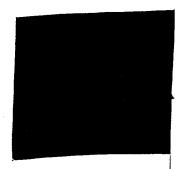
2. SOVIET MECHANIZED UNITS MOVE OUT OF BUDAPEST



was a steady movement of Soviet tanks and other motorized equipment both north and west out of Budapest. This has given rise to speculation about a move against the West or an attempt to bolster the Austrian border.

During the evening of 8 November there

Comment

The termination of large-scale resistance in Budapest may be the occasion for this

move. One of the Soviet divisions probably involved in quelling the riots normally is located to the west on the Austrian-Hungarian border. There is no evidence of substantial resistance to the north of the city or in Czechoslovakia near the Hungarian border.

The USSR's reaction to Austria's strong condemnation of Soviet aggression in Hungary and alleged Austrian "interference" is not likely to go beyond a propaganda tirade or a Soviet show of force on the border.

Reports of other Soviet ground force movements--massing on the Polish border and tank units entering Bulgaria--have not been confirmed.

Approved for Release

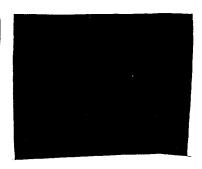
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6. THE HUNGARIAN SITUATION

Comment on:



Although some resistance centers in the provinces appear to have been eliminated by Soviet troops, fighting has continued in Budapest on a diminished scale and apparently in the uranium mine area near Pecs in southwest Hungary.

Hungarian soldiers were throwing their weapons away but that the "population is arming itself and getting prepared."

The Kadar regime has admitted that famine threatens Budapest and has called on all workers to ensure the delivery of food supplies. "Transport in the territory of Budapest," a 7 November broadcast declared, "is in a shattered condition; work has ceased in the factories." According to a press report, the USSR has authorized the entry into Hungary on 9 November of an International Red Cross convoy carrying medical supplies for Budapest.

The government has issued a series of decrees designed to re-establish its political and economic authority throughout the state. Government ministries have been ordered to resume operations on the basis of their 1 October organization, civil service workers have been ordered to return to their jobs by 10 November, and the prerevolutionary executive committees of regional governing bodies have been designated as the ruling authorities in the provinces. Revolutionary bodies formed early in the uprising will be permitted to serve in an advisory capacity within regional governments and within the various ministries, but they have been ordered to disband within the Hungarian military forces, since "they have rendered central direction

in the army impossible." This order, signed by the increasingly important deputy premier Ferenc Muennich, in his capacity as vice chairman of the Council of the Armed Forces, also instructed members of the army at present in barracks to remain at their posts, and members who have become separated from their units to stay where they are until further measures are announced.

Unconfirmed rumors are circulating in Hungary that Soviet units are rounding up young Hungarian men in Budapest for deportation to the USSR.