facts, but they also like old-fashioned oratory. A thorough knowledge of Hungarian psychology would be indispensable for effective Allied propaganda. Well-timed, well-put, convincingly expressed it could work miracles.

General William (Vilmos) Nagy de Nagybecson, former chief of staff, descendant of Transylvanian (Sekler) small landowners, is a Hungarian nationalist with liberal leanings. His wife is said to be of Jewish descent. Removed as chief of staff under German Nazi pressure.

General Tibor de Boscanyi - Navas, retired under Nazi pressure, known as a determined anti-Nazi.

General Anthony (Antal) Hellebreath, dean of Hungarian generals, gave ample evidence of his dislike of Nazism.

General Deklava, commanding general of the army corps of Budapest, retired at the request of Germany, one of the most open-minded, cultured and outspoken opponents of German domination.

General Louis (Lajos) Karacsony - Fischer, former chief of Regent Horthy's military cabinet, is a brother of Minister of the Interior Francis (Ferenc) Karacsony - Fischer, the most persistent and determined disciplinarian and prosecutor of Nazi excesses.

General Rudolph Antorka, Hungarian minister in Madrid, a determined foe of Nazism and Germany. Under Nazi pressure, he was recalled by the Hungarian government from his Madrid post about two years ago; a few months ago, he was reappointed as minister to Madrid.

Present trends in Hungary based upon an analysis of the press and radio reports of said country prepared by a former member of the Hungarian Parliament and a prominent leader of the Hungarian Social Democratic party.

1. Broadly speaking, the aristocracy is pro Allied; also the higher clergy, both Catholic and Protestant, as well as the Socialists.

The sections of the Hungarian aristocracy are pro Allied in their sentiments. But there is no Hungarian aristocrat whose feeling toward the Allies would be without reservation. As soon as he hears the name of Soviet Russia, or Slovakia mentioned among the Allies, he becomes a Hitlerite. Would he have the choice between an alliance with Soviet Russia and close collaboration with Hitler, he would definitely choose Hitler.

The Hungarian aristocracy is well aware of the fact that the alienation toward the democracies could ultimately lead to universal suffrage in Hungary. And if the people have the right to voice their opinion in national affairs, it would eventually lead to a certain reform and to the curbing of the prerogatives the aristocracy has enjoyed. Hence the hopes of some of the aristocrats and for quite some time even before the war have pursued a dilatory policy in Hungary.

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Count George Festetics
Count Lajos Szecsenyi
Count Fidel Palffy
Albrecht Prince of Habsburg
Count Joseph Daun-Palffy
Oliver Rupprecht Vitzthum
Count László Serenyi
Andras Mezei
Baron Tibor Kollman

Declarations:

On July 26, 1943, the Swedish "Handels och Sjöfartens Tidning" of Goteborg wrote: "The reign of the entailed estates has brought Hungary to the edge of disaster. The Hungarian aristocrats have considered the neighboring people inferior. This was the reason the Hungarians joined the Germans and the Italians. At first everything went according to Hungary's plans. But the situation has changed. The Hungarians are not contented any longer. They are attempting to withdraw and assert that the Germans are forcing them to stay in the war."

"Argentinisches Wochenblatt" Buenos Aires, from June 13, 1943, wrote: "Zurich June 9 (R) It was reported from Budapest that the Hungarian Prime Minister and Minister for Foreign Affairs Kallay was received by Regent Horthy and reported about his discussion with Hitler."

"Immediately following the audience, Kallay gave the press representatives the following declaration: "Our first duty is to take part in this war, because we are obligated to fulfill our obligations in this respect. My visit to Germany strengthened my conviction that by next summer we shall devote all our time to this task."

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Kelley gave an interview to the correspondent of the Turkish newspaper "Tasviri Kefker". Parts of this interview were given on the radio of Budapest on October 11 1943: "Hungary is fighting against Communism -- and the Prime Minister -- for the defense of itself and of Christian civilization. Hungarian politics with its close and sincere collaboration with Germany can not be imagined."

On November 1 1943, the Budapest radio announced: "Prime Minister Kelley made a speech today in connection with the budget. He said: "The war is closing in upon Hungary from all sides. The nation has to strain all her might in the interest of the war effort. Those who do not support us, are cowardly traitors, whom we shall cast aside. Unhesitatingly do I believe in victory. It is, however, important that enemy propaganda which is increasingly felt in the land should not disturb our ranks. Hungary has never had any expansive intentions. But we shall defend our frontiers under all circumstances. Whatever we, Hungarians, will prevent a revolution. I am proud to proclaim that the Hungarian people have never been so united, as they are now. I have faith in victory and I expect the same from everyone".

On November 13 1943, the Hungarian Telegraph Agency reported: "The members of Parliament and the non-national members just as the President, Prime Minister Kelley and Bela Imredy shook hands and warmly greeted. According to an editorial in the

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"Magyarország" it is in harmony with Hungarian tradition and chivalry that the leader of the Parliamentary majority shake hands with the leader of the opposition. Moreover, we are at war - emphasized the "Magyarország" and there is need for national unity. The newspaper expressed its desire that this Traugott Dax should last beyond the Christian holiday."

On February 20th 1944, the Hungarian Telegraph Agency reported: Prime Minister Kallay said in a speech today said the following: "The enemy is approaching the frontier of Hungary, but our friend, the glorious German Army is holding the line solidly. And I have to emphasize: what would this friend say, if he learned that we doubt his ability to defend us. What will he say to the attitude which is being voiced with increasing frequency: If the Germans defend us, all our good, if not, all is lost. What will the glorious German people say to this Hungarian situation?"

At the end of his speech, Kallay declared: "Walls no one can break, we shall not harm anyone either. But should anyone touch us, we shall all back with all our might. This is our policy. Leaflets, propaganda pieces are being spread in the land. The writers of these leaflets wanted to disturb the Hungarian soil, but they achieved exactly the opposite. Hungary is ready again for peace; we wanted the opportunity to work out ways that a part of its plentiful claims can be realized by peaceful means. We wanted peace and we want peace. But why do not those who promise peace put down their arms? Obviously, because they do not want to see our land in arms."

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if we met them unarmed. These manoeuvres of our enemies can not disturb our ranks. To the contrary, it gives us greater strength, greater readiness to resist."

Stephen Bethlen.

July 15 1939, the 8 Orsi Ujsag wrote: "The friendship with the Axis is above all the merit of Stephen Bethlen and on Bethlen's initiative Gombos continued it."

"I am quoting the exact words of Julius Gombos, who during his Prime Ministry said these things about Bethlen:

"I have to speak with acknowledgement of Count Stephen Bethlen who, as the former Prime Minister of Hungary, served his country for more than ten years. Stephen Bethlen adapted Hungary into the great fold of the European nations.

"I intend to follow the road he started on, because if there is anywhere a need for continuity, it is in the field of foreign policy.

"History will establish what Stephen Bethlen accomplished during the last decade. I am convinced that history will prove that there were many more positive than negative factors."

On December 17 1943, the Budapest radio reported: "During the discussions of the budget, Count Antal Sirogy made a speech in the Upper House. Sirogy praised Kallay's government and added that it was the greatest duty of every Hungarian to preserve peace within the country. Sirogy asserted that there is no real democracy in Hungary, but real democracy. What Hungary's foremost need is, concluded Sirogy in his speech, is the restoration of the monarch. This would not only strengthen the

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the balance of Hungarian politics, but would also guarantee a
order in South-Eastern Europe."

"Some members of the Upper House favored supplementing the
military expenditures, ~~xxxx~~ so that the "Hungarian Army should
have a maximum hitting power."

On September 26, 1943, the Hungarian radio announced:
"At the anniversary celebration of the German-Italian-Japanese
Tri-Partite Pact foreign Minister Ghecsy had the privilege to
make a declaration in the name of Hungary, simultaneously with
Minister Ribbentrop, Mussolini and Minister Sigemitsu. Hungary,
according to Ghecsy joined the Tri-partite Pact, because of her
failure to receive the Trianon Peace Treaty. The aim of this
alliance was to insure peace. The Vienna award presented Hun-
gary with the fulfillment of its hopes. But before the German-
Italian-Japanese-Hungarian group can successfully terminate this
war there will be need for heroism and for great sacrifices.
Hungary wants to take its share in the joint struggle." Ghecsy
closed his speech thus: "We shall continue to fight undaunted.
Our national principles and the culture of Europe is endangered.
At present we are trusting of the nations that are our friends.
Loyalty is one of the unwritten laws of our national honor.
We shall continue with our devotion on the road leading to nat-
ional honor."

The "Daily News" of Budapest wrote on July 1, 1940:
"According to the reports of the "Corriere della Sera",

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the Hungarian Government is emphasizing that the Axis Powers can rely on the cool headedness of the Hungarian Government, on the discipline of the Hungarian Army and the solemnity of the Hungarian nation.

"Foreign Minister Count Stephen Cseky always emphasized that Hungarian revisionism is a European problem that has to be solved within the frame of a general European adjustment.

"Hungary is following the advice of the Axis Powers, because it has faith in Mussolini and Hitler."

"Pesti Naplo" Budapest, August 1, 1939, "From Count St. Cseky's Speech.

"If the mirrored image of the sympathetic mood of Hungarian circles could be projected before the Italians, it could then be established that Hungary is instinctively siding by the policies of the Axis Powers, that is her conviction that this young, formidable dynamic policy has the influence on the future, not only on the future of the European nations, but of her as well. She is sure of the fact that there is no Hungarian interest which would be antithetical to the interests of the Axis and that the common culture unfolded through centuries of cohabitation, developed through and intimate connections between Hungary, Germany and Italy."

"The New York Times" Budapest, July 15, 1943, published an editorial by Leon Kassovitz, member of the House of Representatives:

"Will the Axis still be there for us? What will be

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the fate of Hungary be after the war? Will Hungary be able to insure the development of the Hungarian way of life, or will she be forced to adopt the ideas of the victors and be forced to endure foreign oppression?"

On December 29, 1945, the Budapest Nepszava wrote: "Karl Feyer, interrupting the speech of Imredy in Parliament said: - The government should name all those former ministers who accepted looted Jewish property as presents. - So far the authorities have not answered the interpolation."

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The Catholic and Protestant Clergy were always rather ambiguous in their declarations leaving themselves open toward Hitlerism. Until very recently, they have continuously attacked the democracies and only in the last two years have they voiced declarations which could also be interpreted as anti-Hitler. But it has never been too definite. Nevertheless, only a very insignificant number of Catholic and Protestant clergy have joined the Arrow Cross Party.

Generally the Catholic clergy had an aversion of Nazism, while the Protestants had an aversion of Germans rather than Nazism. Both, however, were saturated with national fascism which could only survive through an alliance with Nazism.

DECLARATION OF THE CLERGY:

"Amerikai Magyar Népszava" wrote on January 13, 1944: "Recently Prelate Nyisztor caused a great sensation in Hungary with the declaration that democracy and liberalism are incompatible with the Catholic Church."

On April 17, 1944, "Egyszeres" of Budapest, Conn. published an article by Dr. L. L. ... Calvinist ... of the ... following the ... Hungary:

"... the clergy ... that the Christian ... under the ... the ..."

• ... a traitor.

... the two comp- ... ally ... ally ... still ..."

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being published about national Socialism as being godless and about the persecution of the Church is a persistent and evil lie.

Let us send a message to our brethren across the ocean that here in the central part of Europe, in the midst of reshaping the world's view point, we still are free and confess to be free, independent and undisturbed Christians. And in our striving for Christian perfection it is not the "over without" that is the issue, but the "overly" that exists within."

"The Journal of the Verhovnya" of November 2, 1941, quoted a speech delivered by Bishop Kevener: "We pray for our soldiers and for the people of the city we beseech them to stand firm in the victory which such as we can obtain."

"We are, of course, not, the result of our victory was in this war. It is in the eyes of history during these dreadful months of 1941...."

On October 15, 1941, the day passed for many years. "On October 15, 1941, at a conference held in the Academy of Sciences, a speech was delivered by the President of the Academy, the late Professor, that the, the being expelled from the Academy threatened that the "Churches are suffering indifferently the persecution of their brethren."

On August 1, 1943, General Count von Borstell said the following: "The result of this analysis is to be that when our

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opponents will have to decide their own and other people's fate, they will follow the point of view of the Consistory and that they will not forget the part Hungary has played in the defense of Europe in the last thousand years. We hope and believe that our opponents will consider - enriched with the experience of the last war - that victors and vanquished share the same fate. We believe that our opponents are well aware of their tremendous responsibility, and is fitted all their decisions and for which they will be held accountable before God and man."

"On August 1, 1943, during a joint conference the leaders of the Catholic and Protestant Churches composed a message to the Christian Churches of England, requesting that the Hungarian matter and the Hungarian Committee be considered open allies."

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Party in Parliament. Our masses are put in the country. That they are unwilling to inform the Socialist Party about the happenings behind the political stage and that they exclude us without constitutional rights from the foreign and the military committees "as unwanted" makes me laugh. They cannot harm us, but the Parliamentary system and principle becomes ridiculous. The government~~xx~~ should not claim a parliamentary regime for Hungary, because it is not true."

On February 22 1944, the Budapest "Nepzava" reported a speech by Karl Fery: "The World War is already lasting 1800 days. Hundreds of thousands have perished. This loss we consider as much more serious than the loss of our treasures and houses. The destruction is approaching our land. That's why the Prime Minister has said a few days ago: every man on deck! However, we have to know what we are fighting for. We, the Hungarian people are ready to fight for the Hungarian nation, for its liberty, for a higher standard of living and for the well being of its people. These days we often hear the slogans: let us unite. Still we are not willing to cooperate with the Arrow Cross Party, or the Liberty Party, or the Government Party."

The Budapest "Nepzava" wrote on September 3 1943: "A right wing journalist stated that at present decisions are being made ^{death} on the ~~the~~ life and ~~that~~ of the nation. The journalist would serve the nation well, and would hasten the development of the nation, if he would stab the knife, he is talking about into his

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own chest. The nation will never die, not even in case the war should be lost. We shall live, but not in Nazi slavery."

According to reports from Stockholm, May 29 1943: "Great news has preceded the prorogation of Parliament. On the last day Carl Payer directed an interpellation to the Prime Minister, pointing out the unprecedented barbarism of the Hungarian military authorities sending 20,000 men to the Russian front without arms and in flimsy summer garments.

"The leader of the Social Democratic Party emphasized that out of thousands of Hungarian Jews perished in the firing line. These unfortunate, hardly more than children, were carried off in sealed wagons under the pretense of labor service, where they are used as cannon fodder.

"The Social Democratic Party presented photographs and documents to the House. These documents prove the mass destruction of the Jewish soldiers on the Russian front. The Social Democratic interpellation was answered as a matter of course. Some members of the Social Democratic Party supported the Social Democratic motion, the Nazis and the Government rejected it. The following is the text of the interpellation proposed."

In November 1941, Carl Payer, Parliamentary Representative of the Social Democratic Party of Hungary and Chairman of the League of Women Social Democrats made an unusually frank speech in the House of Representatives. It amounted to a direct attack on the Government's policy. At present, the Government's policy in Parliament must be regarded as such.

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and the stupidity of a short sighted censorship prevents our words to reach the wide public."

While Peyer spoke, the Congress became noisy. Then Peyer turning to them said: "Your song is yelling in vain. The people that elected you are tired of hearing even your names. And I dare say even now, I am absolutely opposed to the present foreign policy. I am convinced that a new world is coming, in which the value of human life and human labor will have a much greater value than during the present Hungarian conditions. Humanity and equality before the law will reign instead of the rule and violence of today."

On March 17, 1954, the "Trade Week" newspaper of Stockholm in Sweden reported that the "United Democratic Party of America has authored an important pamphlet during the last few weeks. The influence of this party in the public life of the country is constantly increasing. According to last year's membership figures 137 per cent of the circulation of the "Newspaper" (founded since January 1953) has four times the number of members. The Hungarian model of democracy is causing the immediate awareness of all those with Germany and International conferences with the allies."

2. Pro-Germans still dominate the army and supporters can be found in the non-Jewish middle classes.

The backbone of the non-Jewish middle class is composed of government employees. It is important to know that more than half of the Hungarian state budget is earmarked for the salary and the pensions of these public employees. These are the servants of every Hungarian regime, but are particularly inclined toward the extreme right. In general they look upon the western democracies with contempt. The non-Jewish middle class is pro-Nazi, because it expects from the Nazis the ~~best~~ realization of its revolutionary aims. This middle class compartmented ~~in~~ its own story with the "Magyarizk" ideology. But it wants its own Hungary in its own territory. The middle class of Subcarpathia is even more susceptible to Nazism; this part, however, is to a certain extent neutralized by the clergy's latent attitude toward the Nazis. The prominent representatives of this middle class are active across borders and Berlin. For instance:

Helo Imreedy, former Prime Minister
Franz Rajnics M.P.
Karl von Hubny M.P.
János Vékony, editor
Miklós Fenyő, doctor
Andor Jancsó, Minister
Erdős János, Minister
László Károlyi M.P.
Prof. Orosz Mihály
Franz Pálffy, editor
Stephan Müller, editor
Stephan Antal, Minister

* 3 *

already in 1919 ~~was written~~ the Hungarian counterrevolution has written in its banner the basic ideas of race protection. And Hungary's main aim after seizing power, in the name of the young, active, sensitive nationalism to raise racism, the Franco-German and liberalism.

Not only the injustice of the division of Europe is driving us to stand by the Axis Powers. We are not standing by the Axis Powers solely, because they too are demanding from fate justice and the right to exist, but also because we feel that every nation needs a powerful strength which is capable of a liberating social rebirth. We know very well that in addition to a new political order, Europe also needs a social rebirth. And in this rebirth we also need to have part in a European and Christian world."

In 1940, under the leadership of the Hungarian political party, "Propaganda and Education" (Hungarian: "Propaganda és Nevelés") declared that every individual is responsible for every other under the pressure of labor and humanity. The main aim is to achieve Hungary's independence and Hungarian liberation as a result of the war, and to be independent."

"The Magyar" Budapest, June 4, 1940: "All news agencies of Europe are in a state of disbelief at the declaration made by former Prime Minister Tisza today to the 'Workers of the World'."

"The Magyar" also well aware that the genius of the Hungarian revolution is the millions created by the Versailles and Trianon treaties is undeniable. But it has been ever striving to avoid a complete and total destruction of all the people who have been left. It is a terrible and terrible for humanity. The 'Best of the Best' reported a total reorganization of Europe."

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"I am daily convinced that in the steadily growing faith in a new world the great Axis Powers are progressing with gigantic strides toward victory. Hungary joined the Axis voluntarily, because the Hungarian nation was convinced that Germany and Italy were ready to create an order which would insure justice to everyone. In this dramatic and festive hour, we Hungarians have faith in those unforgettable words that Mussolini uttered in Milan: "To the World War's great victim, to mutilated Hungary justice must be extended." We know that justice must be deserved and that it stands. In the thousand years old history, Hungary survived all tests and the present generation will prove worthy of its predecessors."

From "Uj Magyarorszag" Budapest May 11, 1940: George Olah, Member of Parliament and principle contributor to the "Uj Magyarorszag" gave a lecture on "The Position of Our Foreign Policy in Today's World's Struggle". First he related how in the early 1930s the term Berlin-Rome Axis was born in the apartment of Julius Gombos. Mussolini was hardly a few months in power, Germany was a Social Democratic Chancellor, when Julius Gombos pointing on a map of Europe, explained to a few close friends how the German and Italian people are dependent of each other. At that point nobody had dreamed of the cooperation of the fascist and National Socialist empires when Julius Gombos with his finger across the Alps on the map drew the line of the Berlin-Rome Axis. As our policy after the Abyssinian War and Gombos's reveals should clearly indicated, we were the first to see it therefore, we shall not stay away at the harvest.

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During the First World War we were fighting for foreign interests and when it came to our case, we threw away the weapons. We cannot repeat the example of 1918. No Jewish plutocratic conspiracy, no Bence made monarchist conceptions, can turn us away from the path Gombos marked out for us! This is not only a question of honor and loyalty, but the command of common sense and clear vision."

The Transcontinental Press reported on February 1944: Franz Rajnia, Right Wing Representative, declares in Budapest that the Hungarian Army has now only one task: to fight for Europe, for Hitler and Mussolini. According to Rajnia, the present war is a communist Slav attack against the people of Central Europe. This group under Jewish leadership intends to deport the Hungarian people into Siberia."

The Hungarian Telegraph Agency reported on March 11 1944: Bela de-Benakler Minister of Finance in his speech at Baja declared that in these trying days every Hungarian must exercise military discipline. A war can be won only in this manner. While criticism is welcome and demanyi-Benakler, but it must be constructive. Only the government is qualified with all the instruments of directing the war. Those who count on a revolution in this land will be deeply disappointed. In Hungary there will be no revolution."

On November 12 1943, the Budapest radio announced: "Stephen Bence said in his speech at Pecs today: "If Hungary should listen to the voices of the sirens of peace, she would commit suicide."

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in the war on the side of our allies, the Germans and Italians, despite this lack lies incur historical mission and that immeasurable gratitude we feel toward Mussolini and Hitler for the gratification of our territorial demands. In the field of warfare, we are novices, but gladly do we sacrifice blood and lives for victory. We have already sent three-fourth of our weapons, airplanes and transportation facilities to the front. And although our army lags behind the German Army, Japan aid strengthens us and develops us.... The German-Hungarian cooperation is legendary. This close friendship aids our strength, brings us to common triumphs, and leads to victory."

The Hungarian radio reported on March 15 1944: "Minister of War Geyr held a speech today on Hero Square during war festivities at which Stephen Angel and General Szombathelyi were also present. The Minister of War said the following: "The hurricane of war has assailed our land and assailed us with unprecedented fury. In Hungary every man must take part in the struggle of the different elements individually, otherwise everything is lost."

3. Hungarian Parents mostly anti German
but there are many Hungarians who are with
Hitler.

The majority of the Hungarian peasantry is non-political,
caused by its long oppression and extreme poverty. The Hungarian
peasantry, however, can not be considered to have a unified
political opinion or ideology. It never had an opportunity for
a political life, because it has never had a secret
billionaire class.

The Hungarian peasant is only interested in the German pres-
sure upon them and the German peasantry. (In the vicinity of
Buda and Pest (Vienna)). The German peasant is more different,
he is more individual and self-sufficient and more competition. However,
the Hungarians are not only interested in the German
subsidies, but also in the German American and British obligations.
At the beginning, they were very loyal to the Germans, but later, as the possibility
of a German defeat became apparent, they rather tended to turn
back, but it is proved impossible, but we can note the great
loyalty of the Hungarian peasantry.

On August 1st, 1944, the "People's Voice" published
the following editorial: "We are not in a position even
to discuss any more the German situation, when
we are in a position of total independence, we
cannot discuss the German situation and we will discuss
the German situation, the German situation, the German situation,

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because we drew strength from those hundreds of thousands who gathered around the "szabad Szo". We did not delude ourselves with doubtful hopes and we did not recognize the worker just because he also shared the peasant's fate. We have met the industrial worker and we came to terms with him and then we were convinced that there is no power that could deprive us of victory. We are progressing on the road, we have designated for ourselves which leads to total and general victory. We cannot permit any man to oppress another, no one class to rule another, a small nation to be dependent on another only because the other has more planes and tanks. Even those, who a few months ago were the staunchest enemies of liberty are now glorifying it. Let us beware of such false promises they are not sincere. They realize that the world is changing and they are changing with it. They always act according to their own self interest."

The "szabad Szo" is edited by the excellent peasant writer and it is published mostly among the poor peasants of the valley of the river Tisza. Among the chief contributors are Joseph Kovacs, Ferenc Szalai and Laco Kovacs, the most persistently radical and the most progressive members of the "Palm Kutatok" (Village Explorers), who never deviated from their convictions.

On 15 January 1937, the "Mal nap" which disappeared after a brief period of absence, reported: "Zoltan Tilly, leader of the Social Science Party, said the following. "Our plans are clear

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and we proclaim them openly. We urge the middle class to fight with us in behalf of democracy. We shall cooperate with them. We demand the freedom of political life, the freedom of the press and assembly, assembly. We demand democratic elections for the government as well as for parliament. We ask for equal rights regardless of race, nationality and religion. As to our economic policy: we demand land reform, improvement of the quality of agricultural crops and the continuation of industrial development. At the same time, we want the protection of the small business and freedom of commerce. For the agricultural worker we demand social security and a guaranty of continuous work."

The Budapest newspapers reported on June 27 1943, that the Small Farmers Party is increasing its propaganda. "It is distributing one million pamphlets containing its political program; therein the policies of the government are being challenged and demands are being made for equal rights for all."

"L'Etat et le citoyen" under the leadership of Endre Bajcsy-Zsilinszky on September 1 1943: "When everybody is ready to give up the idea of liberty, we proclaimed that the freedom of the citizen can only be justified by a democracy. We said we were fighting for the industrial worker. The two groups were to set up a government. In Hungary the epoch of class struggle should be conducted. Today, the only a few months ago we were fighting for the only liberalism today."

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Let us beware of the false prophets. They are not sincere. We shall remember them."

According to the "Magyar Nemzet" Ferenc Nagy, Representative of the Small Farmers Party, said in Nagyhereny on August 20 1943. "The Hungarian peasantry has found itself. No one can lay politics at the expense of the peasant of this land any longer. If the Hungarian industrial worker will fight against the destructive powers which have been governing the nation for years, he will find the Hungarian peasantry at his side."

On March 15 1941, the "Magyar Nemzet" quoted an article by Jare Kovacs, editor of the "Szabad Szó": "I have travelled through the Budapest area lately. A few things which would shake the country, were I free to describe them. The tragedy of the Hungarian people has reached fantastic dimensions."

The German Democratic News paper of Budapest "Die Deutsche Zeitung" wrote on September 29 1943, "that 20,000 Hungarians had joined the German S.S. Of those approximately one thousand had lost their lives. One camp serving in Vienna, had more than a very un-Germanlike manner some complaining letters. The German Army after all is not so merciful as the civilians. Those that don't understand German well, or do have forgotten the language of their own people, realize that action in the language of their own people."

On December 1, 1943, the "Volksdeutsche Beobachter" announced:
"Additional Hungarian Swabians have volunteered into the
German S.S. Thus our propaganda efforts in Hungary were very
successful."

4. Germans still trying to make the Hungarians believe
the German invincibility.

It is natural that the Germans attempt to convince the Hungarians of their invincibility. But these attempts are not limited to the Germans only. The official propaganda department of Kallay and Antal kept repeating it too, since their regime is allied with Hitler—it will stand or fall with Hitler—and it will stay in power only so long as they propagate undauntedly the victory of Hitler. The Hungarians, however, doubted for a long time that the Germans could win, remembering too well the series of victories of the last war culminating in Germany's defeat. After the sudden collapse of France they were shaken in their doubts. Since the Russian victories their doubts came once more to the fore.

On October 26, the Berlin broadcasted in Hungarian: "Without Germany, Hungary would have been annihilated long ago. It would have been no easy matter for Soviet Russia to conquer the Danube Basin. At the same time Hungary has an important mission in Europe in regard to Soviet Russia. After the cowardly flight of Italy it remains the mission of these two nations to save Europe."

The "Central European" "Dorau" radio said in Hungarian on September 11, 1943: "Jeno Varga, former Hungarian commissioner deputed to Moscow after the war, five million Germans, Hungarians, will be deported to Siberia. But Comrade Varga is mistaken. First of all, Soviet will lose the war. The Hungarian authorities

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know that victory is not far off and are denying most energetically that Hungary is asking for peace."

The Budapest radio said in its Polish propaganda broadcast on August 19, 1943: "The Allies Are gradually realizing that they have underestimated the fighting power of the German army. The Germans are progressing beautifully. Sicily does not count."

On September 14, the Budapest radio broadcasted the following: "The soldier's liberation is the greatest sensation of the last twenty years. Anglo-Saxon-Jewish coalition received a tremendous shock. It became apparent that the Fuhrer never lets his friends down. Nothing is impossible for the German army."

The German radio in its Hungarian broadcast of October 12, said: "Our Allies- and this refers primarily to Hungary- should be convinced that this war is being waged in their interest too. And therefore it is only natural that we expect their support. The German people and our command are ready for all sacrifices in the interests of Hungary."

The Hungarian reported on March 13, 1944: "Bela Varga Kibedy University Professor and Secretary of the Hungarian-German Association went to different cities in Germany to lecture about the Hungarian people and their problems. Varga's trip is an important step in the building up of German-Hungarian friendship."

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1. **Kallay** - Premier at the time of the Nazi occupation; since then has been hiding at the Turkish Legation in Budapest.
2. **Bakach-Bocenyai** - Former Hungarian Minister to Switzerland, forfeited his citizenship when he refused to recognize the new government.
3. **Wodianer** - Former Minister to Portugal, was deprived of his citizenship when he refused to recognize the new government.
4. **Andre** - Former Hungarian Minister to Spain.
5. **Weessenmayer** - German Plenipotentiary for Hungary.
6. and 7. **Baky and Endre** - Under-Secretaries in the Ministry of the Interior.
8. **Imredy** - Leading politician, leader of the Party of Regeneration, one of the Hungarian Nazi Parties; at present Minister of Economy and one of the strongest members of the Cabinet.
9. **Horthy** - Regent of Hungary.
10. **Ullein-Reviscky** - Former Hungarian Minister to Sweden, refused to recognize the new government.
11. **Bacs** - Vice-Premier in the present government until 21 June when he resigned or, more probably, was forced to resign.
12. **Karalyi, Count Michael** - Prime Minister and President of the Hungarian Republic after World War I. Now lives in London. Leader of the Hungarian Exiles in England and titular head of the leftist Hungarians in the U.S.A.
13. **Bethen, Count Stephan** - Former Premier (1921-31), the best known of Hungary's elder statesmen.
14. **Aper** - Former Hungarian Minister to the Vatican, denounced the new government.

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The ex-Premier advised the Ministers to denounce publicly the government's betrayal and to show that the fear of Bolshevism is the root of the trouble. Kallay thought that Horthy should remain if only to salvage what could be rescued for, although the present understate the situation, he refuses to resist the

The writer cautioned the ministers against permitting Hones to have everything as he wants it. He believed these ministers could take constructive measures instead of allowing themselves to serve as a shield for Hones' actions.

The writer noted against partisan operations and sabotage which they had been engaged to the true situation; then, he said, all will work out for the best. The people of Hungary still believe themselves that the Nazis will be victorious in the present situation. This belief Kallay attributed to a fatalistic attitude and the propaganda disseminated by the Nazis.

At the end of his letter, Kallay asked that the communication be destroyed in order to prevent any embarrassment to his hosts, and he stated that his letter should not evoke any political

Field comments: The letter leaves an impression of a desperate and worried individual who is not a very able politician. It is only a matter of time before such repetition.

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... and ... it possibly be given the status of ... with the exchange of national groups. As for Yugoslavia, the country can only be unified once again under a communist regime. The Yugoslav problem could be solved completely by shifting approximately 1,000,000 people. ... is imperative.

A ... based on the assertion that ... Hungary's international situation, ... the superior receptive to Nazism because of the fear of Communism, the Jewish question, the ... and the foolish propaganda of the British, ... Hungary was the only satellite which opposed Germany and it was only the force of arms that the Germans occupied the country. Neither Rumania nor Czechoslovakia ...

... get out of Hungary, ... extended to him. Would ... Portugal, Sweden, ... central country? The latter are aware that ... for this purpose.

... and his ... Hungary, ... would they ... of their ... in the best spot ... central ...

... could follow his ... dictated.

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The former Premier continued by saying that it is impos-
sible for him to get out of Hungary and that Bethlen's where-
abouts are unknown. It is imperative, therefore, that cooper-
ation should not be extended to any government other than the
legitimate one of pre-March 19th.

The attitude with respect to Archduke Otto is different.
He is the rightful heir and if the restoration of the monarchy
is feasible, it would be advisable to try to promote it. Orders
have been sent to Medtner, but Otto will not receive any. A
letter of a president in November.
It is necessary, therefore not to act prematurely.

In the future, I believe that should the Nazis
occupy Hungary with a struggle, it would be best if for-
eign soldiers were not to re-enter. A step of this
kind would be the only one to be considered heroic by the Hun-
garian people. The government's ability to maintain order
will be a great help. However, that an army should be
in a battlefield, only soldiers should enter the country.
Political and economic matters should be excluded. As far as
possible, the military should be kept out. An effort should be made to pro-
tect property and to maintain a neutral position. It is not
possible to predict the nature
of the ultimate result. However, it will take the form of an
army of liberation. It may result in a monarchy under
the leadership of the government of the different nationalities.

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K. Haller

KALLAY'S LETTER TO DISSIDENT ENVOYS

Nicholas Kallay⁽¹⁾, former Premier of Hungary, recently wrote a letter meant for certain dissident Hungarian ministers, especially Andrius⁽²⁾, Wodlaner⁽³⁾ and Ambro⁽⁴⁾, dealing with the situation inside Hungary.

Kallay wrote that although Torgermayer⁽⁵⁾ and the Centapo control the country, they themselves are in conflict. The Centapo, which appears to have the upper hand, is supporting Imredy⁽⁶⁾ and Imredy⁽⁷⁾ while Torgermayer is supporting Imredy⁽⁸⁾. All that the writer has struggled to save in Hungary has been lost. The workers and the peasants can be trusted. The government has been infiltrated and the remainder of the revolution is brewing under the Nazi occupation.

The success of Kallay's coup, which provided for the assassination of the present, was provided by Merthy⁽⁹⁾ recent action with the Centapo and Imredy train. Kallay is still a Communist. He believes that the immediate future promises the Centapo will help in the event of Merthy's assassination. The Agency by Imredy. If these alternatives are not met, then the existing state of anarchy will lead to a total state. The present, Kallay reported in 1941, is still without support and is thinking of the Centapo of the Army is still dependable. The best way to deal with the situation in Hungary. The best way to deal with the situation in Hungary.

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*Hungary
& Kallay, Nicholas*

August 1, 1944

We hand you herewith a report entitled "Kallay's Letter to
Dissident Emvays".

W. A. Kimbel
W. A. Kimbel

IN- 15979 and IN-15978

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quietly with his duties as a professor of political science at Dartmouth College. When asked about the Hungarian crisis, he replies, according to information reaching this Branch, that he prefers to retain his strictly academic character and say nothing.

According to Kerekes, Pelenyi would be "most acceptable" to Hungarian-Americans as well as to Hungarians in the homeland. Kerekes spoke of Pelenyi as a man of "great wisdom" and "considered judgement" whose record was unimpeachable. It was Kerekes' belief that Pelenyi could both unite the Hungarian-Americans and stiffen the resistance of his countrymen in Hungary to the German occupation.

Although he described himself as a great personal friend of Eckhardt's, Kerekes believed Eckhardt to be too "controversial" a figure to assume the leadership of a Hungarian movement abroad. Kerekes characterized Eckhardt as a "coming man" in Hungarian affairs and without doubt the best informed person on Hungarian matters. It was Kerekes' belief that Eckhardt's intimate knowledge and understanding of Hungarian domestic problems would soon prove him to be an "indispensable" assistant to Pelenyi if a Hungarian council were to be organized abroad.

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Although the Movement for Independent Hungary under Eckhardt's leadership had been projected upon a world scale, it was eminently unsuccessful and became moribund in the late summer of 1942. The question now being asked, therefore, is whether the Federation will regard present conditions favorable for a revival of the Eckhardt movement, or whether the organization of one similar to it in function and purpose will be undertaken.

Opinion on the Leadership among Hungarians Abroad

Dr. Kerekes expressed an opinion to a member of this Branch which is illustrative of the sentiment dominant among the Federation's leaders that the possibility of forming a Hungarian government-in-exile is nil. The founding of such a government would, in his opinion, be an infringement upon the sovereignty of the Hungarians as they alone should decide what form of government they desired after the war. For the present, Kerekes saw the preservation of the "legal continuity" of the Hungarian Government in the independent action of Hungarian Ministers Plenipotentiary in Stockholm, Helsinki, Lisbon-Madrid, Bern, and Rome (the Holy See). Kerekes expressed the opinion that the Federation would welcome the establishment of some sort of Hungarian "provisional" council or committee abroad under the leadership of the former Minister to the United States, Jozsef Felenyi, assisted by Eckhardt and the envoys. A considerable group in the American Hungarian Federation, with Monsignor Flermer as spokesman, favors the active participation of Otto of Habsburg in such an arrangement. Westford, in fact, is known as an active protagonist of Habsburg restoration in Central Europe. Felenyi is continuing

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*Spokesman
for Hungary* In view of the Federation's prominence in recent years, the question has been asked: what will its role be in the present crisis? Will the Federation become the backbone of a movement abroad to serve as spokesman for Hungary? And if so, what prominent Hungarians abroad are most likely to step forward as leaders? Or will United Nations policy dictate a course which will leave the Federation ineffectual and on the sidelines? Apparently sensitive to these questions, the Federation, in an official release following the Bridgmont meeting, expressed the view that those peoples without "representation" at the councils determining the future of nations would fare badly. Since the Hungarian people had no contact with the world outside, the release declared, it was the duty of the American Hungarian Federation, "the only free official Hungarian group," to safeguard the "representation" of the Magyars. The release appealed to all "American Hungarians" to support the Federation against its enemies so that it could fulfill its duty.

This stand by the Federation is a continuation, as it were, of the policy it pursued shortly after Hungary's adherence to the Tripartite Agreement (20 November 1940). On 7 January 1941 the Federation declared itself to be "the spokesman of the silenced Hungarian people" and organized in the United States the Movement for Independent Hungary of which Tibor Eckhardt, former deputy in the Hungarian Parliament and a leader of the Small Land Owners (Farmers') Party, became the leader. Such a movement, it was asserted at that time, would prepare the way for the creation of a representative government of "Free Hungary" in the event that Hungary should fall under the complete domination of the Axis Powers—a contingency which now has actually taken place.

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calling for both "active" and "passive" resistance to the Germans. By urging the Hungarians to give tangible physical support, however slight, to the United Nations cause, the Federation hopes to alleviate Hungary's position.

In conversations with this branch various members of the Directorate have reported that they feel the Federation is justified in speaking for the Hungarians who are no longer able to speak for themselves. Dr. Tibor Kerekes, executive secretary of the Federation, expressed the hope that the proclamation might be disseminated widely through arrangements with the United States Government permitting its broadcast to Hungary by short wave and its dissemination in leaflet form by plane. Kerekes also stated that the Directorate had decided to address a memorandum to the President and to Secretary Hull, outlining its program for liberating Hungary and restoring Hungarian American unity in the prosecution of the war. The drafting of both the proclamation and the memorandum had been entrusted to a special committee under Kerekes' direction which was meeting in Washington at the present time. The Federation, Kerekes thought, could also be expected to announce the formation of a relief association for the collection of clothing and medicine to be used in Hungary as soon as possible after United Nations occupation.

Kerekes expressed his belief that the Federation might venture to criticize the radio propaganda directed in the past toward Hungary by the Office of War Information. The premise of such a criticism would be that the broadcasts were directed by "disreputable" persons who were hostile to the Hungarians. Kerekes was of the opinion that OWI broadcasts were "without positive influence" in Hungary.

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to numerous Roman Catholic, Greek Catholic, Protestant, and Jewish congregations, and independent Hungarian organizations.

In Defense of Regent Horthy

Denouncing the quisling Sztojay regime as "unconstitutional," the Federation has come out unequivocally in defense of the Horthy Government.* The Federation

declared in an official statement that Regent Horthy before going to Hitler had taken steps to prevent a German coup by directing the Hungarian Government to oppose such an eventuality and under no circumstances to resign. The Federation has held to the view that during the Regent's visit to the Fuehrer's headquarters 19-20 March Hungary became the victim of treachery and is now subject, along with other occupied countries, to the terror of German occupation. Having for some time taken the position that the Horthy Government had been secretly assisting in the organization of the anti-Nazi front, the Federation appeared to be frankly disappointed when Hungary failed to meet the occupation with resistance. In an official release, "The Hungarian Tragedy," the Federation could find only "bitter comfort" in the occupation since it had expressed the opinion that at the first favorable opportunity Horthy would take steps to free Hungary from her alliance with the "devil."

Directors' Meeting in Bridgeport

As a step in the direction of an ultimate plan for the liberation of Hungary, the Directors of the Federation held a meeting at Bridgeport, Connecticut,

at which they decided to issue a proclamation to Hungarians everywhere

* For comments by the Federation in Magyar, *Magyar Nyelvszavak*, see Hungarian-language Press on the "Occupation of Hungary," FH number B-156, of 4/24/44.

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FOREIGN NATIONALITY GROUPS IN THE UNITED STATES
 MEMORANDUM TO THE DIRECTOR OF STRATEGIC SERVICES
 FROM THE FOREIGN NATIONALITIES BRANCH

Number H-101

29 April 1944

AMERICAN HUNGARIAN FEDERATION
 PREPARES FOR ACTION

The anti-Nazi but pro-Worthy American Hungarian Federation has decided to address a special memorandum to the President and to Secretary Hull outlining its program for liberating occupied Hungary. The Federation will also issue a proclamation calling upon Hungarians to resist the Germans. In the role it has assumed as spokesman for Hungary, the Federation favors the creation of a "provisional" council or committee abroad under the leadership of the former Minister to the United States, John Pelenyi, assisted by Tiber Eckhardt and supported by the Hungarian Ministers plenipotentiary in neutral capitals.

FOLLOWING the German occupation of Hungary, the American Hungarian Federation, largest and most influential of Hungarian-American organizations, has been cautiously feeling its way toward a policy. The Federation began by calling upon Hungarian-Americans to be patient, advising against any "irrational" actions such as mass demonstrations, until their role could be more clearly defined. At the same time it appealed to Hungarians in the homeland "to resist Nazism by every available means, and be ready to fight and sacrifice." Among its members, numbering approximately 90,000, the Federation claims the three largest Hungarian fraternal societies in the United States. In addition

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Both himself saw no reason why Tibor Eckhardt should not be included, especially if there were also some representation of the Left. He was thoroughly convinced that Eckhardt could not head up such a committee because his doing so would lead to an outcry from the liberal press in the United States. Inclusion of some Communist or near-Communist representative, he thought, would facilitate Eckhardt's membership; in that way the committee could be balanced and the press kept friendly.

Both thought that Professor Istvan Vambery, who is chairman of the American Committee for a New Democratic Hungary, should also be included, and he felt confident that Vambery would consent to go along with a committee headed by Tolson.

It appeared to be both's idea that the committee should be used mainly as an instrument of psychological warfare in radio broadcasts addressed to the Hungarian people.

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Hungarian national committee were formed in the United States, where there were more Hungarians than in any other country except Hungary. Acting upon this assumption, he had sent a message to the Department of State suggesting that Anthony Balasy, as the one figure who commanded the widest respect and with whom everybody would be ready to cooperate, should be the committee's chairman. It will be remembered that Balasy resigned as secretary to the Hungarian Embassy in Washington in 1941 following the formal declaration of war by the Hungarian Government against the United States. Toth had acted after consultation particularly with Ferenc Gondor, editor of the liberal Hungarian-language weekly *Az Ember*, and with the Reverend Geza Takaro. The Hungarian Victory Council, of which Toth is chairman, is a relatively small organization made up largely of professional Hungarian-Americans living in New York City. The Council's avowed aims are to promote unity and understanding among citizens of the United States by acquainting them with the historical and cultural background of Americans of Hungarian origin, and to foster American ideals of freedom and democracy among Hungarians residing in the United States.

During the conversation Toth expressed great anxiety lest Moscow should act first and set up a Free Hungary Committee comparable to the Free Germany Committee. It would be a great pity in his opinion to have this happen. The United States was the country to which Hungarians looked and by whose action they could be most readily influenced.

He thought that with some official encouragement from Washington a broadly representative committee could be brought into being. It would not be necessary that the committee have any degree of official recognition, quietly to encourage it would be enough.

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Hungarian descent in the name of the American Hungarian Federation, to be published shortly in the Hungarian-language papers. A translation of the text prepared in the office of this Branch follows.

Brother:

Together with you, we too have been shocked by the news received from the land of our origin. Interest lives and anxiety burns within us. We would like to see clearly, and advise you accordingly. However, news received thus far is so contradictory that it cannot serve as a basis for making a calm judgment. We deem it advisable to await the time when the situation will become clearer and it will be more opportune to take action. We urge you to be patient.

Until then, we remind you that already with our first declaration on January 7, 1941, which was made in the spirit of the Constitution of the United States, we pledged ourselves in behalf of loyal Hungarian-Americans to the ideals of human liberty and national independence. Our stand remains unchanged even today.

And now when the liberty of the Hungarian people and the independence of the thousand-year-old nation has become the victim of tyranny, news of resistance keeping through can strengthen us in our convictions concerning the love of liberty of the Hungarian people.

It is our duty to encourage resistance! Under the present circumstances, this is all we are able to impart to you now.

Be patient, we are awake. America, our country, before everything! We cannot forget, however, that we must make heard the voice of historical conscience for the downtrodden Hungarian nation.

(1)

In conversation with a member of the Branch, 27 March, Louis Roth, chairman of the New York Council of American-Soviet Friendship, said that he felt strongly that working for relief for the present Hungarian victims of a

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dialike for the Czechs and who were genuinely fearful of Russia. To substantiate his assertions he displayed transcripts of OWI broadcasts and compared them with the reactions reported in the official press releases of MTI, already mentioned. Eckhardt appealed to the directors to intercede with the American authorities to take corrective steps with respect to OWI policy.

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ON Friday 24 March the same board of directors was addressed by Tibor Kerékes, executive secretary of the American Hungarian Federation. Kerékes said the Federation had received during February of this year two important documents by courier from Hungary via Portugal. These had been translated into English from the original Hungarian and transmitted to the Department of State. One of the documents was a statement by the Kallay Government explaining its position to the effect that Hungary was not a free agent but simply a tool in the hands of Germany. Under these circumstances, limited cooperation with Germany on the part of Hungary was inevitable.

The second document was said to have been a memorandum written by the Hungarian elder statesman Count Stephen Bethlen, the contents of which were not disclosed.

There was talk by the directors of the Hungarian Reformed Federation of calling the directors of the American Hungarian Federation together in order to discuss the present plight of Hungary and to decide upon a possible policy to be pursued by Hungary in America. The matter remains undecided. Agreement was reached, however, upon the text of a proclamation to Americans of

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MTI, (Magyar Tavirati Iroda - Hungarian Cable Service) dated at Budapest in February.

Eckhardt related (according to the subsequent report) that Horthy was now in Nazi custody within Germany and therefore could not have been in Budapest to administer the oath to the new quiescent government, as some press reports had it. Prime Minister Nicholas Kallay first took refuge in the Turkish legation in Budapest and later, according to Eckhardt's statement as repeated, escaped to Russia. Kallay had smuggled out the statement that the Horthy Government did not resign. Thus it was still the legally recognized Government of Hungary, though unable to function. For this reason Eckhardt thought it unwise, at least for the present, to set up any kind of a Hungarian government or national committee in exile.

Further, according to this report of Eckhardt's statement, the Horthy Government reached an understanding some time ago with the opposition parties to the effect that they organize and carry on underground resistance in case of occupation by Germany. The opposition is composed mainly of social democrats and liberals and includes Eckhardt's own Small Landowners' Party. Since, however, a large number of the six to seven hundred thousand German citizens in Hungary had been armed in preparation for the recent eventuality, Eckhardt thought that the opposition would have great difficulty in carrying on clandestinely.

Touching upon activities of the American Government, Eckhardt is reported to have emphasized the "unfortunate" and "stupid" character of OWI broadcasts to Hungary. They were predominantly "pro-Czech" and "Communist" in character. This approach had simply antagonized the Hungarians, who entertained a definite

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AT THE annual directors' meeting of the Hungarian Reformed Federation of America held in Washington last week Tibor Eckhardt asserted confidentially that he had been in touch with the Horthy Government right along. He had with him official press releases which were dated at Budapest within a month. It will be recalled that Eckhardt arrived in the United States in 1941 as a political refugee and later was publicly deprived by the Horthy Government of his Hungarian honors and citizenship. The disclosure at the directors' meeting that he had nevertheless continued to be in active touch with the Horthy Government raised in the minds of some of his auditors the question whether he had not after all come abroad with the connivance of the Horthy Government.

The Hungarian Reformed Federation is a highly respected fraternal society whose primary function is to provide life insurance protection to its members. After 1948 it assumed considerable political importance as a result of its affiliation with two other important Hungarian fraternal organizations within the larger American Hungarian Federation. Eckhardt met with the directors on Saturday 25 March at the society's headquarters, 1726 Pennsylvania Avenue, and spoke informally for two hours, according to a later confidential statement by one of those present. Eckhardt was reported as saying not only that he had remained in constant touch with the Horthy Government but that contact had latterly been "by courier," materials originating in Budapest coming into his hands within two weeks. Papers which he had with him were seen to include press releases of the official Hungarian press agency

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FOREIGN NATIONALITY GROUPS IN THE UNITED STATES
MEMORANDUM TO THE DIRECTOR OF STRATEGIC SERVICES
FROM THE FOREIGN NATIONALITIES BRANCH
Number H-17H 30 March 1944

CURRENT HUNGARIAN DEVELOPMENTS
IN THE UNITED STATES

- I. Tibor Eckhardt spoke confidentially on the Hungarian situation 25 March to the directors of the Hungarian Reformed Federation. Asserting that he had been in touch with the Horthy Government right along, he opposed for the present a Hungarian government or national committee in exile.
- II. A proclamation to Americans of Hungarian descent has been prepared on behalf of the American Hungarian Federation and will be published shortly in Hungarian language newspapers.
- III. Louis Toth, chairman of the New York Council of Hungarian-Americans for Victory, urges formation of a broadly representative Hungarian American committee under the chairmanship of Anthony Dacey, since there are more Hungarians here than in any place except Hungary and since the United States enjoys special confidence.

MEMORANDUM FOR THE DIRECTOR

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Hungarian ruling clique." Just a month later, the *Journal* conceded that the trip had never materialized. The paper continues, nevertheless, to criticize Pelenyi for allegedly collaborating with the ministers plenipotentiary abroad who once represented the Horthy Government and must be taken to personify a Hungary that is past.

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insinuation was that Trotsky's message would not get Allied backing either. The *Jobo* insisted that the mandate for a government must come from the people of Hungary. It asked whether or not Baron Apor had that mandate and answered, in effect, by pointing to Apor's failure to denounce Admiral Horthy, and suggesting that the commission set up by Apor was simply intended as a legal device to perpetuate the feudal-aristocratic system.

Humors about the ministers *Nagy's Jobo* (10 June) was also the medium for a surprising report that the resigned Horthy minister to London, Ullern-Reyiczky, had "placed himself at the disposal of" Karolyi and his Hungarian National Council in London. The report was contained in what purported to be a Stockholm press cable received by the *Jobo* from the Hungarian American Council for Democracy's *Hungarian Information Bulletin*. Karolyi rejected Ullern-Reyiczky's offer, according to the report, because "his past actions and connections as a leading collaborator with the Horthy fascist dictatorship make it impossible." Other information from more reliable sources indicates that Ullern-Reyiczky remains in Stockholm and has not altered a long-standing conviction that Karolyi has few if any followers in Hungary.

The subject of a recent uncorroborated story featured in the *Nagy's Jobo* was Jozsef Elenyi, Hungarian diplomat now a professor at Dartmouth, who resigned his Washington post in 1940 when Hungary formally joined the Axis and who has been long regarded as the leading candidate of the American Hungarian Federation for a leadership role in a provisional committee abroad.

According to the *Jobo*, one of the Communist press, Elenyi was on the 22 June 1944 in London to form a "government to save the

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*Denunciation
on the left*

Conversely, Hungarian-American leftist groups were revolted by Baron Apor's declaration. Professor Rustem Vambery, president of the pro-Karolyi American Committee for a New Democratic Hungary, was sure that Apor had not the full approval of Allied representatives as reported in the *Times*. Vambery pointed out to this Branch that the *Times* dispatch did not reveal that Baron Apor had broken with the Sztojay Government, even if he did criticize it. If the break had not occurred, how could Apor in strict logic denounce a government which he still represented? If, on the other hand, Apor had broken with his government, could he then be said to represent "officially" anything? Vambery concluded that this move by the Vatican envoy was made to counteract the influence of Count Michael Karolyi and his Hungarian National Council.* He (Vambery) would write a letter to the *Times*.

Professor Vambery's projected letter has not appeared. On its editorial page of 20 June, however, the *Times* published a letter on the Apor affair from John Francis Crane of Woods Hole, Massachusetts, which set forth vigorously every one of the points Vambery had made. Son of the late Charles W. Crane, the signer of the letter is an active student of European affairs. For many years he was a resident of Prague and Rome, and from 1922 to 1925 private secretary to President Masaryk of Czechoslovakia. He is the author of "Italy and the Adriatic" and "The Little Entente."

The Communist daily *Natyon Jovo* (11 June) dismissed Apor's message by comparing it to Imre Eckhardt's now moribund Movement for an Independent Hungary which did not receive official American support. The

* See "The Hungarian-American Left Regroups Behind Karolyi," IN Number 8-212 of 2 June 1944.

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Francis d'Arcy Godolphin Osborne, American and British representatives, respectively, at Vatican City. The message concluded by calling for the formation of a "committee representing the constitutional liberties of Hungary" which would "cooperate in representing and claiming Hungarian freedom and in making every effort to re-establish it."

*Concurrence
from the right*

The rightist American Hungarian Federation which had previously endorsed the idea of such a committee,* lent Apot prompt concurrence through the *Amerikai Magyar Nemzet*, its organ. In an editorial 17 June this daily paper found Apot's action timely. It agreed wholeheartedly with the premise that only those abroad, having a legal right, can make known the "true feelings of the nation and protest against the suppression of Hungarian liberties." The *Nemzet* took the opportunity to deplore the attitude of the world press in not presenting the sufferings of the Hungarian people under the Nazi yoke. The full coverage accorded the Lidice murders was cited in unfavorable comparison.

Uzsoember, largest Hungarian-language daily and also close to the American Hungarian Federation, saw, in an editorial on the same day, an "important step" forward among Hungarian American Catholics because the message was quoted at Vatican City. Emphasis was also laid on the fact that a responsible Hungarian anti-Nazi diplomat who had served Hungary for decades in various European capitals, made this address with the knowledge of the Allied authorities.

* See "American Hungarian Federation Prepares for Action," IN Number 121 of 11 April 1944.

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FOREIGN NATIONALITY GROUPS IN THE UNITED STATES
 MEMORANDUM TO THE DIRECTOR OF STRATEGIC SERVICES
 FROM THE FOREIGN NATIONALITIES BRANCH

Number B-215

22 June 1944

THE STRUGGLE TO REPRESENT HUNGARY

News and rumors from abroad respecting self-opted spokesmen for Hungary evoke: (1) from conservative Hungarian-American quarters approval of the legitimist idea, and (2) from those on the left the scorn felt to be due "rattlers" deserting a moribund regime.

NW. of the denunciation of the Sztojay Government by Baron Gabrielle Apoc, Hungarian Minister to the Holy See, was welcomed by the leadership of the rightist American Hungarian Federation for its legitimist and Catholic implications. The Communists and other pro-Karolyi elements in the Hungarian-American community were as emphatic in sensing a desperate maneuver on the part of discredited adherents of Admiral Horthy to retain control of post war Hungary with Allied sanction.

In his message, which was carried over the Vatican radio and reported in the *New York Times* for 17 June, Baron Apoc had called upon his colleagues in neutral countries to take steps to form a new committee to free Hungary. The message - which declared that "only those who by the right of loyalty represent their country abroad are in a position to translate the true feelings of the nation and protest against the suppression of the centuries-old liberty of the nation" - was assumed by the *Times* reporter to have the full approval of Harold H. Tittmann and

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He reiterated that Eckhardt could do a very great deal toward solidifying and bringing together opinion and elements within Hungary which are anti-Berlin and pro-Allie. He said that Eckhardt is an experienced political leader and an accomplished orator and that if he could speak to the Hungarian people over the radio, the effect would certainly be very substantial. It was Amer's opinion that Eckhardt should not speak from New York, but from Rome or Bari as the effect would certainly be much greater if the Hungarian people knew that Eckhardt was near them and was preparing to play an active role as soon as conditions would permit.

I believe that OSS has been in touch with Tibor Eckhardt in the United States. In view of the foregoing, it is suggested that he might perform a valuable service if he came to Italy and delivered a series of broadcasts to the Hungarian people.

ROBERT P. JOYCE
Intelligence Officer
and Chief, S. I.

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30 June 1944

SUBJECT : Conversation with Baron Apor, former Hungarian
Minister to the Vatican.

On June 26th in Rome, I had an extended conversation with Baron Apor at his Legation. Baron Apor is a member of a distinguished Hungarian Catholic family (his brother is a Bishop in Hungary) and for the past 9 or 10 years Apor has represented Hungary at the Vatican. Last May, when Hungarian Ministers abroad were required to state their allegiance to the new government which was set up in Hungary after the occupation by the Germans, Apor informed Budapest that he considered the new Government illegal and unconstitutional and therefor refused to serve under it. He no longer has any official status but by special arrangement, he is allowed to remain on in Rome living outside the Vatican City.

In the course of our conversation with regard to anti-German elements in Hungary which oppose the present regime, Apor stated that he had no contact whatever with Hungary and simply did not know what was happening in his country at the present time. He stated that all of the Hungarian Diplomats in neutral countries abroad, with the exception of the Minister at Ankara, who is Germanophile, had refused to serve under the new Hungarian government. An endeavor was being made to organize Hungarian elements abroad, particularly Diplomats, on some sort of common front which could work with the Allies to free Hungary of the Nazis and help toward removing Hungary from the war. Apor stated that Tibor Eckhardt is by far the most influential and best known Hungarian political figure now residing abroad. Eckhardt has been in the United States for the past 2 and a half years. Apor said that Eckhardt, as the representative of the liberal, small land-owner group in Hungary, still would carry considerable weight in spite of the fact that he has lived abroad for some time. Apor stated that it was almost impossible for the anti-German Hungarian Diplomats abroad to get together and agree on some sort of joint program due to the practical possibility of adequate communications.

Baron Apor went on to state that the Hungarian people at present are confused and such opposition as there certainly is to the Nazis is leaderless and disorganized within the country.

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ROUTING AND RECORD SHEET

ACCESSION NO.

DATE REC'D. EA.

R. B. Foster 7/13/44

To	Room No.	Date		Officer's Initials	Comments
		Rec'd.	Fwd'd.		
<i>General Donovan</i>					<i>Sub Joyce writes that if June 20th in Bari Jim asked that this memo be brought to your personal attention</i>

RFJ

- 1. Each comment should be numbered to correspond with number in To column.
- 2. A check mark should be drawn across sheet under each comment.
- 3. All officer designations should be used in To column.
- 4. All officer should initial (check mark insufficient) before further routing.
- 5. All type of action taken should be indicated in Comments column.
- 6. Routing sheet should always be returned to Registry.
- 7. Officer designations use separate sheet.

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