

## Rollback, Liberation, Containment, or Inaction?

U.S. Policy and Eastern Europe in the 1950s

❖ László Borhi

On 4 November 1956, Marshal Ivan Konev, the commander in chief of the Warsaw Pact's Joint Armed Forces, oversaw the large-scale deployment of Soviet tanks into Hungary to crush an armed uprising against Soviet rule in Eastern Europe. President Dwight Eisenhower promptly sent an appeal to Soviet premier Nikolai Bulganin calling on Soviet forces to pull out. This mild response was in stark contrast to the expectations of many participants in the revolution, who hoped for some form of Western military assistance and were disappointed by Eisenhower's "do nothing" attitude.<sup>1</sup> The American response to the 1956 Hungarian Revolution encapsulated Washington's Janus-faced attitude toward the liberation of Eastern Europe. Although U.S. officials worried that the Soviet presence in Eastern Europe extended Soviet power to the heart of Europe, the "rollback" of Communism ultimately was subordinated to efforts to improve Soviet-American relations and avoid a general war.

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1. "Hungarian Refugee Opinion," Radio Free Europe Munich Audience Analysis Section, Special Report No. 6, January 1957, National Security Archive, Washington DC (NS Archive), Soviet Flashpoints Collection (SFC), Record No. 64450. Eight hundred escapees were asked to evaluate the performance of Western broadcasts to Hungary and to recall whether the broadcasts had led them to expect Western military intervention. Ninety percent of those interviewed expected some form of intervention after the 4 November 1956 invasion of Hungary. Twenty percent expected the United States to intervene, 48 percent expected the United Nations to intervene, and the rest expected help from the "free world." According to another survey conducted among Hungarian refugees in Austria, 96 percent of those questioned had expected some form of American assistance in Hungary, and 77 percent believed it would come in the form of military support. Statistics cited in James Marchio, *Rhetoric and Reality: The Eisenhower Administration and Unrest in Eastern Europe, 1953–1956* (Ph.D. diss., 1990), p. 417. Cited from "Miscellaneous Comments by Hungarian National," 3 January 1957, AmCongen Frankfurt to the State Department, United States National Archives (USNA), Record Group (RG) 59, 764.00/1-357.

American inaction seemed all the more puzzling in view of the significance that the United States placed on the elimination of Soviet power in Eastern Europe. In July 1956, the U.S. National Security Council (NSC) declared that a permanent Soviet presence in Eastern Europe “would represent a serious threat to the security of Western Europe and the United States.”<sup>2</sup> The NSC reaffirmed America’s “traditional policy to recognize the right of all people to independence and to governments of their own choosing. The elimination of Soviet domination of the satellites is, therefore, in the fundamental interest of the United States.”<sup>3</sup> These statements implied that Soviet control had to be withdrawn from Hungary as well as from the rest of Eastern Europe. The gap between these stated imperatives and actual policies in 1956 seemed to lend credence to the conviction of many Hungarians that Washington had “struck a deal” with Moscow at Yalta in February 1945 and was keeping its part of the agreement by abandoning the Hungarians. Statements by senior U.S. officials in 1956, especially John Foster Dulles’s speech on 27 October, were widely interpreted as having given a de facto green light to the Soviet intervention. On the other hand, a more aggressive stance might have entailed a full-scale military confrontation with the Soviet Union, including the use of nuclear weapons by both sides. The United States ultimately refused to use force to dislodge the Soviet Union from Eastern Europe.

This article discusses the Eisenhower administration’s policy toward Hungary in the years leading up to the 1956 revolution, setting it in the broader context of U.S. Cold War strategy. The article begins by briefly describing the genesis and evolution of U.S. “rollback” plans for Eastern Europe under the Truman and Eisenhower administrations. It then looks at the policy of “economic warfare,” which encompassed a range of efforts by both administrations to deny key goods to the Soviet bloc, including all items of a military nature. Following that, the article examines the more aggressive policies that some U.S. officials advocated to implement rollback, including covert operations and military supplies. It also discusses the Eisenhower administration’s attempt to strike a negotiated settlement with the Soviet Union that would have provided a status for Eastern Europe akin to that of Finland. This effort ultimately failed, but the very fact that talks were pursued was a tacit U.S. acknowledgment of Soviet security interests in the region.

The next two sections of the article focus more specifically on U.S. policy toward Hungary. They first describe the tentative improvement of U.S.–Hun-

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2. National Security Council (NSC) Staff Study, Annex to NSC 5608, “U.S. Policy Toward the Satellites in Eastern Europe,” 6 July 1956, in U.S. Department of State, *Foreign Relations of the United States, 1955–1957*, Vol. XXV, p. 199 (hereinafter referred to as *FRUS*, with appropriate year and volume numbers).

3. *Ibid.*, p. 199.

garian relations in the summer of 1956 and then turn to the events of October–November 1956, when the Eisenhower administration had to decide how to respond to the uprising. These two sections, combined with the earlier discussion, lead to the questions addressed in the final section of the article: Did U.S. policy either deliberately or inadvertently encourage the violent rebellion in Hungary? If so, were U.S. officials aware of the grim consequences that would befall Hungary? The answers to these questions reflect more broadly on the nature of U.S. foreign policy in the 1950s.

### **The Context of U.S. Policy**

U.S. passivity in 1956 was part of a gradual retreat from the declared aim of “rolling back” Soviet influence in Eastern Europe. The notion of “rollback” had surfaced in the late 1940s, but it gained wider currency when the Truman administration approved a document known as NSC-68 just before the outbreak of the Korean War in 1950.<sup>4</sup> NSC-68 had set rollback as an objective, but it failed to specify how to achieve that goal. The document explicitly ruled out most of the measures (e.g., preemptive war) that would have been needed to pursue rollback in a realistic way.

In the final years of the Truman administration, the basic objectives of NSC-68 were nominally reaffirmed, but many of its policy recommendations were modified or discarded. According to NSC-135/3, a new assessment of Soviet intentions put forth at the very end of the Truman administration in January 1953, the Soviet Union’s top priority was the security of the Communist regime. This formulation suggested that Soviet leaders did not want to start a full-scale war, in spite of the growth of Soviet and East-bloc military capabilities. NSC-135/3 proposed the abandonment of aggressive versions of rollback, and recommended that the United States pursue indirect policies that would merely erode Soviet power in Eastern Europe. The aim would be to exploit divisions between the Soviet Union and the Eastern bloc and to harness popular discontent within Eastern Europe. U.S. officials hoped that these policies, if applied consistently over time, would cause the Soviet system to disintegrate without the use of force.<sup>5</sup>

Although the rhetoric of the incoming Eisenhower administration was more strident than that of its predecessor, the new president similarly rejected

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4. “United States Objectives and Programs for National Security,” NSC 68, 14 April 1950, *FRUS*, 1950, Vol. I, pp. 237–290.

5. Robert Bowie and Richard H. Immerman, *Waging Peace: How Eisenhower Shaped an Enduring Cold War Strategy* (Oxford: Oxford University Press, 1998), p. 31.

the contention that the United States faced a “year of maximum danger” from Communist aggression.<sup>6</sup> He believed that the Soviet Union could easily be deterred from launching a nuclear attack or risking a general war. Some of his subordinates, however, were less sanguine.<sup>7</sup> As a result, U.S. policy toward the Soviet Union remained a contentious issue throughout the first few years of Eisenhower’s presidency. Although the president himself was cautious, his Defense Department and Joint Chiefs of Staff (JCS) were alarmed by the growth of Soviet nuclear capabilities and began looking anew at the possibilities for rollback. The JCS urged the Eisenhower administration not to rule out forceful action, since a failure to consider it would be “self-defeating and directly contrary to the positive, dynamic policy required to reduce the Soviet threat before it reaches critical proportions.”<sup>8</sup> In their view, a program of positive action could be adopted without undue risk of general war.

By contrast, the State Department opposed the notion of aggressive rollback and sought to avoid the use of force against the Soviet Union and the Eastern bloc. Eisenhower’s secretary of state, John Foster Dulles, spoke against the JCS plan to use force against the Soviet Union. He did not believe that splitting the Soviet bloc would solve the basic problem of the Soviet Union’s growing nuclear capacity. Attempts to detach Soviet satellites would, in his view, increase the risk of general war, but would do little to alter the central balance of power. Furthermore, aggressive action might imperil the Western coalition and would destroy any chances of reaching agreement with the Soviet Union.<sup>9</sup>

In the end, the debate was resolved by Eisenhower, who decided against measures that risked provoking nuclear war. In 1954 Eisenhower stated that no moment would be right to start a war, and that the United States should be prepared only to retaliate against a Soviet nuclear attack. Over time, Secretary of Defense Charles Wilson came to agree with Dulles’s view, and he too began to advocate a policy of containment.<sup>10</sup> Nonetheless, the administration sought, in NSC-162/2, to alleviate some of the concerns expressed by the JCS and the Defense Department. An earlier draft stated that the United States should not “initiate aggressive actions involving force against Soviet bloc territory,” but this phrase was removed from the final document.<sup>11</sup>

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6. The phrase comes from NSC-68, 14 April 1950, *FRUS*, 1950, Vol. I, p. 264.

7. Bowie and Immerman, *Waging Peace*, p. 154.

8. *Ibid.*, p. 161.

9. *Ibid.*, pp. 176–177.

10. *Ibid.*, pp. 176–177.

11. Saki Dockrill, *Eisenhower’s New Look National Security Policy, 1953–1961* (London: Macmillan, 1996), p. 46.

By 1956, a fundamental tension had appeared in U.S. policy toward the Eastern bloc. On the one hand, the United States hoped to encourage East European countries to break away from the bloc through their own efforts. On the other hand, U.S. officials wished to avoid a U.S.-Soviet military confrontation, fearing escalation into nuclear war. For these reasons, U.S. policy makers had to consider other means of diminishing Soviet influence in Eastern Europe. This led to the development of policies such as economic and psychological warfare (Psyops), covert operations, and, at a later stage, negotiation with the Soviet Union regarding the status of the East-bloc states.

## **Economic Warfare**

The United States initiated “economic warfare” (the denial of all goods that might be adapted for weapons) against the Soviet bloc in 1948.<sup>12</sup> The aim of the policy was to diminish the Soviet Union’s military potential. The policy also was designed to put strain on relations between the USSR and the East European states by forcing the Soviet Union to supply scarce materials to its allies.<sup>13</sup> In addition, the United States hoped to impede economic growth in the Communist countries, and perhaps bring about their economic collapse.

Economic warfare was first devised in 1947 by W. Averell Harriman, the secretary of commerce under President Harry Truman until 1948. Ironically, Harriman had been one of the strongest advocates of expanded economic relations with the Soviet Union during World War II. In a letter sent to the NSC on 17 December 1947, Harriman declared that the Soviet Union and its satellites were not taking part in the European Reconstruction Program (ERP) and were therefore hindering European reconstruction, menacing world peace, and threatening the security of the United States. Harriman recommended the “termination, for an indefinite period, of shipments from the United States to the USSR and its satellites of all commodities which are critically short in the United States and which would contribute to the Soviet military potential.” This was to be done without severely punishing Eastern Europe. A multilateral Coordinating Committee (CoCom) was set up with West European countries to compile a list of goods to be embargoed.<sup>14</sup>

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12. According to Tor Egil Forland, economic warfare “can be defined by its end, which is to weaken the economic foundation of the adversary’s power.” Tor Egil Forland, *Cold Economic Warfare: The Creation and Prime of CoCom, 1948–1954* (Oslo: Norwegian University Press, 1991), p. 22.

13. John Lewis Gaddis, *The Long Peace: Inquiries into the History of the Cold War* (Oxford: Oxford University Press, 1987), p. 159.

14. “Paper Submitted by Averell Harriman to the National Security Council,” *FRUS*, 1948, Vol. IV, pp. 506–507.

On the domestic front, the U.S. Congress fully backed Harriman's policy, insisting that the embargo be strictly enforced to prevent the United States from contributing to the military capacity of its enemy. Congress passed the Battle Act and the Kem Amendment in 1951, both of which imposed strict export controls and stipulated that the United States must deny or suspend military and economic assistance to countries exporting items of strategic significance. The JCS similarly desired to reduce Soviet military might. All these officials sought a continuous expansion of the embargo list and a requirement that West Europeans adhere to the terms of the embargo.<sup>15</sup>

The State Department argued for a less stringent approach. Department officials recognized that if the West Europeans followed American guidelines, the consequent decline in East-West trade would seriously impede the reconstruction of Western Europe. Moreover, if the West European economies were enfeebled, Soviet subversive efforts would be harder to resist. In the final analysis, according to the State Department, an economic embargo would be counterproductive. The department persuaded the full Cabinet to support the position that only key commodities could be embargoed, commodities that would be determined in a selective licensing procedure. The procedure would be carefully designed to avoid a total economic war against Eastern Europe. The flow of goods from East to West would be ensured, and the Soviet Union would continue to sell manganese, chrome, iridium, and platinum to the United States. In the end, the Cabinet adopted three mutually incompatible goals in its economic warfare policy: to prevent or delay the buildup of Soviet military potential; to ensure that the West European countries received needed imports from Eastern Europe, including timber, coal, and potash; and to ensure the flow of essential commodities from Eastern Europe to the United States. Licensed goods were grouped into four classes, ranging from commodities of direct military value to articles of little military value.<sup>16</sup>

Throughout the 1950s, interdepartmental wrangling continued over the number of embargoed commodities and the definition of strategic goods. The JCS came out strongly in favor of tightening restrictions on Eastern Europe. The Joint Chiefs were convinced that an effective "economic Iron Curtain" would paralyze the Soviet economy within five to ten years.<sup>17</sup> Charles Sawyer, the U.S. secretary of commerce from 1948 to 1953, also sought to

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15. Tor Egil Forland, "'Selling Firearms to the Indians': Eisenhower's Export Control Policy, 1953–1954," *Diplomatic History*, Vol. 15, No. 2 (Spring 1991), pp. 231, 232.

16. See Forland, *Cold Economic Warfare*, p. 45.

17. Report by the Joint Chiefs of Staff to the Secretary of Defense, 26 June 1950, *FRUS*, 1950, Vol. IV, pp. 152, 153.

pressure Western Europe to conform to the embargo. U.S. businesses community supported Sawyer, having been discouraged that their West European competitors were exploiting the embargo to get favorable trade deals. Congress passed a series of measures to penalize countries that shipped embargoed goods to the Soviet Union and the Eastern bloc.<sup>18</sup>

Soon after North Korea's attack on South Korea in June 1950, the NSC surveyed departmental views of the relationship between national security and export controls. The departments of Commerce and Defense and the National Security Resources Board all recommended expanding the embargo, arguing that national security considerations should govern export control.<sup>19</sup> Some reports indicated that the embargo had already significantly retarded military development in the Soviet bloc. Furthermore, the ERP countries had made impressive headway in their economic recovery, which meant that the importance of East-West trade was diminishing. Hence, the cost-benefit analysis tilted in favor of more radical controls.<sup>20</sup>

This view was challenged by State Department officials, who believed that East-West trade was still crucial to the health of the West European economies. As the department gradually took precedence in determining export control policy, it increasingly advocated a balance between free trade and control. In 1951, the Truman administration officially embraced this moderate position, arguing in NSC-104 that the Soviet bloc's reliance on outside resources was limited and therefore the effect of the embargo was limited as well.<sup>21</sup>

When Eisenhower became president in January 1953, he favored the approach of the State Department and decided to change the direction of American export control policy by easing trade restrictions.<sup>22</sup> At this point, U.S. pressure on Western Europe to comply with the embargo was seriously straining alliance relations. Furthermore, Eisenhower remained unconvinced that economic warfare was having the desired effect on either the Soviet Union or the satellites. He argued that an expansion of trade would be more successful in weaning the Eastern bloc away from the Soviet orbit. In July 1953 he decided on a "gradual and moderate relaxation" of trade controls. The U.S. and CoCom lists were shortened. This new policy was opposed by the JCS, who believed that the difficulty of distinguishing between strategic

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18. Forland, *Cold Economic Warfare*, p. 45.

19. Report by the Secretary of the NSC, 21 August 1950, *FRUS*, 1950, Vol. IV, p. 163.

20. See Forland, *Cold Economic Warfare*, p. 124.

21. "U.S. Policies and Programs in the Economic Field which May Affect the War Potential of the Soviet Bloc," April 1951, *FRUS*, 1951, Vol. I, pp. 1059–1064, 1069.

22. For a discussion of the New Look embargo policies, see Robert Spaulding Jr., "A Graduate and Moderate Relaxation: Eisenhower and the Revision of American Export Control Policy, 1953–1955," *Diplomatic History*, Vol. 17, No. 2 (Spring 1993), pp. 223–250.

and nonstrategic commodities was too great. The Joint Chiefs insisted that the embargo was already causing bottlenecks in Soviet industry.<sup>23</sup>

Eisenhower's policy was supported by evidence from a National Intelligence Estimate (NIE) prepared by the Central Intelligence Agency (CIA) in 1954. After analyzing the results of the first years of economic warfare, the CIA concluded that a relaxation of controls would enhance the Soviet bloc's strategic position but would not significantly affect its production of goods and services. The CIA did suggest that the Eastern bloc's military potential would slightly increase after a relaxation of trade controls. But it added that such a relaxation of controls would improve inter-allied relations, and that CoCom countries would be more supportive of the remaining aspects of the embargo.<sup>24</sup>

Eisenhower's new policy was codified by NSC-5609 in June 1956. Economic incentives began to play a larger role in U.S. policy toward the Soviet bloc. NSC-5609 recommended that Congress selectively relax trade restrictions on East-bloc countries, treating each as a separate case. If circumstances warranted, some countries could be granted "most favored nation" status.<sup>25</sup>

Economic policy shifts behind the Iron Curtain favored the relaxation of trade controls. In 1954, the Council for Mutual Economic Assistance (CMEA) officially rescinded the policy of economic autarky it had adopted in 1949. The CMEA resolution affirmed that "the development of trade with capitalist countries that strive to do the same is in line with the foreign policy of democratic nations."<sup>26</sup> Hungary's chief economic planner, Ernő Gerő, had already called for an expansion of trade with the capitalist world in the summer of 1952, even before Georgii Malenkov, the Soviet prime minister, raised the issue at the Nineteenth Congress of the Soviet Communist Party (CPSU) in October 1952. On 20 January 1954 the Hungarian Foreign Ministry instructed the Hungarian delegation in Washington to explore opportunities "to expand trade relations with the United States, and to determine what circles to approach."<sup>27</sup>

23. "Memorandum by the Joint Logistical Committee to the JCS on the Revision of the Relaxation of the Export of Strategic Commodities to the Soviet Bloc," July 1953, USNA, RG 218, Records of the Joint Chiefs of Staff (RJCS) 1951–1953, CCS 091 (12-9-49); "Memorandum to the Secretary of Defense on the Export Controls of the United States," 1954, USNA, RG 218, RJCS 1954–1956, CCS 091.31 (9-28-45), Sect. 26.

24. "Consequences of a Relaxation of Non-Communist Controls on Trade with the Soviet Bloc," CIA National Intelligence Estimate, 23 March 1954, *FRUS*, 1952–1954, Vol. I, pp. 1121–1132.

25. "Trends in National Security Programs and the Fiscal and Budgetary Outlook through Fiscal Year 1959," NSC-5609/2, 27 June 1956, USNA, RG 273.

26. Presentation by Rákosi to the Politburo of the MDP, 1 December 1956, Magyar Országos Levéltár (MOL), Magyar Dolgozók Pártja titkárság (MDP), Rákosi Mátyás titkárság, 276, Fond (F.) 65, Csoport (Cs.) 283 őrzési egység (ő.e.).

27. The Foreign Minister to the Hungarian Legation in Washington, 20 January 1954, MOL, Külügy minisztérium (KÜM), USA tük, XIX-J-1-k, 25/c, Box 55, 01134 titk. I. 1954.

Nonetheless, Eisenhower's idea of using trade as a diplomatic tool was implemented only gradually. U.S. officials did not negotiate a trade deal with an East-bloc country until February 1957, when they approached the Polish government. The obstacles to trade relations were partly of an economic nature. East Europeans were short of hard currency and had difficulty paying for imports. In Hungary, for example, the chronic shortage of Western currency was coupled with an equally chronic balance-of-trade deficit, which reached 2.7 billion forints (over 200 million contemporary dollars) by 1956. To alleviate the deficit, the Hungarian finance minister prescribed a drastic curtailment of Western imports.<sup>28</sup> Because the Soviet Union had sharply cut its shipment of raw materials to Hungary in 1955, however, the ban on imports was impossible to sustain. Hungary had become dependent on Western goods.<sup>29</sup>

To get around the currency problem, the State Department advocated barter arrangements for raw materials.<sup>30</sup> Such an arrangement was unworkable for Hungary, which was poor in raw materials except for bauxite and uranium, both of which were purchased by the Soviet Union. Hungarian industrial goods were virtually worthless because they were outdated and qualitatively deficient.<sup>31</sup> The poor quality of industrial products was in part caused by the embargo, which had rendered Hungary unable to modernize its capital equipment. In 1955 the Hungarians began to make overtures to the U.S. Legation in Budapest, asking to purchase American wheat and cotton. The talks collapsed because the United States would not grant Hungary the necessary credit, since tensions between the two countries were still high, and Budapest was still unwilling to make the necessary political concessions. The United States engineered the rejection of a similar Hungarian overture to West Germany.<sup>32</sup> It would take another decade until Eisenhower's plan to use trade to detach countries from Soviet control came into effect in Hungary, eventually with excellent results.

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28. "Report on the Hard Currency Situation in 1955 and Early 1956 Prepared by Minister of Finance Károly Olt," 15 April 1955, MOL, MDP, Geró Ernő titkársága, 276, F. 66, Cs. 71 ő.e.

29. See Károly Urbán, *Sztálin halálától a forradalom kitöréséig—A magyar-szovjet kapcsolatok története (1953–1956)* (From Stalin's death to the outbreak of the revolution—the history of Hungarian-Soviet relations, 1953–1955), unpublished manuscript, Budapest, 1996, pp. 25–39.

30. "Memorandum by the Deputy Assistant Secretary of State for Economic Affairs (Kalijarvi) to the Secretary of State," 18 July 1956, USNA, RG 59, Lot File 76 D 232.

31. In the course of one year, 1.7 billion forints worth of capital equipment were returned to Hungary from Western Europe because of qualitative deficiencies. Even the Soviet Union returned some commodities for the same reason. See "Report on Hungary's Foreign Trade Situation by the Minister of Foreign Trade, László Házy," 13 October 1953, MOL, MDP, Farkas Mihály titkársága, 267, F. 67, Cs. 178 ő.e.

32. "Hungarian Interest in U.S. Wheat and Cotton," Amleg Budapest to the State Department, 2 April 1955, USNA, RG 59, 411.6441/4-2255; see also "Hungarian Interest in United States Trade," Amleg Budapest to the State Department, 24 June and 9 August 1955, USNA, RG 59, 411.6441/6-2455 and 411.6441/8-955, respectively.

In the end, it is difficult to assess the full effects of U.S. economic warfare against the Communist states. An estimate by the Operations Coordinating Board (OCB) in February 1956 claimed that the embargo had diminished the Soviet bloc's economic and military potential. According to the OCB, the restrictions on technology transfer compelled the Soviet bloc to use largely outdated equipment and production methods. At the same time, the OCB conceded that the embargo was unlikely to erode Soviet power in Eastern Europe.<sup>33</sup> It was also clear that the embargo was not airtight. According to intelligence from Hungary, the Hungarian economy, "although seriously hindered by shortages of technical equipment, has been able to function . . . partly as a result of a successful evasion of Western trade controls."<sup>34</sup> One way to obtain embargoed goods was to establish trading companies that would purchase retransferred items.<sup>35</sup> Mátyás Rákosi, the leader of the Hungarian Workers' Party (MDP) until July 1956 and prime minister until July 1953, remembered that "America's Western partners assisted the evasion of the American embargo and export controls in the hope of receiving the appropriate profits."<sup>36</sup> Israel sold ball bearings in return for the relaxation of controls on Jewish emigration, and Sweden also was a source for this important commodity. The American Legation in Vienna named Austria, Finland, and Egypt as the most important sources of goods "procured in contravention of Western controls."<sup>37</sup> France sold ball bearings and special steel alloys in the framework of a Franco-Hungarian commercial agreement.<sup>38</sup> Many raw materials needed for Hungarian industry were supplied from the West. All of Hungary's rubber and leather, 92 percent of its copper, 72 percent of its coke, 66 percent of its tin, and 41 percent of its cotton came from capitalist states in 1955.<sup>39</sup>

33. "Progress Report on NSC 174, United States Policy Toward the Satellites of Eastern Europe," submitted by the Operations Coordinating Board to the National Security Council, 29 February 1956, *FRUS*, 1955–1957, Vol. XXV, pp. 121–128. It is interesting to note that an Office of Intelligence and Research report in 1950 concluded that neither the embargo nor the offer of Western economic assistance would be sufficient to cause the satellites to break away from the Soviet bloc.

34. The American Embassy in Vienna to the State Department, 20 October 1953, USNA, RG 59, 864.00/20-2056. The information was gathered from a Hungarian immigrant who supplied the Hungarian government with technical equipment.

35. I have not actually found records of any such companies, but in a memorandum prepared for the MDP general secretary, Mátyás Rákosi expressed the need to set up companies in countries such as Belgium, the Netherlands, and Sweden. "Memorandum on the Establishment of an Operative Trading Company," 21 April 1949, MOL, MDP, Rákosi Secretariat, 276, F. 65, Cs. 281 ó.e.

36. Mátyás Rákosi, *Visszaemlékezések, 1945–1956* (Memoirs, 1945–1956), Vol. 2 (Budapest: Napvilág kiadó, 1997), p. 847.

37. The American Legation in Budapest to the State Department, 25 July 1952, USNA, RG 59, 864.00/10-2552.

38. This contained a provision for Hungary to purchase spare parts for French automobiles, but Hungarians used it to acquire spare parts for British and American automobiles, which were embargoed, in France. "Étude sur la Hongrie," June 1952, Archives Diplomatiques de Quai d'Orsay, Série Europe, 1944–1960, Hongrie, Vol. 40.

39. "Record of the 2 January 1956 Meeting of the HWP Political Committee," MOL, MDP, 276, F. 53, Cs. 264 ó.e.

Despite the high incidence of evasion, Rákosi was merely blustering when he maintained that the embargo was proving beneficial for the Communist bloc because it had forced CMEA countries to rely on each other and to make better efforts to find and exploit their own natural resources.<sup>40</sup> In reality, cooperation among the CMEA members was still virtually nonexistent, and the embargo significantly impaired the Hungarian economy, which was plagued by serious shortages of all types of precision and measuring instruments, industrial diamonds, and grinding and abrasive equipment. Ball-bearing measuring equipment and certain spiral drills for the weapons industry were in especially short supply, and Hungary was suffering from a lack of instruments to measure the hardness of steel—a major necessity for Hungary's crash program of heavy industrialization.<sup>41</sup> Hungarian industrial goods became obsolete and so inferior to their Western counterparts that they could not be sold in Western markets. To obtain hard currency, Hungary was forced to sell agricultural products such as wheat, which was in short supply because of the harsh campaigns against the peasantry, culminating in collectivization. Food shortages and low-quality consumer goods were, in turn, the major sources of popular discontent.<sup>42</sup>

Hungary also was unable to pay for its imports from Western Europe and was forced to buy on credit. The result was a growing trade deficit, which not only disrupted the economy, but also strained relations with Moscow because the Soviet Union feared that Hungary's indebtedness to the West increased the Eastern bloc's vulnerability.<sup>43</sup> Economic warfare thus contributed to political difficulties in the Eastern bloc in ways that cannot be measured accurately.

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40. Meeting of the MDP Political Committee, 19 June 1956, MOL, MDP, 276, F. 53, Cs. 101 ó.e.

41. The American Embassy in Vienna to the State Department, 20 October 1953, USNA, RG 59, 864.00/20-2056. The 1948 list of commodities Hungary wished to buy from the U.S. shows the type of goods Hungary needed, but could not legally get, included milling machines, turner's lathes, grinders, trucks, ball bearings, concrete mixers, and cadmium. Hungary received only about eight percent of these products. See also Rákosi, *Visszaemlékezések*, Vol. 2, pp. 846, 863.

42. The price index of consumer goods was 166 percent higher than that of capital equipment in 1952. The price of clothing had risen 17 times since 1938, the price of food had risen 12 times since then. Services were somewhat cheaper. The purchasing power of the forint declined 40 percent between 1946 and 1949, with a further 27 percent decrease by 1955. In 1951 rationing was introduced for meat, lard, sugar, flour, and soap. This was lifted seven months later, when prices rose 40 percent, while wages rose only 20 percent. Between 1949 and 1953, food consumption was below the 1948 level (except in wheat and sugar). In 1953 even the consumption of wheat fell below the 1938 level. The deterioration of quality added another 10 percent to the increase of the official price level, which in 1955 surpassed the 1951 figure by 30 percent. See Pető Iván-Szakács Sándor, *A hazai gazdaság négy évtizedének története* (Four Decades of Hungarian History), Vol. 1 (Budapest: Közgazdasági Kiadó, 1985), pp. 212–233.

43. On 30 May 1953, Evgeny Kiselev, the Soviet ambassador in Hungary, reported to Soviet Foreign Minister Vyacheslav Molotov that half of Hungary's gold reserve was tied down for commodity credits. Kiselev to Molotov, Arkhiv Vneshnei Politiki Rossiiskoi Federatsii (AVPRF), F. 077, Opis (Op.) 33, Papka (Pap.)166, Delo (D.) 240. The country's economic hardship probably played a significant part in Rákosi's downfall in June.

## Psychological Warfare

The battle for public opinion was waged even more successfully than the battle to bankrupt the Communist regimes. During the Stalinist years, Hungary was completely sealed off from contact with the non-Communist world. Travel to the West was virtually impossible: The country was closed off by barbed wire, a mine field, and armed guards along the border with Austria. A country of almost 10 million exchanged a mere 50,000 letters with the Western world annually.<sup>44</sup> The Hungarian media were the conveyor belts of official propaganda.

In February 1953, the U.S. Legation in Budapest summed up its goals for psychological warfare in Hungary: "We can maintain the spirit of opposition and preserve resistance to the present regime which will prevent Moscow from putting any real trust in Hungary or have any confidence in the stability of the government or the loyalty of the armed forces in case of war." On the other hand, the Legation was sober in its conclusion that "we cannot hope to build up a resistance movement or other type of active opposition which might overthrow the present regime in the foreseeable future." Similarly, there was little chance that Hungary would defect from Soviet control, "à la Tito."<sup>45</sup> Three years later N. Spencer Barnes, the American minister in Budapest, asked himself whether "any possibilities exist for the Hungarian people to offer effective resistance to a thoroughly unpopular regime without military aid from the outside?" Barnes stressed that "any suggestion for mass action can be worked out abroad and presented to a target audience of literally millions within a very short time." This meant that there was a "possibility of coordinating mass action, without the need of direct contact between individuals and with a minimum risk to anyone." Some "trivial" action could be selected that could be taken by any individual who wished to protest Hungary's subordination to Moscow or the nature of its Communist regime. Suggested acts included dropping pieces of paper with torn-off edges on sidewalks. The idea was that if thousands of such pieces appeared in Hungarian cities every day ("each one a testimony of an individual citizen's hatred of the regime"), they would mitigate the regime's prestige "and perhaps even [its] stability." Similarly conceived attacks could be made on economic sites and the government bureaucracy.<sup>46</sup> Even though the minister

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44. Meeting of the Political Committee of the Hungarian Socialist Workers' Party, 23 November 1965, MOL, MDP, 288, F. 5, Cs. 380 ő.e.

45. The American Legation to the State Department, 2 February 1953, USNA, RG 59, 764.00/2-1953.

46. The American Legation to the State Department, "Pattern of Democratic Action under a Totalitarian Regime," 6 February 1956, USNA, RG 59, 764.00/2-656.

recommended great caution in implementing these sorts of schemes, his proposals represented a more ambitious and hence a more reckless side of psychological warfare.

The creation of the CIA in 1947 provided a bureaucratic system that could facilitate the coordination of psychological warfare operations.<sup>47</sup> On 20 April 1950, President Truman announced that the propaganda offensive would be a “struggle for the minds of men,” which would be waged by “getting the real story across to people in other countries.”<sup>48</sup> In April 1951 the Truman administration created an umbrella organization, the Psychological Strategy Board (PSB), for the spread of information and propaganda. The Board acted as the “nerve center” for psychological operations, which now became one of Washington’s chief instruments for undercutting Soviet power in Eastern Europe. When Eisenhower became president in 1953, he continued the psychological warfare programs. Because the PSB was criticized for failing to pursue its purpose vigorously and effectively enough, Eisenhower replaced it with the OCB, which was meant to coordinate planning between information programs and covert operations. The United States Information Agency (USIA) was created to implement OCB planning. It assumed responsibility for overt efforts to disseminate information abroad.<sup>49</sup>

These attempts to sow the seeds of discontent and promote the disintegration of Communist regimes fell on fertile ground in Eastern Europe. Acute dissatisfaction with the hardships engendered by Communism was widespread. The U.S. minister in Budapest, Christian Ravndal, reported that his wife’s Buick Century was habitually flocked by Hungarians. Evidently, the crowd was occasionally so large that traffic police were needed. Part of the reason that the Buick was so popular is that it was a rare sight. Only around five thousand motorcars were in Hungary at the time, most of which were obsolete, pre-war models. Ravndal highlighted the propaganda value of American cars at a top secret meeting on psychological warfare, held in Washington in March 1953.<sup>50</sup> The popularity of American goods was also made clear in the small town of Cegléd in 1955. The local agricultural cooperative sought to sell children’s clothes found in a warehouse belonging to the National Office of Israelites.

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47. For further discussion of psychological warfare, see Walter L. Hixson, *Parting the Curtain: Propaganda, Culture and the Cold War 1945–1961* (London: Macmillan, 1997), pp. 12–13. See also Peter Grose, *Gentleman Spy: The Life of Allen Dulles* (Boston: Houghton-Mifflin Co., 1994). According to Grose, “Some of what was proposed [regarding psychological warfare] to be sure, might be a little close to the illegal, the unethical, or the downright immoral” (p. 36).

48. Hixson, *Parting the Iron Curtain*, pp. 12–13.

49. *Ibid.*, pp. 26–27.

50. The U.S. Legation in Budapest to the State Department, 6 October 1954, USNA, RG 59, 764.00/10-654.

Rumors spread that the clothes had been sent by the American government to the victims of the 1954 flood. The clothing allegedly still had American labels. The local party secretary reported that “interest in the goods was so great that the windows of the cooperative were smashed” by the crowd that tried to get hold of them. As a result the local party boss suspended the sale, claiming that it provided opportunities for “hostile propaganda and agitation.”<sup>51</sup>

Radio broadcasts were by far the most effective means of influencing ordinary East Europeans.<sup>52</sup> Voice of America (VOA) was launched in 1947. The following year, the East-bloc states were already jamming it. This was offset by a costly but effective counter-jamming drive, and in 1951 the VOA increased its daily programming and managed to broadcast in 45 languages. Radio Free Europe (RFE), set up by the Free Europe Committee, began broadcasting in 1950. When RFE launched its operations, its vice president, Frederick Dolbeare, declared that the radio would express Hungary’s ancient aspiration for freedom.<sup>53</sup> Before 1956, however, RFE did not directly address resistance groups and instead targeted youth groups, workers, and peasants.

The U.S.-sponsored radio campaign was meant to keep alive the spirit of anti-Communism by appealing to nationalist and religious sentiments and by spotlighting grievances. It was also designed to sustain popular hopes that Communism would eventually be overthrown. Even so, it could not openly advocate revolt against Communist rule, nor could it suggest that the United States would intervene on behalf of such a revolt. The dilemmas of this policy were reflected in the guidance given to RFE in 1951. On the one hand, broadcasters were to disseminate anti-Soviet propaganda and avoid words such as “peace” and “disarmament” that might signal international acceptance of Soviet control of Eastern Europe. On the other hand, no broadcaster was allowed to promise armed liberation. Any such statements would have fundamentally misled the Eastern European audience. The reporters were supposed to advocate reversing the “tide of Soviet imperialism” and to sug-

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51. Report by Károly Kiss to Mátyás Rákosi, 5 April 1955, MOL, MDP, Rákosi Mátyás titkársága, 276, F. 65, Cs. 283 ő.e.

52. See James Critchlow, “Western Cold War Broadcasting: A Review Essay,” in this issue of the *Journal of Cold War Studies*. According to the 1957 survey, 93 percent of Hungarians relied on foreign radio and 15 percent relied on balloons for news. Only two percent relied on domestic media for information. “Hungarian Refugee Opinion,” Radio Free Europe Munich Audience Analysis Section, Special Report No. 6, January 1957, NS Archive, SFC, Record No. 64450.

53. *Az állam biztonsága ellen kifejtett tevékenység és az ellene folytatott harc, 1949–1956* (Activity Against the Security of the State and the Struggle Against It, 1949–1956), Vol. 2, unpublished manuscript, undated. The manuscript is found in the Ministry of the Interior Historical Office, Történeti Hivatal (TH), A-1364/2, p. 150.

gest that the Western world would stand up to Soviet aggression anywhere, but they had to make clear that this did not amount to a pledge of military intervention.<sup>54</sup> The events of 1956 demonstrated that the line between keeping hope alive and arousing unjustified expectations was often blurred. The guidance for broadcasters was ambiguous enough to be stretched quite far, causing some in the audience to believe that armed liberation was imminent.

In 1953 Columbia University conducted a survey of Hungarian citizens' reactions to the RFE, VOA, and British Broadcasting Corporation (BBC). Hungarian defectors—some of the most anti-Communist elements of society—claimed that the programming of the VOA and BBC was sufficiently anti-Communist. However, when their hopes for the armed liberation of their homeland failed to materialize, they blamed the radio stations as well as the British and U.S. governments for stirring these hopes. As a result, the Columbia survey recommended that the radio broadcasts strive, on the one hand, to keep the hopes of the audience alive, but, on the other hand, to avoid giving any impression that Western countries could perform miracles.<sup>55</sup>

Until well into the 1950s, however, some Hungarians were convinced that the United States would liberate them even if it required war. A 19-year-old defector told his interrogator that although “the Hungarians realize that direct Western intervention would mean war” and were aware of the horrors of war, “they would still prefer it to continued slavery. . . . They fear that the United States may have become reconciled to Hungary’s status as a Soviet satellite. Hungarian young people strongly believe that only the U.S. can force Russia to make concessions.”<sup>56</sup> Another defector claimed that people were widely quoting alleged statements by the RFE and the BBC to the effect that Hungary would soon be free. He declared that the VOA was the best radio station because of its well-presented, pertinent information and its “forthright, encouraging, anti-Soviet stand.”<sup>57</sup> Yet another informant claimed that “people listened avidly to news from the West and particularly from the United States. . . . People continue to hope for the outbreak of the war, which they believe the United States would win.”<sup>58</sup>

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54. “RFE Handbook,” 30 November 1951, NS Archive, SFC, Record No. 66 367.

55. “Columbia University Bureau of Applied Research on listening to VOA and other foreign stations in Hungary,” November 1953, NS Archive, SFC Record No. 64 444.

56. Amcongen Frankfurt to the State Department, 14 November 1956, USNA, RG 59, 764.00/11-1456.

57. Amcongen Frankfurt to the State Department, 16 July 1956, USNA, RG 59, 764.00/7-1656. According to the RFE survey of January 1957, the VOA was Hungary’s most popular foreign station.

58. AmEmbassy, Tel Aviv to the State Department, Interview with Recent Arrival from Hungary, 12 May 1955, USNA, RG 59, 764.00/5-1255.

There is not enough evidence to determine exactly how widespread these expectations of armed assistance were. An RFE survey in 1957 indicated that one-half of the 620 U.S.-bound refugees who were questioned had expected American intervention in support of the revolution. Some of the insurgents arrested by the Hungarian regime for conspiracy told their interrogators that they were inspired by Western broadcasts. Béla Halász, arrested for spying, claimed during his interrogation that he and his fellow conspirators “believed the news and the propaganda of the imperialist radio and expected a (political) transition.”<sup>59</sup> In 1951 Győző Flossmann organized a group to overthrow the Communist system. He confessed to the police that he had regularly listened to the broadcasts of Western stations, “especially the American Hungarian broadcasts and the Voice of Free Europe [sic].” Based on these broadcasts, he claimed, he “expected war, or an American occupation of the country.”<sup>60</sup> His comrade, Zsiga Tiborc, confessed that he sought “to shake the country with explosions and terror attacks and to sabotage industrial production” when the expected war with the Soviet Union broke out.<sup>61</sup> Another alleged conspiracy led by a clergyman, Ottmár Faddi, hoped to establish a Catholic government “with American military assistance.”<sup>62</sup>

Hungarian conspirators often planned to coordinate their attacks on the regime with American assistance. Kálmán Horváth organized a conspiracy on behalf of a Hungarian émigré organization working in conjunction with the U.S. Counter Intelligence Corps and the Gehlen organization.<sup>63</sup> His group acted in the firm belief that Hungary would be occupied by armies arriving from West Germany. He believed his group would receive arms, clothing, and other military items thrown from American warplanes. After their arrest, the conspirators claimed to have been influenced by U.S. propaganda. As one leader confessed: “We believed the news and propaganda of the imperialist radio stations and expected an imminent transformation of our politi-

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59. “Győző Flossmann és társai” (Magyar Függetlenségi Front), 1952, TH, 10-50986-52, V-73203.

60. *Ibid.* Győző Flossmann was an unskilled laborer who regularly listened to foreign radio stations. It is interesting to note that during World War II, many Hungarians, including members of the political elite, expected the British and Americans to parachute into Hungary and occupy it.

61. *Ibid.*

62. “Ottmár Faddi és társai,” The Political Police to the Ministry of the Interior, 19 June 1954, TH, 10-5114-54, V-127 372.

63. The Counter Intelligence Corps, originally founded as the Counter Intelligence Police in 1917, had the purpose of hunting down Nazis after World War II. After 1947, its mission changed to include the gathering of intelligence in the Soviet bloc. The Gehlen organization similarly had the purpose of recruiting former Nazis for the task of gathering intelligence on the Soviet bloc. See Douglas Botting and Ian Sayer, *America's Secret Army: The Untold Story of the Counter Intelligence Corps* (New York: F. Watts, 1989), pp. 319–321, 341.

cal system.”<sup>64</sup> One of the most significant anti-Communist plots in the early 1950s was organized by Gedeon Ráth. The conspirators disseminated leaflets in the manner encouraged by RFE. They worked to acquire arms so they could assist an expected influx of Western troops. In May 1950, Ráth was convinced that “the Americans or the Tito group” would supply weapons to the conspirators. They aimed to “overthrow the system” and to “support the invaders.”<sup>65</sup>

The Hungarian regime was concerned about the effect of the VOA and RFE on Hungarian conspirators. In the indictment speech in the case of Győző Flossmann, the judge, Vilmos Olti, blamed RFE and VOA for stirring trouble. Olti claimed that “in order to arouse panic and incite counterrevolution [RFE and VOA] disseminate information that gives the impression that war will soon break out and that American forces will occupy Hungary and restore the old imperialist system.”<sup>66</sup>

To some extent, the Hungarian secret police exaggerated the effect of radio propaganda to justify censorship and repression. In the summer of 1956, the Hungarian government itself acknowledged that it had been unduly harsh in dealing with supposed conspirators. This is not to say that the allegations were completely false.<sup>67</sup> Plots did exist, even if they were blown out of proportion. Hungarians expected Western assistance, and this encouraged them to take up arms against the regime.<sup>68</sup> In this respect, American propaganda was somewhat callous to the fate of East Europeans. Knowing the nature of Communist regimes, U.S. officials and radio broadcasters might have warned against resorting to measures that the United States had no intention of supporting.

On the more positive side, the foreign broadcasts made it much harder for Soviet officials to retain their monopoly on information. Radio propaganda also sustained the morale of the people. Some defectors testified that

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64. “Kálmán Horváth és társai,” Record of Interrogation, 1954, TH, 10-5114-54, V-111 790. The alleged plot was revealed in the town of Kecskemét, which had one of the most significant military airfields in the country. Similarly, a certain István Dudás was allegedly asked by his brother in 1951 “to organize a group of partisans in case war breaks out, so as to lend armed support to the Americans in Hungary.” He was told that “Americans will supply the arms when the time comes.” They would be “parachuted near the hamlet.” Since Dudás did not get the instruction to launch the conspiracy, he took no action. He and his brother were executed nonetheless. Imre Dudás és társai, 1951, TH, 10-5575-51, V-81 337-2.

65. “Gedeon Ráth és társai,” Record of Interrogations, 1950, TH, 37-5079/1952, V-112 524/1.

66. “Győző Flossmann és társai,” 1952, TH 10-50986-52, V-73203.

67. On one occasion a Hungarian man, Ferenc Alföldi, wrote the U.S. Legation in Budapest a hand-written letter, in which he requested explosives in the name of the “Hungarian People’s Party.” His request indicated to Legation officials that he was “not only somewhat of a specialist in this field but has a definite scheme for utilizing the particular type of material he asks for.” Amlegation Budapest to the State Department, 2 February 1956, USNA, RG 59, 764.00/3-256.

68. This is known from reports to the interrogators by informers in the prison cells.

Hungarians would otherwise have been left with “a distorted view of the world.”<sup>69</sup> Western radio worked against Communist indoctrination,<sup>70</sup> and many believed that, without the radio broadcasts, Hungarians would have lost “all hope for the future.”<sup>71</sup>

Radio propaganda was supplemented by a USIA program that distributed two thousand bulletins and some three thousand newspapers, periodicals, and pamphlets each month.<sup>72</sup> Balloons carrying propaganda leaflets were sent into Communist airspace, allowing them to cover wide areas. Balloon operations commenced in 1951, and by the time these operations were terminated in 1956, over 300 million leaflets had been dropped onto Communist territory. The leaflets carried messages such as, “The regime is weaker than you think, the hope lies with the people.”<sup>73</sup>

In Hungary, these messages from the sky encountered a mixed reception. Some defectors complained that the “leaflets did more harm than good” because they “gave the police a chance to step up their persecution of the ‘class alien elements,’ providing additional reasons to justify the search of their homes.” People were persecuted even if no leaflets were found on them. The residents of the village of Nyögér considered the operations a failure for the same reason. Police searched their homes when they saw a balloon approaching.<sup>74</sup> Even if no such problems had arisen, the leaflets did not seem to contain any information “that has not been broadcast over and over again.”<sup>75</sup> Because most of the balloons were shot down near border regions, their audience was far smaller than that of the radio programs.<sup>76</sup> Nonetheless, some defectors thought the balloons were an effective weapon against the regime because they “boosted the morale of the population” and were “encouraging popular resistance to the regime and shaking Communist

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69. “Interrogation of Hungarian Defector,” Frankfurt, Germany, 31 May 1956, USNA, RG 59, 764.00/5-356.

70. See Amcongen Frankfurt to the State Department, 19 July 1956, USNA, RG 59, 764.00/7-1656; Amcongen Frankfurt to the State Department, 16 November 1956, USNA, RG 59, 764.00/11-1456.

71. “Interview with Recently Escaped Man,” Amcongen Munich to Francis M. Stevens, Director of East European Affairs, State Department, 23 August 1956, USNA, RG 59, 764.00/8-2356.

72. Amlegation Budapest to the State Department, 11 February 1955, USNA, RG 59, 764.00/2-1156.

73. See Hixson, *Parting the Iron Curtain*, pp. 65–66; and Marchio, *Rhetoric and Reality*, p. 216.

74. Amcongen Frankfurt to the State Department, 14 March 1956, USNA, RG 59, 764.00/3-1456; and AmEmbassy Vienna to the State Department, 3 October 1956, USNA, RG 59, 764.00/10-356.

75. Amcongen Frankfurt to the State Department, 14 March 1956, USNA, RG 59, 764.00/3-1456.

76. Amcongen Frankfurt to the State Department, 16 July 1956, USNA, RG 59, 764.00/7-1656. An official Hungarian report on balloon sightings from July to September 1956 seems to confirm that they were seen mostly along the borders, although on 4 occasions out of 22 they were seen in the Budapest area as well.

power.”<sup>77</sup> According to the 1957 RFE survey of Hungarian defectors, fifteen percent of the population relied on leaflets for their news.<sup>78</sup>

The Communist authorities reacted harshly to the balloons. A 1956 resolution of the MDP Central Committee claimed that the regime had collected 2.6 million leaflets in 1955. The resolution also declared that “interest in leaflets sent from the West is diminishing, but they still have a mobilizing effect on hostile elements.”<sup>79</sup> The Czechoslovak and Hungarian regimes protested to American diplomats and used fighter planes to shoot down the balloons. On 8 February 1956, Hungarian Deputy Foreign Minister Endre Sik summoned the U.S. *chargé d'affaires* and presented a note protesting the balloon operation. The note claimed that balloons were sent to gather intelligence and also to disseminate “filthy documents slandering the government and the political system.” These actions, according to the note, constituted interference in Hungarian internal affairs and violated Hungarian sovereignty. The note also alleged that the balloons had caused the downing of aircraft and the death of two pilots. The Hungarian government demanded the termination of such flights and “reserved the right” to seek reparations for the casualties and damage they caused.<sup>80</sup> The American side dismissed the accusations by incorrectly stating that the balloons in question were launched by private organizations or were for meteorological purposes.<sup>81</sup> The Hungarian authorities lodged another protest on 28 July, arguing that 293 balloons had been sighted since February, one of which had caused an airplane to crash, killing its pilot. The government threatened to make international aircraft land whenever balloons were sighted so that they would “avoid disaster.” The Hungarians also claimed that the operations were hindering the improvement of bilateral relations, which was Hungary’s “profound desire.”<sup>82</sup>

In the end, the Hungarian regime was unable to block Western propaganda. Jamming was difficult, and even the Soviet Union could not provide effective help in blocking radio transmissions, because the VOA constantly

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77. Amconggen Frankfurt to the State Department, 16 July 1956, USNA, RG 59, 764.00/7-1656.

78. “Hungarian Refugee Opinion,” Radio Free Europe Munich Audience Analysis Section, Special Report No. 6, January 1957, National Security Archive, Washington DC, NS Archive, SFC, Record No. 64450.

79. Resolution on the Ministry of the Interior’s work against internal reactionaries, 11 May 1956, MOL, MDP, 276, F. 53, Cs. 286 ő.e.

80. The Hungarian Ministry of Foreign Affairs to the U.S. Legation in Budapest, 8 February 1956, MOL, KÜM, USA tük XIX-J-1-j, 4-fh, Box 6, 002 118/56.

81. The U.S. Legation in Budapest to the Foreign Ministry, 9 February 1956, MOL, KÜM, USA tük, XIX-J-1-j, Box 6, 002 118/2.

82. Note from the Hungarian Foreign Ministry to the U.S. Legation in Budapest, 28 July 1956, MOL, KÜM, USA tük XIX-J-1-j 1-b, Box 6, 112 118/1.

altered its frequency.<sup>83</sup> The regime's protests against the balloons were a sign that U.S. tactics were successful. By 1955 the regime was losing the battle to win "hearts and minds." That year, the Hungarian authorities confiscated twelve thousand "hostile" letters, propaganda brochures, and private presses.<sup>84</sup> Rákosi was forced to admit that party cadres were increasingly unable to sell the party line. In his words: "In the course of our ever livelier debates we have seen that some comrades cannot come up with convincing arguments and are incapable of defending the party's position in the face of the enemy . . . Many an honest comrade has begun to waver, indeed, has fallen under enemy influence. In the debates of the past few weeks [these comrades] have heard incorrect or hostile views, which were well prepared and expressed more convincingly."<sup>85</sup>

Western propaganda thus seems to have yielded some noteworthy results. Less than a decade later, a member of the party Politburo was forced to admit that Communist ideology had lost all appeal for young people in Hungary. Even the party youth magazine was disseminating Western popular culture.<sup>86</sup> Although 25 more years would elapse until the political system followed suit, Communism as an ideology was already losing its grip in Hungary. By facilitating Western cultural penetration and countering Communist indoctrination, Western propaganda helped pave the way toward the downfall of Hungarian Communism.

## In Search of Rollback

### Covert Warfare

In the early 1950s, the United States began to explore various possibilities for covert activities behind the Iron Curtain. In 1951, legislation known as the Kersten amendment appropriated 100 million dollars for the recruitment of refugees from the Soviet bloc for military service.<sup>87</sup> The head of the PSB, Gordon Gray, praised this action as the first positive step against Soviet aggres-

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83. Report to Rákosi, 23 February 1952, MOL, MDP, Rákosi Mátyás titkársága, 276, F. 65, Cs. 95 ó.e.

84. Resolution of the MDP Politburo on the Ministry of the Interior's work against internal reaction, 11 May 1956, MOL, MDP, 276, F. 53, Cs. 286 ó.e.

85. Address to the Politburo of the MDP, 25 June 1956, MOL, MDP, Rákosi Mátyás titkársága, 276, F. 65, Cs. 26 ó.e.

86. Meeting of the Political Committee of the Hungarian Socialist Workers' Party, 23 November 1965, MOL, MDP, 288, F. 5, Cs. 380 ó.e.

87. For more on the Kersten amendment, see Bennett Kovrig, *Of Walls and Bridges: The United States and Eastern Europe* (New York: New York University Press, 1991), pp. 64–65.

sion since the war.<sup>88</sup> General Ladislav Anders, an émigré Polish leader, had originally promised over six million men for the anti-Soviet cause, but the U.S. military had shown no interest until 18 December 1951, when the secretary of defense instructed the JCS to take steps to implement the Kersten amendment. Twenty-five light regiments of former refugees were to be integrated into the military structures of the North Atlantic Treaty Organization (NATO). By 1955 some 60,000 men were supposed to receive military training, and the best were to be trained for psychological, intelligence, and unconventional warfare. All branches of the military prepared their own plans. The U.S. Air Force, for example, hoped to encourage defections of East European and Soviet air force personnel.<sup>89</sup>

Soon, however, the secretary of defense began to question the feasibility of implementing the Kersten amendment.<sup>90</sup> Because European governments were opposed to the refugee regiments, the relationship between these units and NATO or the European Defense Community (EDC) became problematic.<sup>91</sup> In light of these concerns, the JCS concluded in 1953 that the Kersten amendment was infeasible. U.S. military commanders in Europe also concluded that refugee units were neither practicable nor desirable, and they recommended against them.<sup>92</sup>

The Eisenhower administration broached the idea of creating a refugee paramilitary force, called the Volunteer Freedom Corps (VFC).<sup>93</sup> In May 1953 the president approved the establishment of a VFC under NSC 143/2.<sup>94</sup> This idea, however, suffered the same fate as the Kersten Amendment. West European opposition to the project was too strong to ignore. In early 1956 the administration decided to defer any further consideration of the Corps.<sup>95</sup>

Other covert schemes were explored in the early 1950s. For example, in 1951 and 1952 an effort was made to reconstitute the Home Army in Poland.<sup>96</sup>

88. Charles Kersten's letter to Dean Acheson, 1 October 1952, USNA, RG 218, RJCS 1951–1953, 385 (6-4-46), Box 48.

89. "Memorandum to the Secretary of Defense," January 1952, USNA, RG 330, Records of the Office of the Secretary of Defense (OSD), CD 091.3.

90. "JCS Memorandum to the Secretary of Defense," 17 March 1952, USNA, RG 330, OSD, CD 091.3.

91. "Memorandum to the Secretary of Defense," 12 September 1952, USNA, RG 330, OSD, CD 091.3.

92. "Implementation of Section 101 (A) (1) of the Mutual Security Act of 1951 (Kersten Amendment), Enclosure: A Draft—Joint Strategic Plans Committee 808/116 JSPC—Implementation of Section (A) (1) of the Mutual Security Act 1951 (Kersten Amendment) Reference JSPC 808/115/D. Signed G.E. Stevens, B.R. Eggenman, Joint Secretariat, 13 February 1953, USNA, RG 218, RJCS 1951–1953, 385 (6-4-46), Box 149.

93. James Jay Carafano, "Mobilizing Europe's Stateless: America's Plan for a Cold War Army," *Journal of Cold War Studies*, Vol. 1, No. 2 (Summer 1999), pp. 61–85.

94. Hixson, *Parting the Iron Curtain*, p. 68.

95. *Ibid.*, p. 70.

96. Gaddis, *The Long Peace*, p. 174.

In Czechoslovakia the United States staged border incidents, violated Czechoslovak airspace, and dropped radio transmitters for undercover agents. From January 1951 to December 1953, some 1,200 “Western agents” were reported arrested or killed by the Czechoslovak authorities. From 1951 through 1956, 79 murders were attributed to foreign agents.<sup>97</sup> A variety of penetration missions were designed to collect intelligence in the Eastern bloc and to assemble paramilitary units that could resist a possible Soviet invasion. Hundreds of agents were dispatched behind the Iron Curtain to contact and encourage anti-Communist resistance forces.<sup>98</sup>

In 1955, the NSC stated that covert operations were designed to “develop underground resistance, and facilitate covert and guerrilla operations and ensure the availability of those forces in the event of war, including wherever practicable provision of a base upon which the military may expand these forces in time of war within active theaters of operations.” If operations were discovered, the U.S. government had to be prepared to deny responsibility.<sup>99</sup>

In July 1956, Rákosi, the First Secretary of the MDP, claimed that each month, Hungary’s state security forces (ÁVH) “uncovered an average of two counterrevolutionary underground conspiracies, whose strings led to the imperialists. Thirty-seven spies sent into Hungary from the West were unmasked.”<sup>100</sup> Between 1949 and 1953 the regime investigated 120 cases of foreign intelligence, 41 of which were U.S. sponsored. In the same period, the ÁVH arrested the members of fourteen alleged spy rings organized prior to 1949, all with alleged American connections. In 1955, some 61 percent of the spies discovered in Hungary were American.<sup>101</sup> In fact, based on interrogations of captured CIC agents, the Hungarian Internal Affairs Ministry concluded that the United States was organizing a nucleus of armed anti-Communist resistance and was instigating acts of sabotage in Hungary.<sup>102</sup>

### **Aggressive Rollback**

When the Eisenhower administration took office in early 1953, a more aggressive American policy toward the Eastern bloc seemed to be in the offing.

97. Vojtech Mastny, *The Cold War and Soviet Insecurity: The Stalin Years*. (Oxford: Oxford University Press, 1996), p. 118.

98. Grose, *Gentleman Spy*, p. 322.

99. “National Security Directive,” 28 December 1955, NS Archive, Record No. 62351.

100. “Memorandum by Mátyás Rákosi to the Political Committee of the Hungarian Workers’ Party,” 13 July 1956, MOL, MDP, Rákosi Mátyás titkársága, 276, F. 65, Cs. 26 ő.e.

101. “Resolution on the Ministry of the Interior’s Security Organs’ Work Against Internal Reaction,” 11 May 1956, MOL, MDP, 276, F. 53, Cs. 286 ő.e.

102. *Az állam biztonsága ellen kifejtett tevékenység és az ellene folytatott harc*, Vol. 2. In the files

John Foster Dulles had promised to support an “explosive and dynamic” policy of “liberation.”<sup>103</sup> Stalin’s death in March 1953 provided the secretary of state with an opportunity to launch a strident propaganda campaign. He instructed U.S. embassies “to sow doubt, confusion, [and] uncertainty about the new regime not only among both Soviet and satellite masses, but among local Communist parties outside the Soviet Union.”<sup>104</sup> Eisenhower himself was skeptical about aggressive rollback, but some of his aides, particularly his chief national security adviser, C.D. Jackson, wanted to convert the policy into action as soon as possible.<sup>105</sup> Eisenhower and even Dulles were more cautious, but the fate of rollback was still an open question when events on the ground in mid-1953 largely settled the matter.

The East German uprising in June 1953 and its suppression by Soviet troops shattered the notion of aggressive rollback.<sup>106</sup> Dulles, who initially perceived the crisis as an opportunity for Western victory against the Soviet Union, was unable to find a way to capitalize on it. In the end, the administration merely decided to distribute food packages to East German residents, beginning in late August 1953. Although this response did prove to be politically effective, it was far more commensurate with the earlier strategy of containment than with aggressive rollback.<sup>107</sup> Because the administration was unwilling to run the risks that stronger action would have entailed,

of interrogation records in the Ministry of the Interior, I found a number of cases where alleged conspirators confessed to organizing armed groups in Hungary and in Transylvania. They claimed that they acted on the instructions of the CIC, preparing for possible war and the American invasion of Hungary. According to János Weissengruber, an agent of the CIC, the CIC was planning to establish guerillas in Transylvania who would infiltrate Hungary to commit terrorist attacks. They would be supported by preestablished bases. During a war, these groups would help cut supply lines from the East. “Weissengruber és társai,” December 1952, TH, 10-50910/52, V-82 932; András Lada, a CIC agent, allegedly was sent to sabotage targets in the heavy industrial town of Sztálinváros. “András Lada és társai,” 1954, TH, 10-514 75-954, V-1116 808-2; Sándor Dudás was allegedly instructed by the CIC to set up illegal armed groups, who would provide resistance against the Communists in case of war. “Imre Dudás és társai,” October 1951, TH, 10-50775-51, V-81 337. These stories have not been adequately checked for their reliability.

103. John Lewis Gaddis wrote that liberation “had long been quietly endorsed by Truman himself.” Gaddis, *The Long Peace*, p. 174.

104. Gaddis, *The Long Peace*, p. 174.

105. Bowie and Immerman, *Waging Peace*, pp. 158–177; Richard H. Immerman, *John Foster Dulles: Piety, Pragmatism, and Power in U.S. Foreign Policy*. (Wilmington, DE: SR Books, 1999), pp. 39–55, 60–85; and Gaddis, *The Long Peace*, pp. 149–189.

106. For a comprehensive analysis of the East German uprising and its effects on Soviet and Western policies in East-Central Europe, see the three-part article by Mark Kramer, “The Early Post-Stalin Succession Struggle and Upheavals in East-Central Europe: Internal-External Linkages in Soviet Policy Making,” *Journal of Cold War Studies*, Vol. 1, No. 1 (Winter 1999), pp. 3–55 (Part 1); Vol. 1, No. 2 (Summer 1999), pp. 3–38 (Part 2); and Part 3 in this issue, esp. Parts 1 and 3.

107. Marchio, *Rhetoric and Reality*, pp. 210–211.

Eisenhower's notion of relying on peaceful means to achieve liberation now seemed the most feasible—or at least most palatable—option to pursue.<sup>108</sup>

The retreat from aggressive rollback was formally codified in December 1953, when the administration adopted NSC-174, which fell well short of the “explosive and dynamic” policy that Dulles had promised earlier in the year. NSC-174 described the restoration of East European independence as only a long-term U.S. aim. Care had to be taken not to incite “premature” rebellion. No promises could be made about the timing and nature of American liberation efforts, nor were there plans for direct military action. In the short run, the United States would merely strive to “undermine” the local regimes, create favorable conditions for liberation, and preserve all forces that could contribute to independence and the assertion of American interests.

This is not to say that NSC-174 was simply a writ for passivity. The document called for, among other things, the stepped-up use of psychological warfare to prepare the ground for possible armed resistance against the Soviet Union. In particular, the United States would support the growth of nationalist sentiments, which were seen as antithetical to “Soviet imperialism.” The United States would also exploit rifts within the Communist regimes, foster dissatisfaction in the armed forces, take advantage of “Titoist” sentiments, and encourage “key elements” to defect.<sup>109</sup> These policies were by no means insignificant, but they were far less ambitious overall than Dulles's initial promises had envisaged.

Part of the reason that the move away from rollback was so pronounced is that Dulles's perspective had changed by late 1953. He began to view rollback as a costly and risk-laden strategy that could reduce the Soviet threat, but that could also destroy the free world.<sup>110</sup> Dulles's views continued to moderate over time. By 1955 he acknowledged the relaxation of the Cold War, describing the Soviet Union as “less menacing.” He told the Senate Foreign Relations Committee that “the U.S. is getting closer to a relationship [where] we can deal [with the Soviet Union] on a basis comparable to that where we deal with differences between friendly nations.”<sup>111</sup> In 1956, when the challenger for the presidency, Adlai Stevenson, mentioned the “pledge”

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108. Immerman, *John Foster Dulles: Piety, Pragmatism, and Power*, p. 81.

109. “Statement of Policy by the National Security Council on United States Policy Toward Soviet Satellites in Eastern Europe,” NSC-174, 11 December 1953, *FRUS*, 1952–1954, Vol. VIII, pp. 111–127.

110. *Ibid.*, p. 82.

111. See Ronald W. Preussen, “John Foster Dulles and the Predicaments of Power,” in Richard H. Immerman, ed., *John Foster Dulles and the Diplomacy of the Cold War* (Princeton, NJ: Princeton University Press, 1990), p. 35.

of liberation, Dulles responded that “there is no such pledge.” Containment was once again the line pursued by the State Department.<sup>112</sup> According to the Policy Planning Staff, liberation meant keeping the spirit of hope and liberty alive; it did not mean the use of military force.<sup>113</sup>

The cautiousness of the administration’s new policy was evident in 1955 when Ferenc Nagy, Hungary’s former prime minister who was removed when the Communists took over, asked a high-ranking State Department official to speak at the tenth anniversary commemoration of Hungary’s 1945 election. The State Department declined, claiming it did not wish to identify “publicly and officially” with ideas expressed by the Hungarian émigrés.<sup>114</sup> Whenever department officials received an inquiry about U.S. policy toward Eastern Europe, they were careful not to give the impression that forceful liberation was an option.<sup>115</sup>

Even so, Dulles and other high-ranking officials continued to make statements about liberation, conveying an ambiguous picture of U.S. policy that could easily mislead the populations of East-bloc countries.<sup>116</sup> These mixed signals were largely unavoidable. They resulted from the continued belief on the part of many administration officials that resistance to totalitarian rule in Eastern Europe was “less hopeless than has been imagined.” The administration still desired “to nourish resistance to Communist oppression throughout satellite Europe, short of mass rebellion in areas under Soviet control, and without compromising its spontaneous nature.”<sup>117</sup> These strands of U.S. policy, no matter how they were viewed in Washington, led many in Hungary to expect more support once revolution had begun.

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112. In a discussion with Polish émigré leaders in March 1953, State Department officials declared that “the liberation of the enslaved nations cannot be achieved by their own efforts and requires for its realization a fundamental change of the international situation.” In other words, rollback was not possible at that time. “Memorandum of Conversation, Subject: Liberation of Eastern Europe, Rowmund Pilsudski, Jerzy Lerski, Allan Vedeler,” 20 March 1953, NS Archive, SFC, Record No. 66171. Provenance: Department of State, Office of the Assistant Secretary of State for European Affairs.

113. “Memorandum by Fuller to Stelle,” 3 December 1956, USNA, RG 59, PPS 1956, Lot File 66 D 487, L.W. Fuller, Box 78.

114. “Memorandum by William Crawford to Walwourth Balbour,” 28 September 1955, USNA, RG 59, 764.00/9-2855.

115. “Memorandum by McKisson,” 1 July 1955, USNA, RG 59, 764.00-7-155. In its standard response, the State Department stated that it was “looking forward” to the day when the peoples of the region would regain their “freedom and independence.”

116. See Immerman, *John Foster Dulles: Piety, Pragmatism, and Power*, p. 83; and Marchio, *Rhetoric and Reality*, p. 214.

117. “Report by the National Security Council on Interim Objectives and Actions to Exploit Unrest in the Satellite States,” 29 June 1953, NS Archive, SFC, Record No. 62113.

## Negotiation

After Stalin's death in 1953, the United States also began to pursue a new means of solving the East European problem: negotiation. Dulles advised Eisenhower to propose that the United States and the Soviet Union mutually withdraw their forces from Europe. Dulles also suggested that the two countries could agree to some formula for international control of nuclear weapons and missiles.<sup>118</sup> Although he soon changed his mind, the State Department Policy Planning Staff (PPS) began developing ideas for a negotiated settlement in 1953. The PPS suggested capitalizing on the power struggle in Moscow. A senior official on the PPS, Louis Halle, argued that in light of the turmoil in the Soviet Union, negotiations could spur Soviet concessions in return for smaller concessions from the United States. Halle surmised that the Iron Curtain might even be raised if the European Defense Community were not extended to the boundary of the Soviet empire.<sup>119</sup> The PPS also began to explore the controversial idea that the Soviet Union was occupying its vassal countries to maintain a buffer zone against the West.<sup>120</sup> Some papers prepared by the PPS argued that the Soviet Union's withdrawal from Eastern Europe could be achieved by assuring Moscow that the West would not threaten Soviet security. According to a memorandum prepared in July 1953, the countries adjacent to the Baltic, Black, Aegean, and Adriatic Seas could be considered territories crucial to Soviet security. Western demands for free elections would have to take these "legitimate" Soviet security concerns into account. Measures would be taken to ensure that states bordering the Soviet Union would not become "overtly or actively hostile to her or free to engage in operations adversely affecting her security."<sup>121</sup>

The aim was to persuade the Soviet Union to withdraw its troops behind its boundaries and return to Eastern Europe only "on invitation of freely elected governments." Existing regimes would be disbanded, and elections would be held and "assured by some international supervisory body." Newly elected governments would be free to make their own foreign and domestic

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118. Immerman, *John Foster Dulles: Piety, Pragmatism, and Power*, pp. 77–79.

119. "Memorandum by Halle to Bowie and Beam," 27 July 1953, USNA, RG 59, PPS 1947–1953, Members Chronological File, Louis Halle Jr., Box 47.

120. This notion had such prominent adherents as Charles Bohlen, who held that "The essential Soviet objective in East Europe was and still remains to ensure Soviet control . . . for strategic purposes. The post-war Soviet takeover in East Europe was inspired primarily by strategic considerations and only secondarily by spread of communism for ideological reasons." Moscow to the Secretary of State, 10 December 1956, NA, RG 59, PPS 1956, Lot File 66D 487, Box 76 (Soviet Union).

121. "Memorandum by L.W. Fuller," 21 July 1953, USNA, RG 69, PPS 1947–1953, Lot 64 D 563, Box 29, Europe.

policies but would be obliged to subordinate their security policies to Moscow's interests. In short, the Eastern bloc countries would be granted a status "closely analogous to that of Finland today."<sup>122</sup> For the sake of an agreement, the West could grant further concessions to satisfy Soviet defense needs, including assurances that Germany would not be united.<sup>123</sup> The authors acknowledged that serious risks would be involved, but they argued that "as a price of removing Soviet control from the whole satellite area, [it would be desirable] to make certain agreements on the level of armaments and the location of forces in Europe."<sup>124</sup> These negotiating points, which Mikhail Gorbachev would accept in 1989, were not acceptable to the Soviet Union in 1953–1954. As a result, the proposal was stillborn.

In late 1954, the NSC began to debate the policy of negotiation. Although the JCS were still willing to take greater risks, Dulles, speaking for the majority in the NSC, advocated a middle course: "We should recognize that there is tenable ground in between military commitment to save these nations from Communism and the total abandonment of the areas to Communism."<sup>125</sup> The result of the deliberations, NSC-5501, recommended that the United States encourage the East European regimes to break away from Soviet dominance. Under the new policy, the East-bloc states would be urged to pursue their own interests. The logic was that once they did so, the Soviet bloc would disintegrate of its own accord.<sup>126</sup>

The Austrian State treaty, signed by Great Britain, France, the United States, and the Soviet Union on 15 May 1955, seemed to present a new opportunity to come to an agreement on Eastern Europe and perhaps even to end the Cold War. The treaty guaranteed Austria's armed neutrality and provided for the end of the four-power occupation of Austria. Soviet leader Nikita Khrushchev agreed to the treaty for a variety of reasons: to prevent Austria's military integration into Western Europe, to strengthen "neutralism" in Europe, and to give a boost to East-West relations, including talks about the status of Germany. Austria was to be the showcase for Khrushchev's policy of "peaceful coexistence." His flexibility on the matter aroused hopes in the West that comparable deals might be feasible for other countries in

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122. "Memorandum by L.W. Fuller," 21 July 1953, USNA, RG 69, PPS 1947–1953, Lot 64 D 563, Box 29, Europe.

123. "A Dialectical Approach to the Possibilities of Accommodation by Negotiation between the Free World and the Soviet Bloc," [no date, 1953], USNA, RG 59, PPS 1947–1953, Lot 64 D 563, Box 47.

124. "United States Policy Respecting Europe," 5 March 1954, USNA, RG 59, PPS, Lot 65 D 101, Box 88.

125. Marchio, *Rhetoric and Reality*, p. 232.

126. *Ibid.*, pp. 232, 233.

which Soviet troops were stationed.<sup>127</sup> The possibility for a negotiated settlement that would take account of Soviet security interests was discussed again within the State Department.<sup>128</sup>

The Geneva Summit on 18 July 1955 afforded a perfect opportunity to test the new negotiation strategy. The State Department proposed that the United States push for increased self-determination for the Eastern bloc. A PPS memorandum suggested that the United States draw up a proposal for German unification, which would be followed by Soviet withdrawal from the GDR and Poland and subsequently, when the Austrian Treaty came into force, from Romania and Hungary.<sup>129</sup> This proposal was in line with NSC-5524/1, which had been approved shortly before the summit. The NSC document declared that the elimination of Soviet control over Eastern Europe was to be pursued by means short of war and possibly by negotiation with the Soviet Union, using the Austrian State Treaty as a model for further agreements.<sup>130</sup>

In pre-summit briefings, Dulles suggested to Eisenhower that they discuss the question of Eastern Europe during private conversations in Geneva with Soviet leaders. At the summit, the president and secretary of state each brought up the question of Eastern Europe in discussions with Soviet Premier Nikolai Bulganin. Both of them informed Bulganin that the United States attached great significance to the status of the East European countries, partly because of the domestic influence of East European émigré groups. At the same time, both assured Bulganin that the United States “had no desire that the Soviet Union should be ringed by a group of hostile states.” Dulles advocated a compromise solution—allowing the Eastern bloc to develop according to the Finnish model. Bulganin, as expected, refused to discuss the issue.<sup>131</sup>

In July 1956 the NSC once again revised U.S. policy toward Eastern Europe by adopting NSC-5608. This latest document reemphasized old objectives, including attempts to divide the Eastern bloc and spur the East

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127. Günter Bischof, *Austria in the First Cold War: The Leverage of the Weak* (London: MacMillan, 1999), pp. 150, 151.

128. According to a summary paper approved by the OCB on 5 January 1955, “there is little likelihood of detaching a major satellite at any time without the grave risk of war except by negotiation.” *FRUS*, 1955–1957, Vol. XXV, pp. 8, 9.

129. “Memorandum by John C. Campbell to the PPS,” 31 May 1955, USNA, RG 59, PPS 1955, Lot File 66 D, Box 64. Campbell proposed the following compromise: If the Soviet Union would allow German unification, withdraw from Czechoslovakia and Poland, and give the Eastern bloc a chance to choose military alignment, and remove troops from Czechoslovakia and Poland, then the U.S. would withdraw from all NATO countries except Britain. Alternatively, a united Germany, Poland, and Czechoslovakia would all receive nonaligned status.

130. “Basic U.S. Policy in Relation to the Four-Power Negotiations,” 11 July 1956, NSC 5224-1, *FRUS*, Vol. V, 1955–1957, p. 287.

131. Marchio, *Rhetoric and Reality*, p. 247.

European populations to revolt. The United States would adapt its tactics to suit the situation in each country, but the general approach was one of undercutting Soviet influence. The policy of negotiation, aimed at “Finlandizing” Eastern Europe, was thereafter largely abandoned.<sup>132</sup> The talks in the 1970s and 1980s pertaining to the Conference on Security and Cooperation in Europe (CSCE) were of a very different nature. Those talks were designed mainly to ratify the status quo in Eastern Europe, whereas the short-lived negotiations of the mid-1950s had been intended to dismantle the status quo.

### **U.S.–Hungarian Relations on the Eve of the 1956 Revolution**

In the summer of 1956, relations between Hungary and the United States began to improve. At that time, the United States responded very favorably to Hungary’s overtures about a possible expansion of bilateral trade relations.<sup>133</sup> Shortly after Rákosi was removed from his post as head of the MDP in July 1956, the State Department invited his successor, Ernő Gerő, “to study the two party electoral process whereby the Chief Executive and the members of the Congress of the United States are chosen.” The U.S. government was prepared to cover the costs of the trip, and an itinerary was put together to permit the “most advantageous observation of the two party campaign.” The invitation “assumed that on the next appropriate occasion Americans would be invited to view elections in Hungary.” Although the Hungarian Foreign Ministry did compile a list of recommended participants, the offer was eventually turned down.<sup>134</sup> Nonetheless, in the wake of the Twentieth Party Congress of the Soviet Communist Party (CPSU) in February 1956, which had featured Khrushchev’s “Secret Speech” denouncing Stalin, the Hungarians continued to show interest in the improvement of bilateral relations. In the spirit of the CPSU congress, the Hungarian Foreign Ministry worked out a set of “guiding principles” for the restoration of a measure of independence to Hungarian foreign policy.<sup>135</sup>

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132. “Statement of Policy on U.S. Policy Toward the Soviet Satellites in Eastern Europe,” NSC-5608/1, 18 July 1956, *FRUS*, 1955–1957, Vol. XXV, pp. 217–221.

133. At an NSC meeting in February 1956, Eisenhower declared that U.S. trade with the Eastern bloc might prove to be a “centrifugal force,” *FRUS*, 1955–1957, Vol. XXV, p. 120.

134. “Memorandum from the U.S. and West European Desk of the Foreign Ministry to the Foreign Minister,” 19 September 1956, MOL, KÜM, XIX-J-1-j, USA tük, 4/a, Box 4, 007682/1956.

135. Circular telegram to Hungarian diplomatic missions, 26 June 1956, MOL, KÜM, XIX-J-1-j, USA tük, 1/b, Box 1, 00664/1956.

Hungary's desire for better relations was partly attributable to the country's catastrophic economic situation. In the 1950s, Hungary's currency reserves were being severely depleted, the result of an increased trade deficit. Christian Ravndal, the U.S. minister in Hungary, reported in 1956 that Hungarian Deputy Foreign Minister Károly Szarka was "almost pleading for the resumption of preparations for [trade] discussions."<sup>136</sup> The Hungarians desired U.S. imports and credit, and they particularly needed wheat and cotton on favorable credit terms. Endre Sík, Hungary's deputy foreign minister, indicated that Hungary could lift travel restrictions if that would facilitate trade agreements with the United States.<sup>137</sup> Before any results could be achieved, however, the pace of negotiations was slowed by the Hungarian Ministry of Internal Affairs, which feared that better relations with the West might weaken Communist rule in Hungary.

In May 1956, Christian Ravndal discussed a possible normalization of ties with Hungarian officials. He told them that bilateral relations could improve only if the Hungarian "secret police were brought under control" rather than being allowed to function as "a state within the state."<sup>138</sup> Hungarian Party Secretary Lajos Ács assured Ravndal that he would rein in the police. Furthermore, Jozsef Kárpáti, a deputy foreign minister, told Ravndal that "we now have an opportunity to listen to each other's grievances and fundamentally change the existing situation." His tone was a remarkable shift after years of harsh rhetoric against the United States. Ravndal responded that it was "the most constructive statement" he had heard during his time in Hungary. The most significant issue to be resolved was that of the secret police's treatment of Americans in Hungary.<sup>139</sup> Robert M. McKisson of the State Department's Office of Eastern European Affairs told the Hungarian minister in Washington, Péter Kós (who incidentally was also a Soviet citizen), that the first step would be to settle the question of the arrested employees of the U.S. Legation in Budapest.<sup>140</sup>

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136. AmLegation Budapest to the State Department, 7 July 1956, USNA, RG 59, 611.64/7-1356. The Hungarian side suggested that Ravndal had initiated the trade discussions. The Ministry of Foreign Trade believed that increased Hungarian exports to the United States were desirable because of the need for hard currency, but it cautioned that the U.S. offer had political strings attached. "Ministry of Foreign Trade Memorandum to Rákosi," 20 June 1955, MOL, MDP, 276, F. 53, Cs. 283 ő.e.

137. "Meeting with Sík," Budapest to the Secretary of State, 22 July 1956, USNA, RG 59, 411. 6441/7-2255.

138. "Memorandum on Minister Ravndal's Visit," 8 May 1956, MOL, KÜM, USA tük, XIX-J-1-j 4/a, Box 4, 004782/1.

139. Ravndal to the Secretary of State, 5 May 1956, *FRUS*, 1955–1957, Vol. XXV, p. 162.

140. "Discussion with McKisson," 24 July 1956, MOL, KÜM, USA tük, XIX-J-1-j, 5/e, Box 15, 00594/1. In 1955 the Hungarian authorities had arrested two Hungarian employees of the Legation and sentenced them for "intelligence activity on behalf of a foreign power, seditious acts, and other crimes." Seven other employees had been arrested earlier, and their fate and whereabouts were

In late August 1956, Hungary abolished the regulation compelling U.S. diplomatic personnel to have their travel plans approved in advance. This move was reciprocated by the United States. Hungarian Minister Kós informed the State Department that the number of regions closed to foreigners would be reduced as well. Kós assured Herbert Hoover, Jr., who was then the U.S. under secretary of state, that the improvement of relations was his mission's "primary objective." Hoover told Kós that Washington expected further concessions, which would be reciprocated by the United States.<sup>141</sup> The Hungarian initiative to eliminate areas restricted for foreign diplomats received Soviet blessing.<sup>142</sup> In return, the Hungarians were allowed to step up their information activities in Washington.

Although the State Department informed Hungary of its satisfaction with the improvement of relations between the two countries, it also made clear that the detained U.S. Legation employees had to be set free before the United States would lift its travel ban. The department promised that once the ban had been lifted, commercial and cultural delegations and tourists would be allowed to visit Hungary, and vice versa. Eager to meet these conditions, Hungarian Foreign Minister Imre Horváth asked the minister of internal affairs, László Piros, for further information on the arrested Americans. Piros failed to respond. On 23 October 1956, the very day that the revolution began, Horváth made a second request for the information so that he could report it to the forthcoming session of the United Nations (UN) General Assembly.<sup>143</sup> He did not realize that larger events were about to overshadow his difficulties with the Ministry of Internal Affairs, and that other matters would be discussed at the UN session.

## **The U.S. Response to the Revolution of 1956**

The American response to the 1956 Hungarian revolution encapsulated Washington's Janus-faced attitude toward the liberation of Eastern Europe.<sup>144</sup>

undisclosed. In 1955 the Hungarians also arrested and sentenced two U.S. correspondents, Andrew Marton and his wife.

141. "Announcement of the Termination of Travel Restrictions," 24 August 1956, MOL, KÜM, USA tük, XIX-J-1-j, Box 15, 007151/1956; and Memo of conversation between Hoover, Leverich, and Kós, 4 September 1956, USNA, RG 59, 611.6411/9-456.

142. "Visit of Ambassador Yurii Andropov to Foreign Minister Horváth," 12 September 1956, MOL, KÜM, Szu tük, XIX-J-1-j, IV-102, 1/d, Box 5, 1455/56.

143. Foreign Minister Horváth to Minister of the Interior Piros, 4 October and 23 October 1956, MOL, KÜM, Szu tük, XIX-J-1-j, 4/a, Box 4, 007425-1956.

144. For a thorough reassessment of the Soviet Union's response to the Hungarian and Polish crises, based on multiarchive research, see Mark Kramer, "New Evidence on Soviet Decision-Making

The Eisenhower administration wanted to respond in some manner, but military intervention of any sort was ruled out. The administration was left with a variety of policy options ranging from negotiations with the Soviet Union to the encouragement of popular unrest against the Communist regime.

Although Washington's official policy was at odds with the bolder side of psychological warfare and with the administration's initially belligerent remarks, the cautious U.S. approach did have a sound inner logic. American strategy was predicated on the slight hope that if Washington showed restraint, Moscow might be willing to accept the Finlandization of Hungary.

In 1956, senior administration officials had been hoping that unrest would grow within the Eastern bloc, but they were completely unprepared for an open, armed revolt against Soviet power. Earlier on, they had believed that any such revolt would fail.<sup>145</sup> When the uprising broke out, Dulles stated that U.S. policy would remain aimed at promoting the peaceful transformation of Hungary. On 25 October, two days after the revolution began, he cabled to the U.S. Embassy in Belgrade: "As in Poland we welcome all steps by any people toward national independence and freedom from Soviet domination. . . . Nevertheless [it is] difficult to see how unarmed people no matter how heroic can overcome Soviet tanks. In circumstances therefore we desire to minimize bloodshed, keep the Nagy-Kádár regime from taking reprisals and . . . encourage it to proceed with rapid democratization."<sup>146</sup> When events in Hungary con-

and the 1956 Polish and Hungarian Crises," *Cold War International History Project Bulletin*, Issue 8/9 (Winter 1996/1997), pp. 358–384, which was published in expanded form as "The Soviet Union and the 1956 Crises in Hungary and Poland: Reassessments and New Findings," *Journal of Contemporary History*, Vol. 33, No. 2 (April 1998), pp. 163–214. Kramer also has provided an extensively annotated English translation of the Malin notes, "The 'Malin Notes' on the Crises in Hungary and Poland, 1956," *Cold War International History Project Bulletin*, Issue 8/9, pp. 385–410. Kramer argues that the sudden reversal of the Kremlin's 30 October decision not to intervene in Hungary was caused by the combination of seemingly alarming developments in Hungary and the British-French bombing of Egypt, which commenced on 31 October. On the Soviet role, see also János M. Rainer, "Döntés a Kremlben—Kísérlet a feljegyzések értelmezésére," in Vyacheslav Sereda and János M. Rainer, eds., *Döntés a Kremlben—A szovjet pártelnökség vitái Magyarországról* (Budapest: 1956-os Intezet, 1996), pp. 111–155; and László Borhi, "The Great Powers and the Hungarian Crisis of 1956," *Hungarian Studies*, Vol. 12, No. 2 (Spring 1997), pp. 237–279.

145. In 1953, State Department officials expressed their view that "any armed resistance in the Moscow-controlled countries of East-Central Europe has no chance of success and its outcome could bring only biological annihilation of the nations concerned." "Memorandum of Conversation with Polish Émigrés," 20 March 1953, NS Archive, SFC, Record No. 66171. In a memorandum of 14 January 1956 to Francis B. Stevens of the Office of Eastern European Affairs, Robert F. Delaney of the Office of Policy and Programs, Soviet Orbit Division, United States Information Agency, stated that the U.S. policy toward a potential Hungarian uprising should be the same as policy during the Berlin uprising in 1953. He declared that the United States must not "cause the premature uprising and consequent annihilation of dissident elements on the basis of exhortations or promises which we are not able to support." *FRUS*, 1955–1957, Vol. XXV, pp. 10–11.

146. Dulles to the American Embassy in Belgrade, 25 October 1956, USNA, RG 59, 764.00/10-2556. In 1950 he similarly wrote, "The people have no arms, and violent revolt would be futile. Indeed it would be worse than futile, for it would precipitate massacre." Quoted in Ronald W.

tinued to spiral out of U.S. (and Soviet) control, the Eisenhower administration found itself scrambling for an appropriate policy.

Eisenhower's initial response was to deplore the Soviet intervention of 23 October and to express sympathy for the Hungarian people. Dulles believed that the United States had been successful in preserving the "yearning for freedom" in the Eastern bloc, and he hoped that the "great monolith of Communism is crumbling."<sup>147</sup> In the absence of reliable information about developments in Hungary and Moscow, U.S. officials sought to forestall a decisive Soviet crackdown. Both Dulles and Eisenhower tried not to give the impression that "they were selling [the Hungarians] out or dealing with their hated masters behind their backs."<sup>148</sup>

The NSC was convened on 26 October to formulate a strategy. Presidential adviser Harold Stassen suggested that they immediately assure Moscow that the independence of Hungary and the rest of the Eastern bloc would in no way threaten Soviet security.<sup>149</sup> The NSC rejected this proposal, but supporters of Stassen's idea convinced Eisenhower to propose the Austrian model as a solution to the Hungarian question, a model that would give Hungary its independence while safeguarding Soviet security.<sup>150</sup> The assumption underlying this strategy was the same as the assumption made by the State Department's Policy Planning Staff in 1953, namely, that the Soviet Union needed the Eastern bloc as a buffer zone for its security. If Soviet security were adequately guaranteed, the argument went, East European independence might become possible. The PPS reiterated this position on 29 October 1956, arguing that if the United States "recognized the Soviet Union's legitimate interests in those territories," Soviet military intervention would be forestalled and Hungarian independence would be achieved.<sup>151</sup> Stassen claimed that if the United States assured Moscow that Hungary would not be admitted to NATO, there was a chance that the Soviet Union would feel confident in granting independence to Hungary.<sup>152</sup>

Stassen was hopeful that this kind of solution would be appealing to Soviet Defense Minister Marshal Georgii Zhukov, who, in Stassen's view,

Preussen, "Walking a Tightrope in the Twilight: John Foster Dulles and Eastern Europe in 1953," paper delivered in Paris at the conference "Europe and the Cold War" (November 1998).

147. Quoted in Kovrig, *Of Walls and Bridges*, p. 89.

148. *Ibid.*, p. 91.

149. See Csaba Békés, "The 1956 Hungarian Revolution and World Politics," Working Paper No. 16, Cold War International History Project (Washington, DC: Woodrow Wilson Center, 1996), p. 15.

150. *Ibid.*, p. 15.

151. Policy Planning Staff position paper, 29 October 1956, USNA, RG 59, PPS, Lot 66 D 487 1956, Box 80.

152. "Interview with Harold Stassen on J.F. Dulles," NS Archive, SFC, Record No. 65 102. Stassen did admit to having doubts that the Soviet Union would accept the expulsion of the Soviet Army from Hungary.

“must be reluctant to deploy the Red Army throughout the Balkans in increased numbers to hold down indigenous populations.” Stassen warned that Zhukov “may be unable to prevent this deployment [of Soviet troops] if his internal opposition can raise the specter of U.S. bases in Hungary, etc. and the affiliation of these Balkan [sic] countries with NATO.”<sup>153</sup> Stassen was worried that Dulles had been too ambiguous in his statements about Soviet security.<sup>154</sup> Stassen’s concern about Dulles’s position had been reinforced after a recent incident involving preparations for a speech by Eisenhower in Dallas. The president had requested that Dulles formulate some sentences about U.S. willingness to guarantee Soviet security, but Dulles watered down the passage to suggest only that the United States did not see the countries of Eastern Europe as potential allies. To make sure that Dulles’s weaker message was heard in Moscow, ambassador Charles Bohlen was instructed to repeat the crucial passage (that the East European states were not seen as potential allies) to Soviet leaders, which he did at a reception on 29 October. Eisenhower himself did the same in a speech on 31 October, offering economic assistance to Eastern Europe.<sup>155</sup>

The initial Soviet intervention in Hungary had been raised for discussion in the UN Security Council on 27 October on the basis of Article 34 of the UN Charter. Péter Kós, who was now the chief Hungarian representative at the UN, protested, thus making the position of the Western powers more difficult. The Soviet representative, Arkadii Sobolev, justified the Soviet intervention by claiming that Hungary had failed to fulfill its obligation to “suppress fascist movements,” as stipulated by Article 4 of the Paris Peace Treaty signed in 1947. The British and American representative condemned what they regarded as Moscow’s violation of UN principles, but they failed to specify which articles of the Charter had been violated. The chief British representative, Sir Pearson Dixon, referred to a section of the Paris Peace Treaty that guaranteed the Hungarians the free exercise of their democratic rights, but Dixon’s lack of specificity weakened the Western case. Sobolev dominated the proceedings, and at one point he even accused the Americans of siding with “Hitler’s former collaborators,” a statement that caused the chief U.S. representative, Henry Cabot Lodge, to lose his composure. Lodge declared it “inadmissible that murderers of women and children were pointing their finger at those who were sending Christmas packages.” The meeting ended in-

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153. “Memorandum by the Special Assistant to the President,” 26 October 1956, NS Archive, SFC, Record No. 64 493.

154. There is no indication in the currently available Soviet records that U.S. policies had any direct impact on the Soviet decision-making process. Other records, not yet released, may eventually provide a different picture.

155. Kovrig, *Of Walls and Bridges*, p. 95.

conclusively, but on an optimistic note, as news came in that Soviet troops were leaving Budapest.<sup>156</sup>

On 30 October the CPSU Presidium did in fact decide to remove Soviet forces from Budapest and expressed readiness to negotiate with the Hungarian government about a complete withdrawal of Soviet troops from the country. That same day, at a reception before the CPSU Presidium meeting, Marshal Zhukov spoke to Western ambassadors about Hungary. Referring to the Polish crisis, he stated that the Soviet Union had shown restraint but “could have crushed them [the Poles] like flies.”<sup>157</sup> During the CPSU Presidium meeting itself, Zhukov spoke in favor of withdrawing Soviet troops from Budapest. At a later reception in the Kremlin the same day, Zhukov told Bohlen about the decision to withdraw troops.<sup>158</sup>

At this point, U.S. officials believed that their negotiating strategy was succeeding. On 30 October, Eisenhower optimistically told Edward Wailes, the newly appointed minister to Budapest, that if Eastern Europe became neutral and independent, a more constructive period in world politics would ensue.<sup>159</sup> A top-secret State Department memorandum that day, citing the U.S. Legation in Budapest, reported that Soviet troops were leaving the capital. According to the memorandum, this outcome, achieved without inordinate Western pressure, was evidence “of the tremendous strength of the popular movement, which is undoubtedly having a profound effect on Soviet policy . . . [T]he Soviets must be considering departing from Hungary within a short time.”<sup>160</sup> The JCS were similarly optimistic in predicting that the Soviet troops would leave without American military intervention.<sup>161</sup> As late as 2 November, two days after the Soviet Union reversed its decision of 30 October and decided to undertake a much larger invasion, Bohlen claimed that Soviet leaders were not preparing for military action and were simply trying to buy time. Based on what Zhukov and Soviet Foreign Minister Dmitrii Shepilov had told him, Bohlen surmised that the “Soviet decision was

156. Minutes of the meeting of the Security Council, 28 October 1956, Archives Diplomatiques de Quai d'Orsay, Série Europe 1944–1960, Hongrie, Vol. 62, Folio 207–216.

157. Bohlen to the Secretary of State, 30 October 1956, NS Archive, SFC, Record No. 65 692. Zhukov's words were also picked up by the French chargé. Soutou to Pineau, 30 October 1956, in Ministère des Affaires Étrangères, Commission de Publication des Documents Français, *Documents Diplomatiques Français* (Paris: Imprimerie Nationale, 1990), 1956, Vol. III, pp. 82, 83.

158. The embassy in the Soviet Union to the State Department, 30 October 1956, 10 PM, *FRUS*, 1955–1957, Vol. XXV, pp. 346, 347.

159. As cited by Csaba Békés, “Az Egyesült Államok és a magyar semlegesség 1956-ban,” in András Hegedűs, György Litván, and János Rainer, eds., *Évkönyv 1994* (Budapest: 1956-os Intézet, 1994), p. 176.

160. “State Department Memorandum,” 31 October 1956, NS Archive, SFC, Record No. 65 283.

161. Report by the Joint Strategic Survey Committee to the NSC, 31 October 1956, USNA, RG 218.

to support the Nagy government to the end . . . thereby hoping to avoid total military occupation of Hungary.”<sup>162</sup>

Because U.S. officials assumed there was no immediate danger of Soviet military intervention in Hungary, the NSC turned to the more pressing Suez crisis on 1 November. Great Britain and France, in their effort to regain control of the Suez canal, issued a joint ultimatum to Israel and Egypt on 30 October, threatening to invade unless the two countries withdrew from the lines of battle. Dulles was outraged: “Just when the Soviet orbit was crumbling and we could point to a contrast between the Western world and the Soviets, it appeared that the West was producing a similar situation.”<sup>163</sup>

On 31 October, U.S. officials still assumed that “national Communist governments” could emerge in the Eastern bloc. At an NSC meeting, they considered three options they might pursue to promote national Communism in Hungary: (1) by exerting pressure on the Soviet Union through the UN and public declarations; (2) by providing clandestine or open military aid to the rebels as long as they remained capable of controlling territory and forming a government; or (3) by attempting to secure a Soviet troop withdrawal and Hungary’s neutrality on the Austrian model.<sup>164</sup>

The Communist regime in Hungary later accused the United States of providing clandestine military assistance to the rebels, but this claim is largely groundless. To be sure, the United States had set up a military base in Munich under the code-name Operation Red Sox/Red Cap, where East European refugees were trained and equipped to perform paramilitary operations in support of uprisings against Soviet control. It is unclear whether Operation Red Sox/Red Cap was implemented in Hungary, but the evidence suggests that it was not.<sup>165</sup> There is no doubt that Washington refused to support Spanish plans for covert assistance to the rebels, a position that would be very odd if the United States itself was already providing such aid. On 6 November, Spanish Foreign Minister Alberto Martin Artajo had told Cabot Lodge that his government “stood ready to send an armed force to Hungary.” Artajo suggested that the United States send “two airplanes to Spain to be loaded with

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162. Bohlen to the Secretary of State, 2 November 1956, USNA, RG 59, 764.00/11-256. On 1 November the British minister in Budapest thought that the Soviets “reversed their position and will impose on the country with force of arms.” “Fry to the Foreign Office,” in Éva Haraszti-Taylor, ed., *The Hungarian Revolution of 1956. A Collection of Documents from the British Foreign Office* (Nottingham: Astra Press, 1995), pp. 155–156.

163. On the Suez crisis and for the citation see Peter L. Hahn, *The United States, Great Britain and Egypt 1945–1956. Strategy and Diplomacy in the Early Cold War* (Chapel Hill, NC: University of North Carolina Press, 1991), p. 231.

164. “Draft Statement of Policy by the Planning Board of the NSC—U.S. Policy on Developments in Poland and Hungary,” NSC 5616/1, 31 October 1956, *FRUS*, 1955–1957, Vol. XXV, pp. 354–359.

165. Kovrig, *Of Walls and Bridges*, pp. 79, 92;

arms to be dropped in Hungary. Franco and his cabinet had instructed him to take up this matter.” Washington’s response, sent out by the State Department, was unequivocal: “The U.S. government can lend *no* support, overt or covert, to any military intervention in Hungary in present circumstances.” The department also expressed its hope that Spain would take no precipitate action without consulting the United States “in the light of our common objectives and obligations for the maintenance of international peace.” In return for Spanish restraint, the State Department promised that appropriate measures would be taken at the UN.<sup>166</sup>

In a further attempt to avert a Soviet crackdown, the Eisenhower administration continued its policy of assuring Moscow that the United States did not regard Hungary as a potential ally. On 31 October, the NSC endorsed the Policy Planning Staff’s idea of proposing mutual troop withdrawals from Europe in exchange for neutral status for the East-bloc countries.<sup>167</sup>

On 1 November 1956, in response to news that the Soviet Union was sending troops back into Hungary, the Nagy government declared Hungary a neutral country and annulled its membership in the Warsaw Pact. The British and French sought to divert attention from their own plight by enthusiastically recognizing Hungarian neutrality at the UN. Because of the “difficulties” in Suez, the British representative at the United Nations was told to “arrange for his American colleague to take the initiative” and to give him “close and firm support.”<sup>168</sup> On 3 November the French representative at the United Nations was ordered both to “press for neutrality” and to emphasize “the need to allow the Hungarian people to express their opinion on their future in free elections.”<sup>169</sup> Lodge was instructed otherwise. On 2 November, Dulles cabled Lodge to tell him to “make every possible effort to distance the French from tabling substantive resolution at tonight’s meeting.” Dulles wanted Lodge to defer the vote, even if it was tabled on the grounds that the UN lacked full and current information on Hungary. Dulles referred to “ob-

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166. “Lodge’s Talk with the Spanish Foreign Minister,” 6 November 1956, USNA, RG 59, 764.00/11-656; Fischer Howe to the Acting Secretary of State (Hoover), 8 November 1956, USNA, RG 59, 764.00/11-856; Acting Secretary to the U.S. Embassy in Madrid, 8 November 1956, USNA, RG 59, 764.00/11-856.

167. “Draft Statement of Policy by the Planning Board of the NSC—U.S. Policy on Developments in Poland and Hungary,” NSC 5616/1, 31 October 1956, *FRUS*, 1955–1957, Vol. XXV, pp. 354–359. The JCS was opposed to this policy.

168. “Draft to the U.K. Delegation in New York by the Foreign Office, 2 November 1956,” in Haraszti-Taylor, ed., *Hungarian Revolution of 1956*, p. 161.

169. Pineau to Cornut-Gentille, 3 November 1956, *Documents Diplomatiques Français*, 1956, Vol. III, p. 159. The French draft resolution “invited” the Moscow government to “withdraw its forces from Hungary” and to “recognize and respect the neutrality of Hungary.” The U.S. Mission in New York to the Secretary of State, 5 November 1956, USNA, RG 59, 764.00/11-556.

vious reasons” for his attitude, but in retrospect it is not clear what those “obvious reasons” were.<sup>170</sup> He may have feared putting the Soviet Union on the defensive. U.S. relations with London and Paris were strained at the time, and Washington had joined Moscow in condemning the Suez invasion. Alternatively, it may be that Dulles was simply worried that a demand for Hungarian neutrality would reopen the question of German neutrality, something the United States wished to forestall.<sup>171</sup> Whatever Dulles’s motives may have been, the chance to condemn the Soviet Union was lost. On 4 November, Soviet tanks deposed Imre Nagy’s revolutionary government and installed a new regime under János Kádár. Armed resistance continued for several days, but the revolution was defeated.

### Passivity of Rollback

The ineffective U.S. response to the Hungarian crisis of 1956 is difficult to explain. Poor intelligence was part of the problem. The Eisenhower administration was caught off guard not only by the Hungarian uprising, but also by the Polish and Suez crises. At a meeting of senior State Department officials on 2 November, Robert Murphy complained that in all three crises U.S. intelligence agencies had failed to anticipate events.<sup>172</sup> In a particularly glaring example of what this shortcoming meant, the NSC’s report of 27 June 1956—just four months before the revolution began—had ruled out the possibility of open popular revolt in Hungary.<sup>173</sup>

Deficient intelligence-gathering was not the only problem, however. The Suez crisis played an extremely important role in hampering the U.S. response to the Hungarian crisis. The problem was not that Suez distracted U.S. attention from Hungary, but that it made the condemnation of Soviet actions

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170. Dulles to U.S. Mission at the U.N., New York, 2 November 1956, USNA, RG 59, 764.00/11-256.

171. In a conversation with Manlio Brosio, the Italian ambassador in Washington, Burke C. Elbrick, Acting Assistant Secretary of State, explained that “neutralization was a delicate subject because it inevitably led to a consideration of East Germany and possible neutralization of Germany as a whole. . . . However. . . the U.S. has no intention of creating a cordon sanitaire around the Soviet Union nor do we expect the satellites, if their status changed, to take sides against the Soviet Union,” 27 December 1956, USNA, RG 59, 764.00/12-2756.

172. The Acting Secretary’s Meeting, 2 November 1956, *FRUS*, 1955–1957, Vol. XXV, p. 364.

173. “NSC Staff Study: United States Policy toward the Soviet Satellites in Eastern Europe,” 27 June 1956, NS Archive, Record No. 62 596. The United States was not alone in its lack of foresight. The French Foreign Ministry’s analysis stated that “For the moment we cannot say whether the Hungarian people would be resolved . . . to show proof of similar courage as the workers of Poznan.” Archives Diplomatiques de Quai d’Orsay, Série Europe 1944–1960, Hongrie, Vol. 88.

very difficult. As Richard Nixon later explained: “We couldn’t on one hand, complain about the Soviets intervening in Hungary and, on the other hand, approve of the British and the French picking that particular time to intervene against [Gamel Abdel] Nasser.”<sup>174</sup>

Another factor that influenced U.S. policy toward Hungary was the Eisenhower administration’s distrust of Imre Nagy’s government. Unlike the Polish leader Władysław Gomułka, Nagy was regarded with open hostility in Washington. This view did not change until after the second Soviet intervention. The administration’s aversion to Nagy dated back to mid-1953, when Nagy had first come to power. U.S. officials believed that Nagy’s New Course, introduced in 1953, was no more than a tactical measure that failed to improve the economy or appease the people.<sup>175</sup> (Interestingly, Moscow shared this negative view of Nagy’s first government.) Moreover, unlike Gomułka, Nagy was seen as insufficiently anti-Soviet.<sup>176</sup> During his earlier stint as prime minister from 1953 to 1955, Nagy had made no effort to alter Hungarian foreign policy, and had not sought to improve Hungary’s relations with the United States. U.S. officials had expressed few regrets when Nagy was removed in April 1955. When he returned to power after the revolution began in October 1956, the Eisenhower administration maintained its distance. On 29 October, Dulles still believed that Nagy’s government was “not one we want much to do with.”<sup>177</sup> Edward Wailes, who became the new U.S. minister in Budapest on 2 November, was instructed not to present his credentials to the Nagy government.<sup>178</sup>

The administration’s divergent views of Gomułka and Nagy reflected a broader pattern in U.S. foreign policy that impeded U.S. actions during the Hungarian revolution. In almost every respect, Poland had priority over Hungary in U.S. calculations. This was underscored shortly after the 1956 crises,

174. “Interview with Richard Nixon concerning J.F. Dulles,” NS Archive, SFC Record No. 65 106.

175. Report on the Satellites, 7 June 1956, NA, RG 59, PPS, Lot File 66 D 487, Box 78; see also a report by W. Park Armstrong to Dulles: The new course “failed to resolve the problems of industry and agriculture . . . living conditions did not improve in 1954.” “Memorandum on NIE 12.5-55, Current Situation and Probable Developments in Hungary,” 4 July 1955, USNA, RG 59, 764.00/4-755. The U.S. Legation in Budapest sent a damning critique of the Nagy regime, stating that “Hungarians retained the same degree of antipathy towards the regime as before June 1953 and they were at least as willing, and perhaps more so, to express this feeling openly and to engage in passive resistance towards the state.” The American Legation in Budapest to the State Department, “Briefing Memorandum on the Current Situation in Hungary Prepared in Anticipation of Mr. William A. Crawford, Deputy Director, Office of Eastern European Affairs,” 7 January 1955, USNA, RG 59, 764.00/1-755.

176. “Memorandum for the Chairman of the JCS,” 25 October 1956, USNA, RG 218, RJCS 1953–1957, 091 (Poland), Box 15. The memorandum stated “Gomułka may very well be anti-Russian. Unlike Nagy, he has not spent considerable time in the USSR.”

177. Telephone Conversation of Mr. Shanley and J.F. Dulles,” 29 October 1956. Cited in Bennett Kovrig, *Of Walls and Bridges*, p. 92.

178. Hoover to the Legation in Budapest, 31 October 1956, USNA, RG 59, 764.00/10-3156.

when the administration endorsed NSC-5616/2, which called for a feasibility study of military intervention in Poland, but not in Hungary. On 23 November 1956 the assistant secretary of defense instructed the JCS to prepare an estimate of the feasibility of UN military intervention in Poland and the risk of global conflict.<sup>179</sup> The JCS responded with three points:

- UN military intervention in Poland was feasible;
- the UN (led by the United States) should initially rely on air strikes carried out by forces in Western Europe, and should be prepared to cripple Soviet air defenses by attacking Soviet communication lines and sources of Soviet air potential; and
- if the United States resorted to these measures, it would incur the risk of general war.

Under NSC-5616/2, any attempt by the Soviet Army to restore control in Poland would require the administration to inform Moscow that the UN would immediately take steps to reverse the situation.<sup>180</sup> The JCS in its assessment had counted on the participation of Polish forces. The chief of staff of the U.S. Air Force estimated that the combined forces of the Polish army, NATO, the U.S. Air Force, and the UN would be able to defeat the forces of the Soviet bloc if the objective were limited.<sup>181</sup> To bolster this contingency planning, the JCS drafted a statement warning Moscow that the United States was willing to use force against the Soviet Union if needed to restore Polish independence.<sup>182</sup>

No comparable preparations were ever made for Hungary. During the revolution, military intervention was ruled out from the very start, although one CIA official, Robert Cutler, did come up with the idea of a nuclear strike on Soviet logistical lines near the Hungarian border. An intelligence estimate from 1955 stated that Moscow would go to any lengths to keep Hungary in the Eastern bloc, and that U.S. intervention would therefore escalate into a wider war.<sup>183</sup> On 30 October 1956 the PPS concluded that “effective action

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179. “Memorandum by Arthur Radford to the Secretary of Defense on the Polish Policy of the United States,” 3 December 1956, NS Archive, SFC, Record No. 71 515.

180. *Ibid.*

181. “Memorandum by the Chief of Staff of the U.S. Air Force to the JCS on the Polish Policy of the U.S.,” 30 November 1956, NS Archive, SFC Record No. 71 527.

182. JCS Draft Statement, 6 May 1957, USNA, RG 218, RJCS 1957, 062 (5-26-45), Box 3. “The USSR should be informed that the U.S. is determined to apply force against the USSR itself if necessary in fulfillment of U.S. objectives and that these objectives are limited to the restoration of Polish independence. However, even though the U.S. made this position clear to the Soviet leaders, it is highly unlikely they would back down.”

183. Quoted in Hixson, *Parting the Curtain*, p. 80.

would probably involve hostilities with the Soviets.”<sup>184</sup> Similarly, the State Department’s response to the Spanish request for armed intervention explained that intervention was infeasible because it would risk war with the Soviet Union.<sup>185</sup> In terms of simple logistics, military supplies could not be sent to the Hungarians without crossing the territories or airspace of Austria, Yugoslavia, or Czechoslovakia.<sup>186</sup> Robert Murphy later recalled that Dulles, “like everybody else in the State Department was terribly distressed, but no one had whatever imagination it took to discover any other solution.”<sup>187</sup>

Lacking a viable alternative strategy, the administration hoped that by reassuring the Soviet Union about Western intentions, the United States could persuade Moscow to grant Hungary its independence. The U.S. strategy was clear to the British: “It is evident that the U.S. administration is anxious to dispel any Soviet fears that the U.S. intends to exploit the present situation in the Satellite area to the point of creating a strategic threat to the USSR. Foster Dulles made this quite clear in his speech in Dallas.”<sup>188</sup> Whether the strategy was at all practical was a different matter.

The final question then remains: Did the United States unfairly encourage Hungarians to revolt? As far as covert operations were concerned, CIA director Allen Dulles declined to recommend any steps for approval by the NSC. On the other hand, Cord Meyer, the chief of the CIA’s psychological warfare division, ordered RFE to support the Hungarian rebels, although he later denied having tried to incite revolution.<sup>189</sup> Meyer’s action was questionable if judged by the guidelines of the NSC’s July 1956 report, which stipulated that the United States must avoid inciting actions that could lead to reprisals and other consequences detrimental to U.S. foreign policy goals. Although spontaneous manifestations of anti-Communism and dissatisfaction could not be prevented by public statements alone (even if individual

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184. PPS Staff Meeting, 30 October 1956, NS Archive, SFC, Record No. 66 148.

185. Hoover to the American Embassy in Madrid, 8 November 1956, USNA, RG 59764.00/11-856.

186. “Memorandum of Conversation: Carlton, Senator Flander’s assistant; Beam, EU. Reports of Proposed Spanish Intervention in Hungary.” 12 April 1957, USNA, RG 59, 764.00/4-1257.

187. “Interview with R. Murphy Regarding J.F. Dulles,” NS Archive, SFC, Record No. 65 105. In his memoirs, Henry Kissinger similarly criticizes U.S. officials for lacking imagination in their approach to the Hungarian crisis. He argues that experts such as Charles Bohlen and George Kennan could have given the administration better advice. This criticism is somewhat off the mark. Bohlen was involved in policy making during the crisis, and Kennan’s views on containment suggest that he would hardly have argued for active intervention. See Henry Kissinger, *Diplomacy* (New York: Simon & Schuster, 1994), p. 562.

188. The British Embassy in Washington to the Foreign Office, 1 November 1956, in *Hungarian Revolution*, pp. 152–153.

189. Grose, *Gentleman Spy*, p. 437.

lives were endangered), the RFE broadcasts had the opposite effect.<sup>190</sup> After the crisis ended, the CIA acknowledged that “the RFE occasionally went beyond the authorized factual broadcasting . . . to provide tactical advice to patriots as to the course the rebellion should take and the individuals best qualified to lead it.” Although the CIA went on to claim that the RFE broadcasts before the Revolution “could not be construed as inciting armed revolt,” that conclusion is problematic.<sup>191</sup>

The newly available transcripts of RFE Hungarian-language broadcasts from 1956 reveal how incautious, even reckless, some of the programming was. In one instance, a broadcaster assured listeners that “the Soviet forces deployed against Hungary are not invincible. The troops available [to the Soviets] have been used up. . . . The Hungarian forces are superior to these. . . . Every weapon that is not being used now will turn against its holder. Every weapon that procrastinates will be victim to the Nagy government’s deceptive tactics.” Such broadcasts were allegedly conceived by William Griffith, a senior official at RFE/RL. They were relayed under the pen name of Colonel Bell, used by the famous RFE commentator, Julián Borsányi. Borsányi himself refused to relay the messages, but they still went out under his pseudonym.<sup>192</sup> Defectors later remembered these and other such programs very well and considered them to be effective in encouraging revolt.<sup>193</sup> One rebel claimed later that “the demands of the Hungarian insurgents grew because RFE broadcasts encouraged the belief that decisive aid would come from the West,” although he admitted that “RFE made no specific promises to this effect.” The former rebel insisted that “the mere reiteration of the need to continue the fight convinced the Hungarian populace that they would not be fighting for long. . . . RFE would have better served Hungary’s cause by frankly informing the Hungarian people that the only aid which the West was able to supply was food and medicine.”<sup>194</sup>

RFE broadcasts were thus at odds with the administration’s desire to avoid active intervention and to seek Hungary’s independence through ne-

190. See Ronald W. Preussen, “John Foster Dulles és Kelet-Európa,” and Raymond Garthoff, “A magyar forradalom és Washington,” in András Hegedűs, György Litván, and János Rainer, eds., *Évkönyv 1996–1997* (Budapest: 1956-os Intézet, 1997), pp. 228–237 and 314–327, respectively.

191. Quoted by Hixson, *Parting the Iron Curtain*, p. 85.

192. George R. Urban, *Radio Free Europe and the Pursuit of Democracy: My War within the Cold War* (New Haven: Yale University Press, 1997), pp. 218, 219.

193. “Report on Hungarian Refugee Opinion,” RFE Audience Analysis Section, Munich; and Amcongen Frankfurt Germany to the State Department, “Comments by Hungarian Defector,” 4 February 1957, USNA, RG 59, 764.00/2-457.

194. Amcongen Frankfurt to the State Department, “Western Radio Listening in Hungary before and after the Uprising. Comments by a Hungarian National,” 3 January 1957, USNA, RG 59, 764.00/1-357.

gotiation. One rebel later stated that the West should have broadcast its intention not to send military aid.<sup>195</sup> No effort was made to convey Dulles's view that the Hungarian revolutionaries did not stand a chance. Just the opposite was broadcast, even after Soviet troops entered Budapest for the second time on 4 November. It is difficult to understand this policy, but it is conceivable that the RFE broadcasts were tolerated because they were part of an alternative foreign policy, one that actively encouraged armed revolt, and one that could plausibly be denied later.

In the end, torn between the desire to act and the fear of the consequences of direct intervention, the United States pursued a policy that sent mixed signals, both to the Soviet Union and to the Hungarian people. On the one hand, Eisenhower and Dulles pursued negotiations with Moscow, seeking to alleviate Soviet fears that the United States was encouraging or supporting anti-Soviet protests. On the other hand, the administration pursued an aggressive propaganda campaign designed to give hope to the Hungarian rebels. At least inadvertently, this campaign encouraged them to fight the Soviet invasion with everything they had. These contradictory policies sabotaged the overall approach. The harder the insurgents fought, the less chance there was for a negotiated settlement. But the unwillingness of the United States to counter Soviet military action meant that the Hungarian quest for liberation was suicidal.

These contradictions underscore what can only be described as a cynical aspect of U.S. policy toward Hungary. Although chances for the success of the Hungarian revolt were low, the Eisenhower administration may well have perceived the rebellion as a low-cost effort to destabilize the Soviet Union. If the effort failed, the administration could always disclaim involvement in the rebellion, leaving the rebels to fend for themselves.

Hungarian and American historians have argued that the United States sacrificed Hungary because peaceful relations with the Soviet Union were more important and because the status quo was "preferable to a complete breakdown in the existing power balance."<sup>196</sup> In this view, "Western passivity" was caused by a de facto acceptance of the division of Eastern Europe into "spheres of influence."<sup>197</sup> In reality, the United States was limited only by its fear that intervention in Hungary would mean escalation into war.<sup>198</sup> U.S.

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195. Amconggen Frankfurt to the State Department, "Hungarian Uprising, Comment by Hungarian National," 4 February 1957, USNA, RG 59, 764.00/2-457.

196. Brian McCauley, "Hungary and the Suez, 1956: The Limits of Soviet and American Power." *Journal of Contemporary History*, Vol. 16, No. 4 (October 1981), pp. 794–795.

197. Békés, *The 1956 Hungarian Revolution and World Politics*, pp. 20–21.

198. Békés wrote that "the United States did not have the political tools with which to force the Soviet Union to give up Hungary and any direct military intervention would probably have resulted in the . . . outbreak of World War III." Csaba Békés, "Hidegháború, Enyhülés és az 1956-os

perceptions of the Soviet Union's determination to hold onto Eastern Europe suggested that even measures short of active intervention would have very little chance of success. The historian Bennett Kovrig has asserted that "the prompt recognition of Hungary's independence and neutrality by the United States . . . and a dispatch of an international observation commission could have at least delayed the Soviet decision to intervene and any delay would have increased the chances of consolidating the gains of the revolution."<sup>199</sup> This conclusion is dubious. What is now known about the Soviet decision on 31 October to suppress the revolution undermines the premise of Kovrig's argument. Nor is it at all plausible that mere "observers" would have impeded the Soviet invasion; quite the contrary.

If nothing else, the 1956 Hungarian crisis demonstrated that the fate of Eastern Europe depended far more on the Soviet Union than on the United States. Washington's policies before and after 1956 did contribute to the long process of disintegration in Hungary, which reached its climax in 1989, but fundamental change in the region ultimately required a fundamental change in Soviet foreign policy. Khrushchev may have briefly contemplated such a move on 30 October 1956, but even if he did, he quickly backed away from it. For the next 33 years, Eastern Europe was firmly within the Soviet Union's sphere.

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forrdalom," in *Évkönyv, 1996–1997*, p. 207. Bennett Kovrig put it bluntly: "The United States was not going to risk war for Hungary. It was an unpleasant moment of truth for America and the West, not to speak of the Hungarians." Bennett Kovrig, "The Liberators: The Great Powers and Hungary in 1956," in Ignác Romsics, ed., *Twentieth Century Hungary and the Great Powers* (Boulder, CO: East European Monographs, 1996), p. 263.

199. Kovrig, *Of Walls and Bridges*, p. 102.